



# 2023 SUSTAINABILITY REPORT





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# A MESSAGE FROM OUR CEO

At LP, sustainability and resilience are inherent to our business model and our culture. We feel the vital importance of LP's business and products as we continue to provide sustainable solutions for more resilient homes.

Our own history speaks to the crucial role sustainable building materials play in the long-term resilience of communities. By engineering our products for durability, we enable our customers to build homes that help stand up to changing weather patterns. This is seen across our product portfolio, from LP WeatherLogic® Air & Water Barrier, which helps safeguard homes from water intrusion under torrential rainfall and high humidity, to our newest innovation, LP NovaCore® Thermal Insulated Sheathing, which helps maintain comfortable temperatures indoors despite temperature swings in the summer and winter months.

For us, product sustainability is holistic, starting when we source raw materials and extending all the way through to the end of the product life cycle. In 2023, we completed five environmental product declarations (EPDs) for our Structural Solutions portfolio. Along with LP® SmartSide® Trim & Siding, these EPDs demonstrate the carbon negativity of our products. That means that our products store more carbon than is released during their entire life cycle, making us a meaningful part of the climate solution.

Though responsible, sustainable forestry has been a tenet of our work for decades, our continued leadership has never been more important. I'm a forester and come from a multigenerational family of farmers. Farmers know that crowded plants compete for resources. Thinning plants enables young plants to grow strong and healthy. Likewise, in the forest, where younger trees absorb more carbon than older trees, foresters know that young trees need room to grow and thrive. Through careful planning, responsible harvesting, and reforestation, we help forests grow, thrive,

and absorb more carbon, promoting resilience and helping manage the threat of wildfire.

At LP, we consider resilience important to more than just our products. By building and developing a more diverse, engaged, and highly skilled workforce, we're also building a better, more resilient, and more competitive company. In 2022, we launched Building a Better LP, our foundational inclusion training program, which is unique to the way we work and the way we think about performance. By the end of 2023, we anticipate training will be rolled out to every team member across North America.

Our unwavering commitment to the safety and well-being of our team members remains. By applying innovative thinking to our safety programs and practices, we made 2022 another year of strong safety performance. We achieved 1 million recordable free hours for the 16th time across our operations and won four additional safety awards—milestones that would not have been possible without the focus and dedication of every LP team member.

We also expanded our health care portfolio to make it easier and more cost-effective for team members to get the care they need. This includes free virtual primary and mental health care services for all U.S. team members, as well as a new lower-premium insurance plan option. In a significant milestone, we achieved our goal of opening LP Health and Wellness Centers in more than 75% of our locations that have 100 or more team members two years ahead of schedule.

Last year, the LP Foundation continued to invest in our communities to foster positive long-term impact in the areas where we operate. Because our team members volunteer their time and resources to support local schools and nonprofits, they are aware of the greatest needs in their hometowns. Our community grant program allows team members to meet local needs with LP Foundation funds. But we don't stop there.

Among numerous other causes, last year the LP Foundation donated to the Gary Sinise Foundation's R.I.S.E. (Restoring Independence Supporting Empowerment) program to build mortgage-free, specially adapted homes for wounded veterans across the U.S. We also gave to Nashville, Tennessee's Public Education Needs Community Involvement and Leadership (PENCIL) Foundation to create the LP Science, Technology, Engineering, and Math (STEM) Lending Library for public school students to build skills beyond the classroom and develop into the next generation of business leaders.

Our focus on resilience positions us to deliver value while being good corporate stewards across five critical pillars: Governance, People, Environment, Products, and Community. This cohesive model reflects our ambition to embed sustainability across our entire value chain. As we accelerate these efforts in 2023, we will continue to demonstrate leadership in sustainability, foster a high-performance culture built on inclusion and belonging, and deliver value to our team members, customers, communities, and stockholders. I look forward to keeping you updated on our progress.



A handwritten signature in black ink, appearing to read 'Brad Southern', with a stylized flourish at the end.

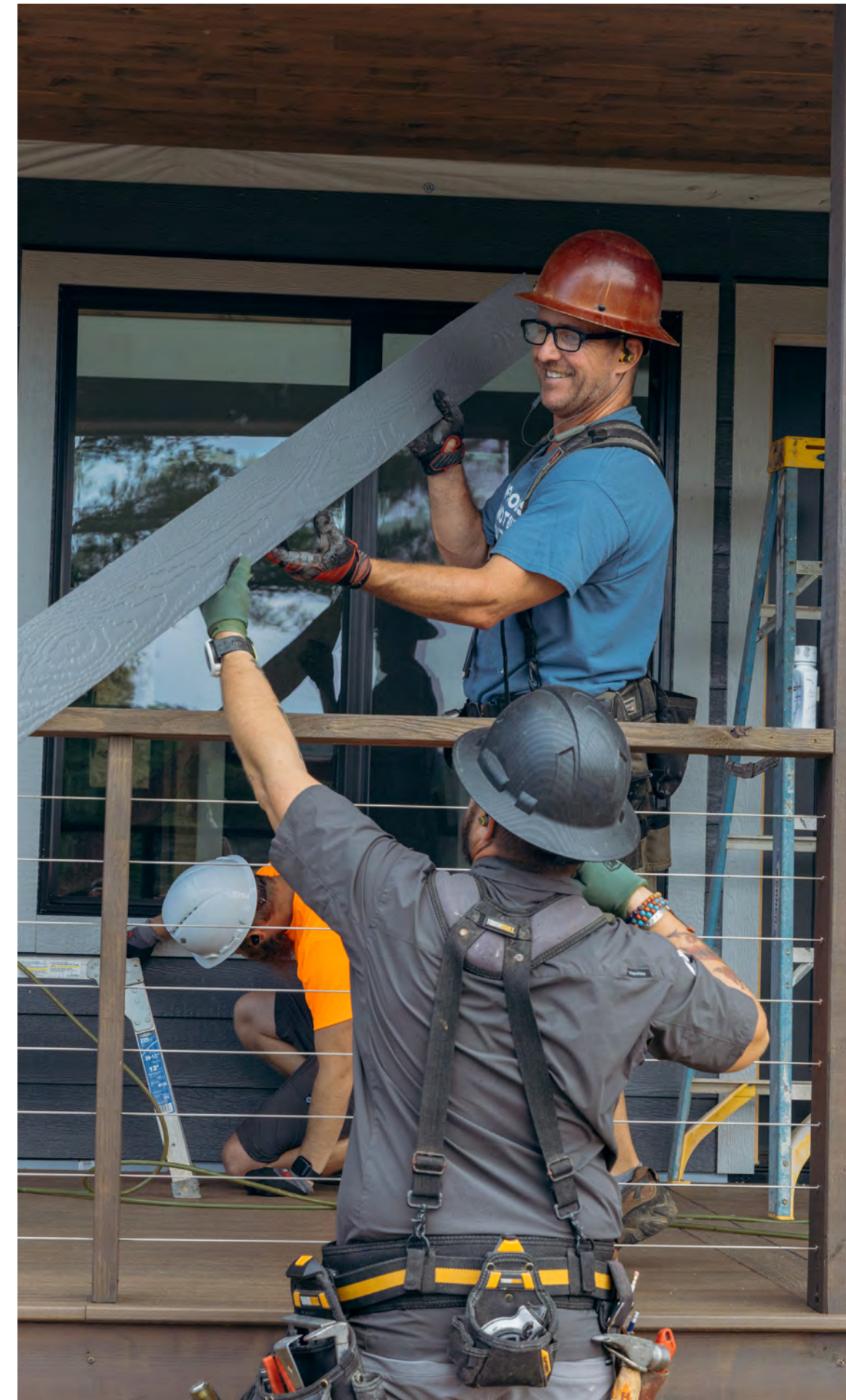
**BRAD SOUTHERN**  
Chair and Chief  
Executive Officer



# ABOUT THIS REPORT

At LP, sustainability is a defining element of who we are and what we do. It's a lens through which we evaluate our products and manufacturing operations and a key component in how we interact with one another, our communities, and other key stakeholders. Our 50-year history shows our dedication to sustainability and demonstrates that we can and will deliver on our commitments while pushing ourselves to do even more for team members, communities, customers, and the environment. Our third annual Sustainability Report covers LP's continuing progress toward our environmental, social, and governance (ESG) goals and highlights our programs, processes, and initiatives across five critical pillars: Governance, People, Environment, Products, and Community.

This report uses the Sustainability Accounting Standards Board (SASB) standards for the Building Products and Furnishings and Forestry Management industries and is guided by the United Nations Sustainable Development Goals. Unless otherwise noted, we include financial and other information through December 31, 2022.





## ABOUT LP

**~4,300  
EMPLOYEES**

**22** MANUFACTURING  
FACILITIES

**7** ADMINISTRATIVE  
OFFICES

**\$3.9B  
NET SALES**

## SUSTAINABILITY PILLARS



**GOVERNANCE**



**PEOPLE**



**ENVIRONMENT**



**PRODUCTS**



**COMMUNITY**



# PURPOSE, VISION, AND MISSION

At LP, our mission, vision, values, and leadership behaviors all support our company purpose: Building a Better World™.

From our sustainable forestry practices to the way we protect the health, safety, and well-being of our team members, we work to ensure that LP contributes to better, more efficient, more resilient building products, and, in turn, a better world for all.



## PURPOSE

We’re not simply a building solutions company. **We have a bigger purpose: using our expertise and innovation to contribute to a better world.** Building a Better World™ is why we engineer products that help create safe and resilient homes for families, help our team members get involved in their communities, and ensure our operations remain good stewards of the environment.



## VISION

Our vision is to be the leading building solutions company. We want to contribute the most innovative solutions to building professionals in the field who bring homes and structures to life every day. That means we won’t settle for being one of the many. **We strive to lead with authority in the building products industry.**



## MISSION

LP’s mission is to **provide an innovative and sustainable portfolio of high-quality products** that help customers build beautiful, durable homes and structures while our shareholders build lasting value.





# SUSTAINABILITY AT LP

Throughout our more than 50-year history, we have integrated sustainability practices across our operations—from the way we manage forests and pursue environmental sustainability in our products to the way we support our team members and engage with our communities.

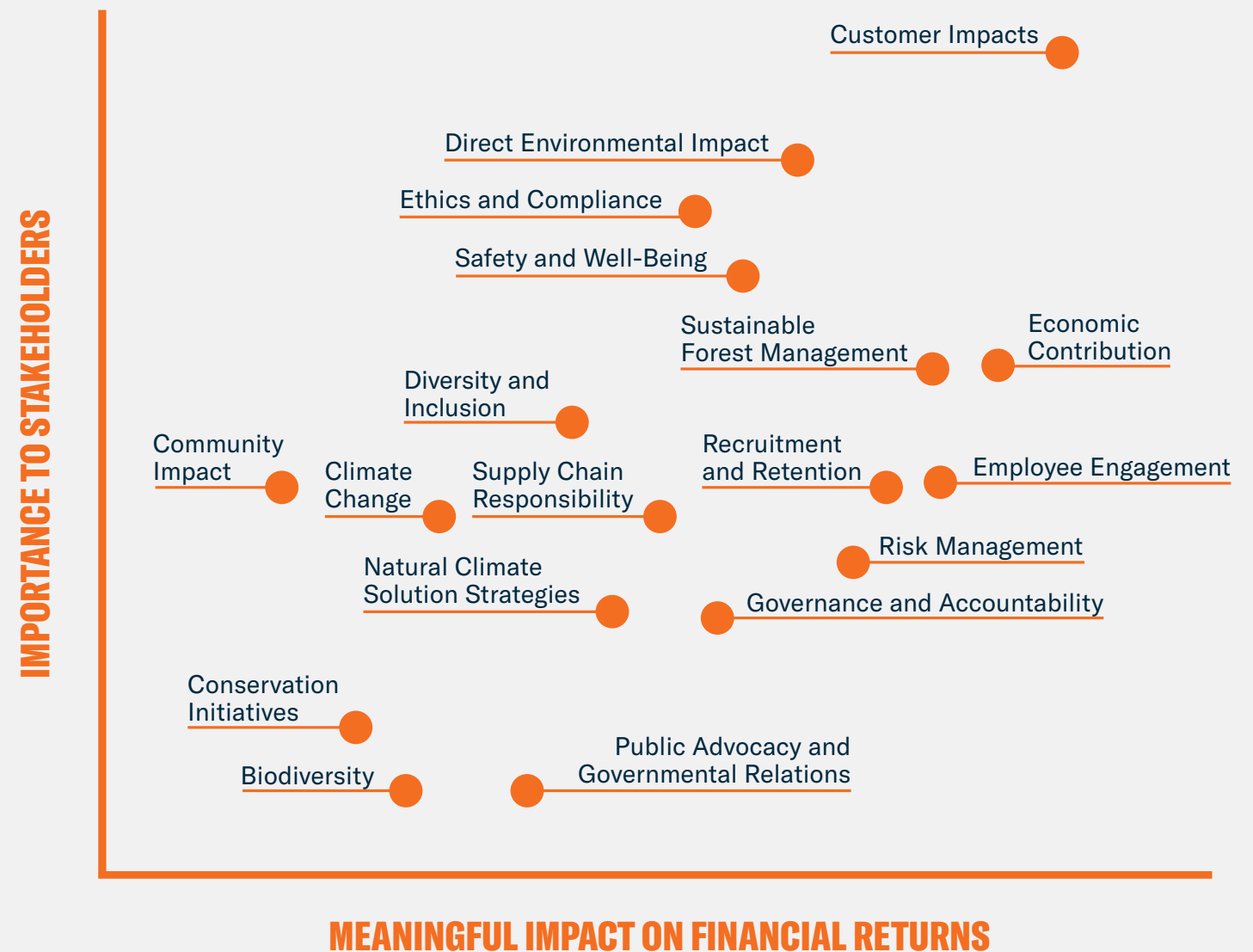
## SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) provides a valuable 17-goal framework for countries and companies to highlight their contributions to global sustainable development. While all 17 SDGs play a critical role in protecting people and the planet, we contribute most significantly to goals 5, 9, 11, 12, 13, and 15.



# ESG PRIORITY ASSESSMENT

In 2021, we conducted an ESG priority assessment to help us categorize and address the opinions of our team members, customers, investors, and other stakeholders into our sustainability strategy. The priority assessment revealed the most critical sustainability topics for LP based on six factors: meaningful impact on financial returns; reputational importance to LP; probability of negative outcome; LP’s ability to control, influence, and mitigate; importance to stockholders; and importance to nonowner stakeholders.





# GOVERNANCE

At LP, we are committed to doing the right thing, always. Our purpose-driven corporate governance practices foster accountability, integrity, and transparency as we create innovative, sustainable products and deliver value for our customers, team members, shareholders, communities, and other key stakeholders.





# ESG OVERSIGHT

Responsibility for ESG begins with the Governance and Corporate Responsibility Committee (GCRC) of LP’s Board of Directors, which oversees both our sustainability strategy and our progress towards ESG-related goals. Meeting at least three times a year, the GCRC also oversees programs and processes related to management succession, safety, environmental and product quality, ethics and business conduct, political activities, and human resources.

Management responsibility for ESG is assigned to LP’s ESG Executive Council (ESG Council), which reports to the GCRC. A cross-functional committee, the ESG Council is comprised of members of our executive team, including our General Counsel, Chief Financial Officer, and Senior Vice President of Manufacturing Services.

The ESG Council oversees the ESG Task Force, the members of which are subject matter experts assigned the responsibility of developing and executing ESG strategies. The ESG Task Force is led by the General Counsel and includes a cross-functional group of leaders from Investor Relations and Business Development, Sustainability and Public Policy, Internal Audit, Corporate Communications, and Marketing. The ESG Council meets quarterly with the ESG Task Force to discuss ESG strategies and progress.

## LP’S ESG OVERSIGHT STRUCTURE





# ETHICAL BUSINESS OPERATIONS

Our reputation for integrity and ethical conduct is one of our most critical assets. LP is committed to demonstrating these values and upholding the highest ethical standards across our operations every day.

## LP'S ESG OVERSIGHT STRUCTURE

Our Code of Business Conduct and Ethics represents the standard to which we hold ourselves in our interactions, governing the way we treat each other to how we run our operations, work with customers, and contribute to our communities. All LP team members and contractors are required to comply with the code in all their business activities. To ensure everyone across the company understands and adheres to these standards, all full- and part-time team members receive mandatory training in the Code of Business Conduct and Ethics when they join the company and on a regular basis thereafter. Additionally, some team members receive detailed, role-dependent training related to anti-bribery and anti-corruption.

We also promote the highest levels of ethical and responsible business in the operations of our suppliers. LP suppliers are required to adhere to the LP Supplier Code of Conduct, which lays out, among other things, our expectations across four areas: labor; safety, environment and quality; ethics; and management systems.

Prior to establishing a business relationship, we thoroughly vet suppliers for potential violations of our Supplier Code of Conduct and maintain ongoing and regular communication with existing suppliers to ensure continued compliance. Suppliers are also expected to establish and maintain processes and procedures to help them adhere to our Supplier Code of Conduct and to provide us with documentation of compliance.

## OUR ETHICS AND COMPLIANCE GOALS

By year-end 2022, administer annual Code of Conduct training, which includes anti-harassment training, for at least 90% of LP team members.

ACHIEVED

By year-end 2022, conduct annual anti-bribery training for at least 90% of LP team members involved in finance, sales, marketing, and procurement.

ACHIEVED

## HUMAN RIGHTS AND LABOR STANDARDS

We are committed to protecting human rights and promoting a diverse, equitable, inclusive, and safe work environment across our operations. We expect our team members and suppliers to demonstrate this commitment, too. Wherever we operate, we strive to provide safe, healthy work environments in compliance with applicable national laws and international treaties concerning human rights, as well as social and labor rights, consistent with the principles of the United Nations Universal Declaration of Human Rights.

Our Human Rights Policy outlines our values related to working conditions and human rights in addition to our philosophy about the way we conduct business. Overseen by the GCRC, approved by our Board of Directors, and in conjunction with our Code of Business Conduct and Ethics and Supplier Code of Conduct, the policy holds LP, our subsidiaries, and our suppliers accountable for respecting and promoting human rights, regardless of geographic location. A review of our Human Rights Policy is included in the Code of Conduct training taken by full- and part-time LP team members.



# ETHICAL BUSINESS

## REPORTING ETHICAL VIOLATIONS

We take seriously all reported violations of our Code of Business Conduct and Ethics and our Supplier Code of Conduct and encourage team members and stakeholders to report concerns of illegal, unethical, or questionable behavior. We provide several pathways for communicating these concerns, including reporting to supervisors, Human Resources, Compliance, Legal, or our confidential reporting service.

When a report is made, we investigate as necessary and escalate credible reports to the executive team, Board of Directors, and/or responsible Board Committee. On an annual basis, the GCRC also receives an update on the number and type of reports.

### LP CONFIDENTIAL HOTLINE

Accessible 24 hours a day, 365 days a year, LP Confidential allows individuals to anonymously report ethical violations or concerns via phone or web at 800-496-4892 or [LPConfidential.lpcorp.com](https://LPConfidential.lpcorp.com).

We communicate the availability of LP Confidential widely to our team members by posting notices in frequently used areas in all LP facilities and providing translation services for individuals who wish to report in languages other than English. We have zero tolerance for retaliation against those who report violations in good faith. Retaliation is a violation of our Code of Business Conduct and Ethics.





# ETHICAL BUSINESS

## PUBLIC POLICY AND ADVOCACY

LP maintains strong and positive relationships with public officials at the state, provincial, and federal levels where we operate. Built on a foundation of trust, these relationships help us understand and manage financial and business risks, facilitate mutual understanding of our operations, and anticipate, respond to, and comply with emerging legislation and regulation. We take action to ensure that when we do engage with public officials, we do so ethically, responsibly, and in accordance with our [Code of Business Conduct and Ethics](#).

We work closely with regulatory agencies, public officials, and industry organizations to ensure our operations meet—and in many cases exceed—all requirements and obligations, from sustainable forestry and manufacturing to delivering products to our customers.

## DIRECT LOBBYING SPEND<sup>1</sup>

	FEDERAL	STATE
2022	\$69,500	\$112,000
2021	\$67,000	\$104,000
2020	\$67,500	\$105,000

<sup>1</sup>These numbers are approximate and representative of North America only.

## INDUSTRY ORGANIZATIONS

We also interact with key industry organizations, chambers of commerce, and non-governmental organizations to understand, prioritize, and respond to policy issues, as well as to learn from our peers. These groups include:

- American Wood Council
- APA–The Engineered Wood Association
- British Columbia Council of Forest Industries
- Canadian Aboriginal and Minority Supplier Council
- Canadian Home Builders’ Association’s Net Zero Energy Housing Council
- Forest Products Association of Canada
- Forest Resources Association
- Housing Innovation Alliance
- The National Association of Manufacturers and Manufacturing Leadership Council
- Nashville Area Chamber of Commerce
- National Association of Home Builders
- The National Association of Manufacturers
- The Policy Advisory Board of the Harvard Joint Center for Housing Studies
- National Council for Air and Stream Improvement
- National Minority Supplier Development Council
- National Safety Council
- North American Wholesale Lumber Association
- Truckers Against Trafficking
- Women’s Business Enterprise National Council
- Women In Trucking Association
- WoodWorks





# CYBERSECURITY AND DATA PRIVACY

LP maintains robust cybersecurity programs that help us detect threats and prevent attacks. We currently manage data privacy by encrypting sensitive information and including specific data management requirements in third-party agreements. We do not accept, transmit, or store credit card information and, as a result, we do not share customer information with third parties.

## CYBERSECURITY OVERSIGHT AND TRAINING

Our cybersecurity program is managed by our Chief Information Security Officer (CISO), who reports to the Chief Information Officer (CIO). The CISO and CIO provide the Board of Directors with quarterly cybersecurity reports, as well as an annual “State of Cybersecurity” presentation.

The CISO also works with a Cybersecurity Council comprised of representatives from critical functions across the company, including operations. The Cybersecurity Council meets quarterly and additionally on an as-needed basis to review specific cybersecurity concerns and facilitate cross-functional ownership of cybersecurity issues.

In the last year, we have taken steps to help our team members better understand their roles and responsibilities when it comes to cybersecurity. We require monthly cybersecurity training for all full- and part-time salaried team members. During these monthly trainings, team members complete short, topic-based cybersecurity training modules and subsequent quizzes, on which they must score 80% or higher to verify their understanding of the topics. We also complete monthly phishing tests to train team members to recognize phishing attempts. In the event of a failed phishing test, team members are required to complete additional training.

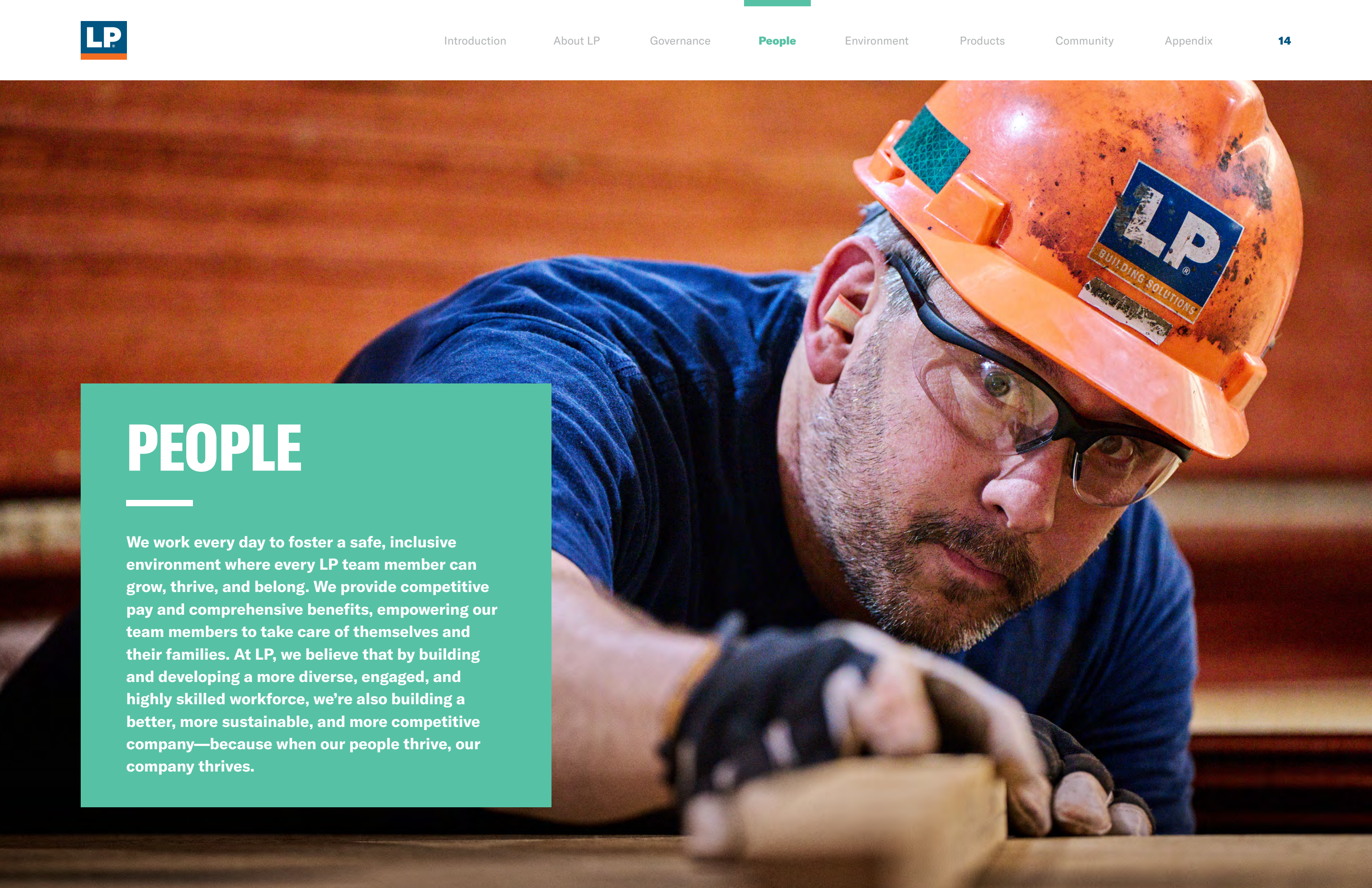
## CONFLICT MINERALS

Conflict minerals are not a significant area of concern for our direct operations. Out of an abundance of caution, we require our relevant suppliers to provide a written declaration that they do not purchase materials from conflict areas. In the future, we plan to collect more detailed information from suppliers related to conflict minerals to validate supplier practices more thoroughly.



# PEOPLE

We work every day to foster a safe, inclusive environment where every LP team member can grow, thrive, and belong. We provide competitive pay and comprehensive benefits, empowering our team members to take care of themselves and their families. At LP, we believe that by building and developing a more diverse, engaged, and highly skilled workforce, we're also building a better, more sustainable, and more competitive company—because when our people thrive, our company thrives.





# CULTURE AND ENGAGEMENT

## LEADERSHIP BEHAVIORS

LP team members know that their company is “all in” for them—invested in their safety and well-being, professional development, and job satisfaction. Our people are “all in” for LP too, committed to supporting the success of the business and the safety of their colleagues. Fostering an ownership culture at LP requires transparent communication to ensure team members know what it means to bring to life our leadership principle—Think and Act Like Owners™—to advance the company’s goals. Our eight leadership behaviors serve as the basis for our ownership mentality:

<b>BE SAFE</b>	<p>Safety is central to everything we do. It starts in your mind and is evident in your actions. Protect yourself and one another. Be careful and purposeful to ensure no one gets injured while working at LP.</p>
<b>INSIST ON EXCELLENCE</b>	<p>Our customers have a choice, so never settle for second best. Aim higher, expect more, and demand better. Take pride in your work, and raise the bar every day.</p>
<b>INNOVATE &amp; SIMPLIFY</b>	<p>Progress is necessary and welcome. Dare to ask “Why?” and challenge the status quo. Think big, seek new ideas, and remove unnecessary complexities. Solve problems for the organization, not only for yourself.</p>
<b>JOIN FORCES</b>	<p>We are stronger as a team than as individuals. Collaborate effectively, encourage different perspectives, and trust in one another because together we will achieve more. Success requires all of us.</p>
<b>BE CURIOUS</b>	<p>Learn every day and help others grow. Seek honest feedback and offer constructive guidance. When you stop improving, you stop excelling.</p>
<b>EMBRACE DIFFERENCES</b>	<p>Champion diversity. Take time to listen and understand. Welcome everyone with fairness, mutual respect, and equal treatment. Similarities connect us, but differences strengthen us.</p>
<b>LEAN IN, SPEAK UP</b>	<p>Ask hard questions and engage in respectful debate. Speak candidly, listen closely, and commit wholly when a decision is made. Voice concerns and recognize others for a job well done.</p>
<b>HAVE A BIAS FOR ACTION</b>	<p>Go-getters make things happen. Act with a sense of urgency and use good judgment, instinct, and expertise to take calculated risks. Own your decisions and deliver results.</p>

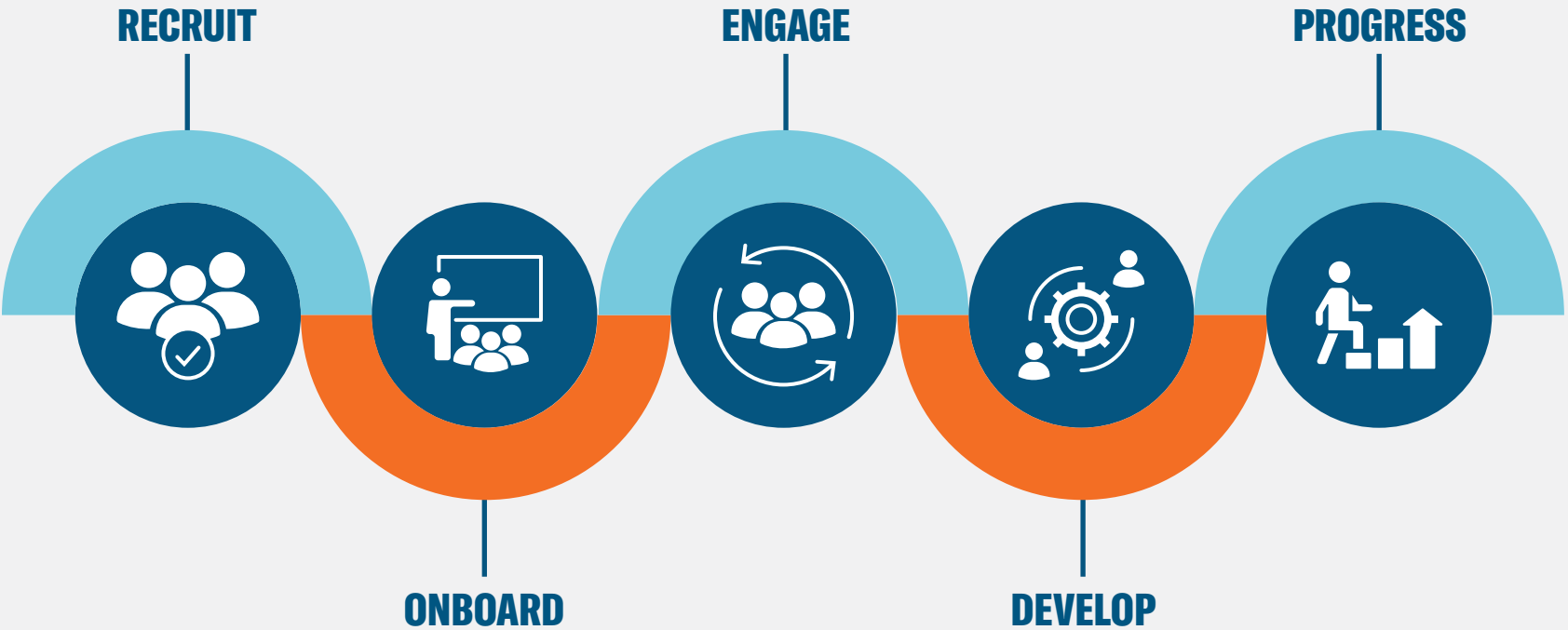
# CULTURE AND ENGAGEMENT

## TEAM MEMBER JOURNEY

We aim to create an environment where we listen to, engage with, and develop our team members. Our Team Member Journey serves as a guide for employees across five areas:



The Team Member Journey served as the basis for significant enhancements in 2021 and 2022, including improving the way we promote work-life balance and shaping new development opportunities, engagement initiatives, benefits enhancements, and feedback mechanisms.





# CULTURE AND ENGAGEMENT

## RECRUIT

Our commitment to people begins with a recruitment and hiring process designed to be efficient, easy, fair, and free from bias. As a part of our talent acquisition efforts, we aim to recruit from a range of diverse candidate pools.

We have long sponsored and participated in college career fairs and on-campus events, including at historically Black colleges and universities, to recruit the next generation of LP leaders. At the high school level—especially high schools in communities near our facilities—we conduct plant tours and engage with local students to teach them more about LP and careers in manufacturing.

## ONBOARD

All team members begin their LP career journeys with one foundational experience: onboarding. When individuals join our corporate or remote team, they participate in LP Blueprint, a comprehensive 90-day onboarding program that consists of standardized orientation sessions and required e-learning on our Code of Business Conduct and Ethics, safety, and cybersecurity.

For manufacturing team members, initial onboarding training consists of an in-person presentation paired with hands-on training about safety and product quality, as well as other e-learning. Team members spend additional targeted training with their supervisors to learn the details of their specific roles.

## ENGAGE

We highly value and prioritize team member feedback and conduct regular engagement surveys to better understand and respond to the needs of our teams, alternating between comprehensive engagement surveys and shorter surveys to check in on our progress.

Conducted in 2022, our most recent comprehensive engagement survey showed our strong commitment to safety and our culture of camaraderie and collaboration. The survey highlighted opportunities for improvement to enhance both manager effectiveness and our Total Rewards Program, LP's comprehensive benefits package that is used to attract, retain, and motivate team members. We took swift, responsive action to feedback about our Total Rewards Program, rolling out enhancements to our compensation and benefits package. Additionally, insight into the effectiveness of managers informed our new-manager training for all recently promoted managers and improved leadership training for future business leaders.

**In recognition of our strong culture and our commitment to team members,**

**WE WON THE NASHVILLE  
BUSINESS JOURNAL'S  
2022 BEST IN BUSINESS  
AWARD AND WERE  
NAMED TO THE  
TENNESSEAN'S 2022 LIST  
OF TOP WORKPLACES.**







# CULTURE AND ENGAGEMENT

## DEVELOP

At LP, we encourage and empower team members to learn and grow with us. Our formal Career Roadmap helps guide learning priorities across four groups: new hires, individual contributors, people leaders, and senior leaders. Talent development opportunities available to our team members include LP-led team member training programs, self-guided learning tools, and formal continuing education through accredited colleges and universities.

### LP'S Career Roadmap

Through our Career Roadmap, LP gives team members the opportunity to learn, engage, and elevate their performance at every stage of their career at LP.





# CULTURE AND ENGAGEMENT

## DEVELOP

We maintain programs that provide meaningful learning opportunities to team members at critical points in their careers, including:

- **Foundations of Building Leaders and Building Leaders**

We have two key leadership development programs: Foundation of Building Leaders, a three-month program that provides foundational leadership training for emerging leaders; and Building Leaders, a four-month program that offers advanced leadership training to seasoned managers who have the potential to grow into senior leadership positions.

- **Manager Kickstart**

We recognize that to retain top talent, we must continually invest in the development of high-quality managers. Our new Manager Kickstart program teaches first-time managers how to be leaders by equipping them with the skills and knowledge to make the shift from individual contributor to people leader.

- **LP TradesBuilder**

Our TradesBuilder program provides a pathway for manufacturing team members to become skilled tradespeople. In partnership with Penn Foster, individuals participate in apprenticeship programs to build the skills required to become licensed technicians, electricians, or millwrights over the course of one to four years.

- **BetterUp® Coaching**

In 2022, we began working on a new personalized coaching program for high-potential team members. The program—BetterUp Coaching—launched in 2023 to help team members achieve their personal and professional goals.

- **LinkedIn Learning**

All LP team members have access to LinkedIn Learning, a digital library of more than 9,000 courses covering business, leadership, software, and technical topics. Individuals can pick and choose courses based on their interests and career paths and can earn professional certifications.

- **Dale Carnegie Training**

Team members can learn valuable business and leadership skills through Dale Carnegie's "Carnegie Cloud." The program offers live, collaborative, and virtual training courses grouped into LP-specific certificate pathways. Team members can then take courses from their designated certificate path, while adding additional courses of interest to prepare for the next step in their careers.

- **Global Security Training**

Through videos and interactive training, our Global Security Training platform helps all LP team members recognize and report potential cybersecurity threats.

- **BrainStorm**

BrainStorm helps all team members gain an understanding of the technical programs and systems we use every day. The platform offers customized and on-demand learning to help us work even more efficiently.

- **LP Sales University**

For team members who are a part of our Sales and Marketing organization, we offer LP Sales University—a customized program uniquely tailored to developing our sales team.





# CULTURE AND ENGAGEMENT

## PROGRESS

Our unique career development and performance management programs are designed to help team members increase their knowledge to become subject matter experts and leaders within their current function or to pivot into cross-functional roles across the company.

All salaried LP team members participate in our annual performance management process, structured to provide feedback and progress careers. Companywide goals set at the start of the year cascade throughout the organization and are tailored to the unique responsibilities of every team member. Team members and their supervisors work together to set individual goals and then discuss progress regularly throughout the year. The process culminates in a final performance review in which team members submit documentation of progress toward goals, and their performance is then calibrated with the performance of team members in similar roles to determine merit-based salary increases.

We believe there’s no talent pipeline more robust than that of our internal team members. We conduct formal succession planning to target the development of our team members and build a diverse population of talent for future leadership roles within our corporate, oriented strand board (OSB), and siding business units. We also offer individual development plans for all team members, focused coaching and development for high-potential leaders, and formal succession plans at the executive level.

### CREATING LIFELONG LEARNERS THROUGH THE LP TUITION ASSISTANCE PROGRAM

Putting our team members first means supporting their career development. Our Tuition Assistance Program offers LP team members the opportunity to be reimbursed for a portion of eligible expenses every year when they enroll in a degree-seeking program through an accredited university.

## OUR RECRUITMENT AND RETENTION GOALS

GOAL	PROGRESS
Augment existing benefits and policies to support team members' work-life balance.	<div> <b>COMPLETE</b></div> <div>Introduced a hybrid work schedule for corporate team members in response to feedback, allowing the flexibility to work from home or from LP's corporate office.</div> <div>Extended paid parental leave in 2022 to 12 weeks for maternity and three weeks for paternity.</div>
Increase participation in key professional development and training platforms by 10% annually.	<div> <b>COMPLETE</b></div> <div>Increased training hours by 15% through our talent development and training programs, including BrainStorm, Dale Carnegie's "Carnegie Cloud," and LinkedIn Learning.</div>
Provide an onboarding experience that builds team member loyalty and accelerates role proficiency.	<div><b>PARTIALLY COMPLETE</b></div> <div>Introduced LP Blueprint, our new onboarding program, for corporate and remote employees.</div>

# BENEFITS AND WELL-BEING PROGRAMS

In 2022, we rolled out a number of compensation adjustments and benefits enhancements to build an even more robust total rewards program in support of our team members' health, well-being, and prosperity. Some of these additions, including improved parental leave and expedited access to benefits for new hires, were developed in direct response to team member feedback. Others—like profit-sharing enhancements and a cost-of-living wage adjustment—help bridge gaps and enable team members to provide for themselves and their families.

## COMPENSATION AND WAGES

Providing competitive wages for LP team members is critical to attracting and retaining skilled talent. We also believe it's the right thing to do. We continuously monitor and assess compensation to ensure we offer a fair living wage across our locations.

In 2022, we increased LP's minimum wage for full-time, permanent team members to \$17 USD per hour, or the Canadian equivalent of \$22 CAD per hour. That's more than 130% above the U.S. federal minimum wage. More importantly, our average hourly wage across our operations far exceeds the minimum.

In addition to annual merit-based raises, our 2022 compensation enhancements also resulted in 3% cost-of-living wage increases for nearly all team members. Top earners within the company were excluded from the cost-of-living salary increase in favor of increasing our investment in those team members who are on the ground helping us create quality, durable products and serve our customers every day.

## RETIREMENT SAVINGS

Participation in our retirement savings plans is open to all full- and part-time LP team members for all 401(k) plans in the U.S. and defined contribution pension plans in Canada. LP matches 100% of team member contributions for the first 4% of eligible pay and 50% of team member contributions on the next 2%.

Through LP's Team Member Profit-Sharing Plan, if certain business success metrics are met, the company also offers a pre-tax profit-sharing contribution to team members' retirement savings plans. Eligible team members who are employed by LP as of December 31 of the plan year receive a profit-sharing contribution as a percentage of their annual salaries. For 2022, our target was to achieve a U.S. generally accepted accounting principles (GAAP) Adjusted Diluted Earnings

Per Share (EPS) of at least \$0.50—a target we far surpassed. In response, we recognized team members' hard work and contributions by contributing 5% of eligible team members' salaries to their retirement savings plans.

## EMPLOYEE STOCK PURCHASE PROGRAM

All full-time team members can participate in our Employee Stock Purchase Program (ESPP), where they contribute a percentage of pay up to the IRS maximum to purchase LP stock at a 15% discount. At the end of 2022, more than 700 team members were enrolled in the program.





# BENEFITS AND WELL-BEING PROGRAMS

## MEDICAL, VISION, AND DENTAL INSURANCE

To help make health care more accessible and affordable, LP subsidizes the cost of the medical, vision, and dental insurance programs we offer to full- and part-time team members regularly scheduled to work at least 20 hours per week. To remove additional barriers to accessing quality care, in 2022 we introduced a new lower-premium medical plan option for individuals.

In response to LP team member feedback, we worked to make medical, vision, and dental care coverage accessible to our newest team members without a significant waiting period. Under our new policy introduced in 2022, team members become eligible for all health care benefits on the first day of the month after their hire date, shortening the potential wait time from up to 60 days to as little as zero days.

Once our team members enroll in LP’s medical, vision, and dental insurance plans, we incentivize them to take advantage of their annual preventive health care benefits. Team members and their spouses who receive preventive care qualify for a company contribution of \$500 each into their Health Savings Account or \$200 each into their Flexible Spending Account.

In 2022, we expanded our health care offering to provide

**FREE AND UNLIMITED VIRTUAL PRIMARY AND MENTAL HEALTH CARE SERVICES FOR ALL U.S. TEAM MEMBERS,**

**including those who do not participate in an LP-provided health care plan. Virtual visits are also offered to family members of team members enrolled in our insurance plan.**





# BENEFITS AND WELL-BEING PROGRAMS

## LP HEALTH AND WELLNESS CENTERS

### Promoting Wellness With Free, Fast, On-Site Care

LP Health and Wellness Centers provide on-site or nearby primary care and wellness services, addressing common needs like annual health assessments, condition management, medication management, preventive care, and short-term illnesses.

We set out with the ambitious goal to open LP Health and Wellness Centers at 75% of U.S. locations that have more than 100 team members by 2024. Driven by our commitment to making health and wellness accessible to all LP team members, we accelerated the rollout and exceeded our goal in 2022.

Services provided through LP Health and Wellness Centers are designed to be:

#### Low Cost

Team members and dependents enrolled in our health insurance plans pay \$0 for preventive visits and \$0 for acute visits.

#### Convenient

Clinics are available on-site or very close to LP locations, meaning access to care is close and readily available.

#### Fast

Clinics are used exclusively by LP team members and their family members, which allows for easy scheduling and little to no wait times.

In 2022, we opened new LP Health and Wellness Centers in six additional U.S. locations to provide **quality, convenient care** team members need, where they need it most.

## DELIVERING THE CARE TEAM MEMBERS NEED WHEN THEY NEED IT MOST

When one of our team members experienced chest congestion and shortness of breath last year, she had no trouble being seen quickly by the health care providers at her facility’s on-site LP Health and Wellness Center. Our doctor there detected hypertensive urgency—an acute, severe elevation in blood pressure—and referred her to an emergency room for specialized treatment. After her initial treatment, the team member later returned to the on-site clinic, where our care providers put her on the path to continued health improvement. With continued care, she is now on the road to recovery.



# BENEFITS AND WELL-BEING PROGRAMS



## PARENTAL LEAVE

We updated our parental leave policy in 2022 and now offer 12 weeks of fully paid maternity leave, three weeks of fully paid paternity leave, and six weeks of fully paid leave for the adoption and placement of a foster child. We also decreased the waiting period for eligibility, making parental leave even more accessible to team members.



## FLEXIBLE SCHEDULES

Our hybrid work environment provides opportunities for our headquarters-based team members to work remotely or in the office, depending on their roles, responsibilities, and schedules.



## EMPLOYEE ASSISTANCE PROGRAM

Free for all team members, our Employee Assistance Program (EAP) provides access to mental health services, including substance abuse treatment, counseling, work-life balancing, legal guidance, and financial assistance.





# CARING FOR ONE ANOTHER

## LP CARES FUND

In 2022, team member donations to the LP Cares Fund coupled with the LP Foundation **donation matches totaled more than \$25,000.**

Our LP Cares Fund was created by team members to support their colleagues in times of need. It is funded by the donations of team members and matched by the LP Foundation, an independent, 501(c)(3) nonprofit entity funded entirely by LP. This grant program extends financial support to help meet unforeseen needs caused by serious illness or injury, death (including spouse or dependents), natural disasters, or certain other catastrophic events.

Since its creation in 2014, the LP Cares Fund has benefited nearly 600 LP team members and members of their households by providing financial support for housing, home repairs, food, clothing, utilities, and medical expenses.

## LP ROOF RAISERS

Team members who think like owners recognize their colleagues for a job well done. We facilitate peer-to-peer recognition through our LP Roof Raisers program. Launched in 2021, the program allows team members to recognize one another with rewards ranging from virtual high-fives to gift awards valued up to \$100. Senior leaders defined as directors and above can recognize team members with gift awards valued up to \$1,000.



LP team members sent one another over 14,500 awards through our LP Roof Raisers recognition program in 2022—a 25% increase in the number of awards over 2021—totaling more than \$530,000.

## LP SCHOLARSHIP PROGRAM

LP offers \$1,500 college scholarships for the eligible children of our team members, helping to alleviate the burden of college expenses for students and their families. Scholarships can be renewed annually to cover the cost of up to four years of full-time undergraduate study at an accredited university, community college, or vocational-technical school.

**SINCE 2001, LP HAS AWARDED OVER \$2.2 MILLION TO MORE THAN 400 STUDENTS.**





# HEALTH AND SAFETY

It is our responsibility to create a safe work environment for all team members and our obligation to uphold safe work practices—every task, every day, and in every location.

Since 2007, LP has achieved a world-class total incident rate (TIR) below 1.0 and had reached 1 million recordable-free hours at various LP sites 16 times by the end of 2022. Our safety leadership has earned us more than 85 awards since 2010.

Our goal is to achieve zero safety incidents across the company. Through proactive measures to prevent incidents, we have a targeted TIR of less than 1.0, which represents industry-leading performance.<sup>2</sup>

# 85

Since 2010, LP has won more than 85 safety awards and achieved 1 million recordable-free hours at various LP sites 16 times, including our Tomahawk, Wisconsin mill in 2022. Three of our sites are OSHA VPP Star Certified.

## SAFETY MANAGEMENT PROGRAMS

Our companywide Safety Management System (SMS) applies to all team members and contractors and outlines our expectations for how to stay safe on the job. Our comprehensive SMS details:

- Operating guidelines and safe operating procedures
- How to measure, monitor, and report health and safety performance
- Guidelines for health and safety training
- Emergency response procedures

LP's Serious Injury and Fatality (SIF) Prevention program is a function of our SMS, designed to better target safety performance improvements. While TIR provides a useful snapshot of safety performance, its limitations can be seen in the gaps left in comprehensive risk assessment. We introduced our SIF Prevention program in 2020 to close those gaps. With this approach, we use predictive tools to identify the potential for serious injuries or fatalities, enabling us to target safety training and performance improvements before those events occur.

Our team members understand their roles and responsibilities when it comes to safety. All team members, no matter their roles, are supported and empowered to speak up when they see something unsafe.

## EMPLOYEE HEALTH AND SAFETY TRAINING

When they join the company, every LP team member and contractor receives foundational safety training called Employee Health and Safety training. This training is geared to the specific roles and responsibilities of the team member.

Each location's leaders administer their own custom yearly safety training program tailored to the unique risks and trends of that facility, typically consisting of both classroom and online training.

Special emphasis training in our facilities is also implemented on higher-risk topics based on time of year, current needs, or higher-risk activities. Managers and supervisors at LP locations are empowered to use their creativity to help team members engage with safety. For example, team members at our Roxboro, North Carolina OSB mill got competitive with a game of safety jeopardy in 2022.

<sup>2</sup>Source: [U.S. Bureau of Labor Statistics](#)



# SAFETY METRICS AND PERFORMANCE

	2022	2021	2020
Total Incident Rate (TIR)	0.84	0.88	0.62
Weighted Incident Rate (WIR)	3.95	4.85	4.00
Total Fatalities	0	0	1
Days Away Restricted or Transferred (DART) Rate	0.44	0.51	0.39
Lost Workday Rate	0.27	0.39	0.30

## CONTRACTOR SAFETY

Our commitment to Do the Right Thing Always™ requires us to look out for the safety of every LP team member and contractor across our operations. Through our third-party contractor management program, we thoroughly vet all contractors before their work begins. If, during the vetting process, a contractor has safety metrics that are above or below a certain threshold, they are flagged and rigorously reviewed to determine whether work will proceed. All contractors complete mandatory training before working with LP and are reviewed on an ongoing basis to ensure they maintain our high standards of safety.

## EMERGENCY RESPONSE AND CRISIS MANAGEMENT

At the corporate level, we maintain an emergency response plan that is overseen and updated by our Emergency Response Committee. This practice ensures that we have measures in place to inform our team members of emergencies and enables us to mitigate potential disruptions in the event of an emergency or an issue at one of our locations. At the facility level, each LP location maintains its own emergency action plan that details procedures and expectations in the event of a fire, natural disaster, active shooter, or other emergency.

# ADDRESSING SAFETY ISSUES IN REAL TIME THROUGH SIF PREVENTION

**Our Serious Injury and Fatality (SIF) Prevention Program is designed to highlight and address potential safety risks before they become an issue. In 2022, due to our biweekly SIF Prevention Program calls, individuals across the company noticed a trend: an increased number of near misses related to pedestrians around forklifts. Recognizing the need to do more, we worked with a leading third-party pedestrian monitoring manufacturer to procure and fine-tune pedestrian monitoring systems. These systems can now monitor pedestrian activity in front of and behind forklifts, helping to prevent near misses and accidents and keep our team members safe.**



# DIVERSITY, EQUITY, AND INCLUSION

We aim to be known as a place where diverse voices, thoughts, and opinions are heard, valued, and promoted because we believe diversity of thought drives innovation and fosters success. We know that delivering on our commitment to diversity means we must challenge our ways of working and take meaningful action to attract, promote, and retain diverse team members. Our more than 50-year history has taught us that fostering diversity and a culture of belonging is the right thing to do for our people and our future.

While our diversity, equity, and inclusion (DEI) initiatives are overseen by the Governance and Corporate Responsibility Committee (GCRC) at the board level, every team member has a role to play in creating a diverse, equitable, and inclusive environment and mitigating hatred, bias, and marginalization.

Our [Code of Business Conduct and Ethics](#) has long held us accountable for creating a respectful environment free from abuse, discrimination, or harassment. Our recently published [Human Rights Policy](#) further clarifies our commitments. Still, we recognize that we have more work to do to bridge racial and gender gaps and further embed DEI in our corporate culture.

## DEI MENTORSHIP, TRAINING, AND TEAM MEMBER DEVELOPMENT

Over the last year, we initiated training and mentorship programs to create enhanced DEI awareness, develop diverse talent, and foster inclusivity across LP. Programming included our Women’s Leadership Training Program, a new sponsorship program for Black professionals, and the development and initial launch of our customized all-team-member training program.



## OUR DEI GOALS

Work to ensure our team member populations reflect the communities where we operate in race, ethnicity, and gender.	Increase the representation of women and people of color in leadership positions.	Ensure representation of women and people of color on LP’s Board of Directors.	Strengthen the supply chain by expanding relationships and opportunities to purchase goods and services from diverse suppliers owned and operated by a minority, woman, veteran, member of the LGBTQ+ community, or person with a disability.	Ensure pay equity for comparable work, experience, and performance regardless of gender, race, religion, or age through third-party reviews and internal analysis.
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# DIVERSITY, EQUITY, AND INCLUSION

## DEI TRAINING

Promoting diversity can also boost team members' sense of belonging which, in turn, helps bring unique ideas and innovations to their jobs. To promote our DEI values, we incorporate DEI training materials into our existing training programs, including Foundations of Building Leaders, Building Leaders, and our 90-day onboarding program, LP Blueprint, as well as our on-demand training courses offered through LP's LinkedIn Learning membership.

In 2022, we held our annual Leadership Team Summit, where approximately 100 of the company's most senior leaders came together to establish alignment on strategic objectives, to team build, and to advance their knowledge of leadership best practices. During this meeting, one day of the two-day agenda was entirely devoted to DEI, which included formally rolling out our new Building a Better LP training course and participation in a DEI workshop.

During the workshop, leaders discussed the state of DEI at LP and acquired new tools and insights to help them develop inclusive leadership capabilities and build more diverse and inclusive teams. To promote accountability and incentivize our top leaders to implement what they learned, we have required all leaders to establish a 2023 performance goal that reflects how they will foster an inclusive culture.



## BUILDING A BETTER LP

**We set out to form a DEI training program that is unique to how we work and how we think about performance and that is directly tied to our core purpose: Building a Better World™.**

**Led by trained LP facilitators and conducted in small groups, the customized 90-minute program focuses on the intersection of our culture and our DEI practices. During these conversational and interactive training sessions, team members gain an understanding of the importance of psychological safety for creating a high-performing culture and insights to help them recognize barriers to entry and address unconscious bias.**

**Implementation of our Building a Better LP programming began in 2022 with an inaugural training class of the company's approximately 100 most senior leaders. By year-end 2023, every team member in all our U.S. locations will have completed this crucial training.**

**To allow for quality, meaningful interactions, each training group is limited to eight to 12 participants. In gathering our more than 2,300 hourly mill workers off the floor in groups of eight to 12, we will create nearly 300 training cohorts. By investing vast time and resources in this companywide training and requiring participation as part of our team members' 2023 performance plans, we are prioritizing our DEI strategy across our operations.**



# DIVERSITY, EQUITY, AND INCLUSION

## SUPPORTING FUTURE LEADERS

### Women's Leadership Training Program

As part of our efforts to build a more diverse and inclusive work environment, in 2021, we launched our first Women's Leadership Training program. Over a six-month period, a select cohort of female employees embarked on a training program focused on conscious leadership. The program marked a critical first step in our Women's Leadership Training program, which will continue to evolve in the future.

### Equity in Action

Allyship fosters a strong sense of community and supports a culture of belonging. By pairing Black professionals with leadership sponsors for two-way learning, our inaugural development program for Black team members, Equity in Action, encourages pathways for growth and drives the upward movement of Black professionals at LP. The yearlong program combines training and sponsorship and casts all participants as both mentor and mentee, setting the stage for both meaningful conversations about systemic barriers that can lead to inequities in the workplace and honest explorations of strategies to address and prevent those barriers at LP.

## PAY EQUITY

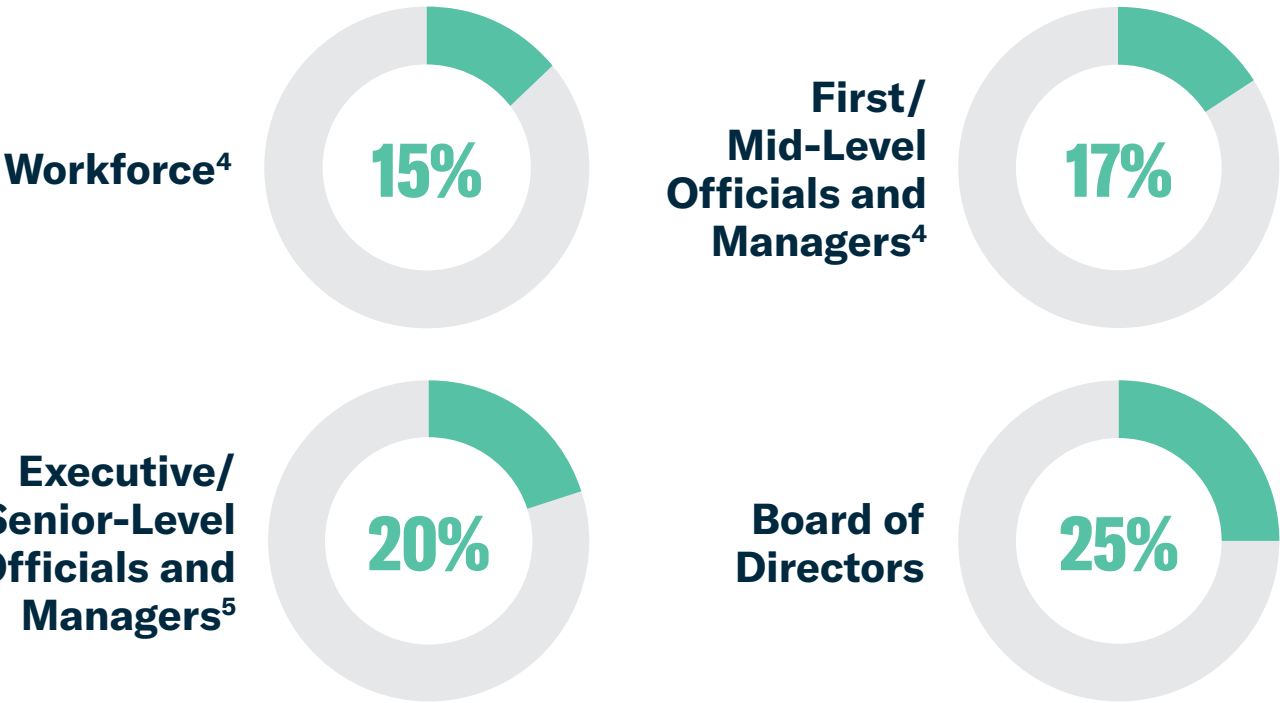
LP believes in equitable pay for comparable work, experience, and performance, regardless of gender, race, religion, or age. In 2022, we conducted a full pay-equity analysis to assess our pay practices. Overall results showed no systematic, statistically significant gaps, and any individual outliers were adjusted accordingly. Moving forward, we will conduct pay-equity assessments at least every two years as we continue to promote a diverse and equitable culture.



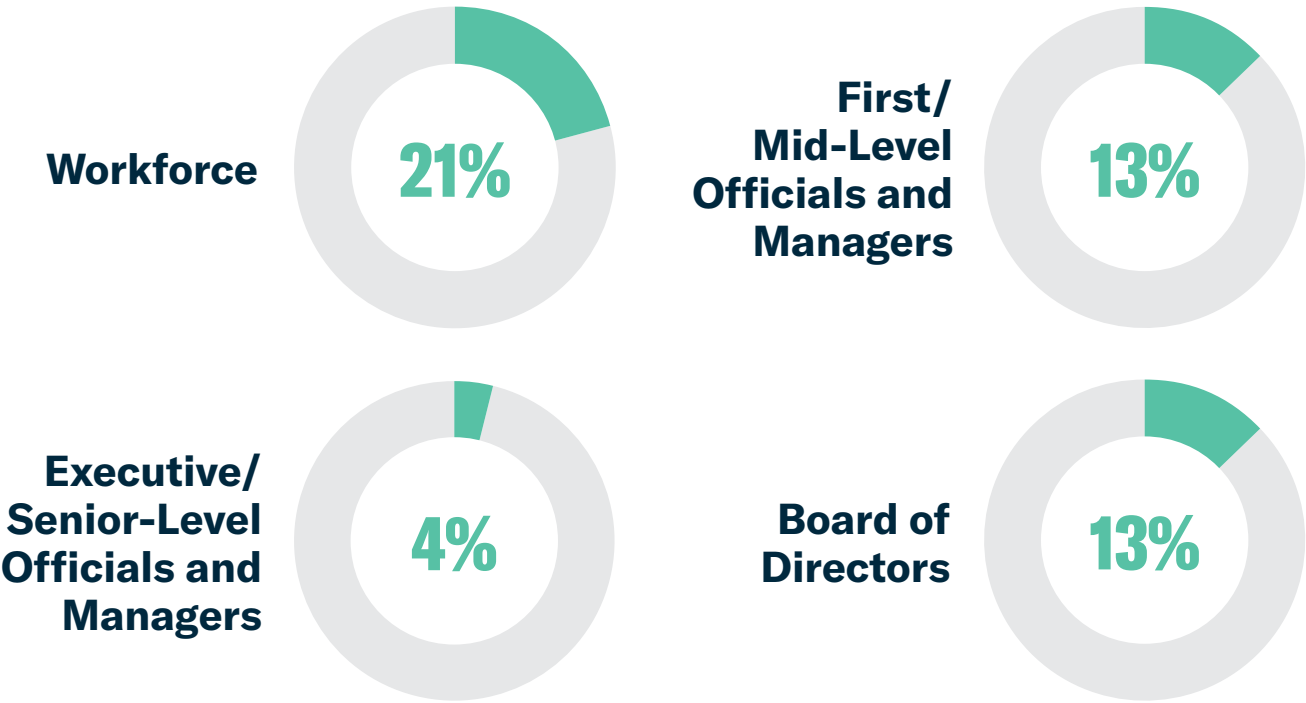


# DEI METRICS AND PERFORMANCE<sup>3</sup>

## FEMALE TEAM MEMBERS



## MINORITY (RACE AND ETHNICITY) TEAM MEMBERS<sup>5</sup>



<sup>3</sup>As of December 31, 2022.  
<sup>4</sup>U.S. and Canada, except Board of Directors.  
<sup>5</sup>U.S. only, except Board of Directors.





# DIVERSITY, EQUITY, AND INCLUSION

## SUPPLIER DIVERSITY

We continually work to foster a culture of diversity, equity, and inclusion both within and beyond LP.

Introduced in 2022, our Supplier Diversity Program allows us to deliver on our commitment by identifying and encouraging the inclusion of qualified diverse suppliers in our competitive bidding opportunities and companywide purchasing processes.

LP defines a diverse supplier as a company that is 51% owned and operated by a racial or ethnic minority, woman, veteran, member of the LGBTQ+ community, or person with a disability. We partner with well-known third-party agencies to identify diverse suppliers, including the National Minority Supplier Development Council, the Women's Business Enterprise National Council, and the Canadian Aboriginal and Minority Supply Council.

We believe that it's simply good business to expand the diversity of the suppliers we rely on at LP. Supplier diversity adds value by increasing competition, which cultivates innovation and empowers diverse suppliers to grow their business with us in the communities we serve.



# ENVIRONMENT

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At LP, environmental stewardship is at the heart of our business. We responsibly manage our environmental footprint from product innovation and sourcing to manufacturing and all the way through product installation and end-use. Our efficiently made, responsibly sourced, and carbon-negative products mean that we are not only stewards of the environment, but also part of the climate solution.



# MANAGING OUR ENVIRONMENTAL FOOTPRINT

Our Policy on Environmental Stewardship informs our operations and is supported by innovative programs and processes that help us minimize emissions, reduce waste and water use, and conserve biodiversity in and around our operations. At LP, environmental stewardship is more than just a policy—it’s a responsibility shared by every LP team member.

Our Environmental Management System (EMS):

- Details standard operating procedures
- Provides guidance on data management and performance documentation
- Defines team members’ roles and responsibilities

As an important tool for managing our environmental footprint, our EMS also outlines expectations for monitoring and recording environmental data, processes for identifying and addressing equipment anomalies, and instructions for completing certain environmental tasks.

To ensure that our team members understand the role they play in monitoring and reducing emissions, water use, and waste, we provide EMS training for manufacturing team members during onboarding and regularly thereafter. Training at each facility is tailored to site-specific processing equipment and needs.

## ENVIRONMENTAL OVERSIGHT

Oversight for our environmental targets, programs, and initiatives begins at the highest level of LP. The Governance and Corporate Responsibility Committee (GCRC) of LP’s Board of Directors is responsible for overseeing our ESG strategy, which includes our overall environmental footprint in addition to the goals, initiatives, metrics, and targets that help us manage potential climate-related risks and opportunities. Four members of the GCRC concurrently serve on the Audit and Finance Committee, providing further assurance that climate change and climate-related risks and opportunities, metrics, analysis, and disclosure are subject to rigorous control processes.

Our ESG Council also plays a critical role in managing LP’s environmental footprint. Cross-functional and diverse, this group of LP executives oversees the ESG Task Force, which provides strategic and technical guidance to the ESG Council and, in turn, to the GCRC and full board. The ESG Council and the ESG Task Force meet quarterly to discuss climate and emissions strategies, related initiatives, and progress toward achieving our ESG goals and targets.

At the functional level, the Senior Vice President, Manufacturing Services shares responsibility with business unit leaders for implementing our EMS and reducing our environmental footprint.

## OUR CLIMATE OVERSIGHT STRUCTURE





# CLIMATE CHANGE

From the products we develop to how we manufacture them, our climate strategy supports our purpose to build a better world now and in the future.

Though our operations are not particularly energy intensive, we maintain a climate strategy that focuses on greenhouse gas (GHG) emissions reductions, risk mitigation, and adaptation measures and discloses our progress in accordance with internationally recognized standards and frameworks.

Our products, the vast majority of which are carbon negative, play a role in the transition to a lower-carbon economy. Predominantly derived from a naturally renewable resource, LP products provide builders with a durable alternative to nonrenewable, energy-intensive concrete products. With environmental product declarations (EPDs) that show our products store more carbon than they emit during sourcing, production, and distribution, we help limit emissions associated with the building process.

**Sustainably manufactured LP® SmartSide® Trim & Siding stores 10 times more carbon** than fiber cement siding products over its lifetime.

## EVALUATING CLIMATE RISKS AND OPPORTUNITIES

In 2022, LP published our first index aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations across four key pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

Our index provides transparency into how regulatory, market-related, technological, reputational, and physical risks may impact our operations and the measures we have in place to identify and assess these risks, including our robust governance structure and enterprise risk management framework. The full TCFD index is available [here](#).

## LP'S CLIMATE STRATEGY

A changing climate impacts our communities and the natural resources on which we all depend. We recognize the role that sustainable building materials play in long-term resilience for our customers, communities, and other key stakeholders. Our 2022 strategic climate priorities included:

### Our Climate Goals

<b>Integrate the evaluation and management of climate risks and opportunities into our business processes.</b>	 <b>ACHIEVED</b>
<b>Evaluate targets and potential decarbonization pathways.</b>	<b>IN PROGRESS</b> We are currently evaluating GHG targets and developing future energy reduction projects to reduce emissions resulting from our manufacturing operations.
<b>Continue to evaluate our GHG inventory.</b>	 <b>ACHIEVED</b> Expanded our GHG inventory to cover Scope 1, 2, and 3 emissions for 2020-2022.





# CLIMATE CHANGE

## BUILDING RESILIENCE

In 2022, we identified potential climate risks and opportunities that may impact our business under different climate scenarios, including limiting global warming to well below 2 degrees Celsius and a net-zero scenario. These risks were evaluated in 10-year time periods across our operations, supply chain, and customer base.

We also began integrating climate considerations into our business processes to manage potential risks and realize new opportunities. As a part of this, we engaged different stakeholders across our business to identify actions needed to address potential risks and opportunities, including identifying the processes, data, and actions required to support our strategic initiatives.

The risks and opportunities identified as a result of this process and subsequent actions we plan to take in response are detailed on the following pages.



# CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risk/Opportunity	Action
<p><b>Risk: Regulatory/Policy</b></p> <p>Changes in existing carbon pricing mechanisms and new carbon pricing mechanisms may lead to increased costs for LP. In a scenario with strong climate policy aligned with limiting global warming to well below 2 degrees Celsius, carbon pricing would be expected to increase in support of climate mitigation efforts. Within LP's operational footprint, carbon pricing mechanisms exist in Canada and Chile.</p>	<p><b>Targets and Decarbonization Pathways</b></p> <ul style="list-style-type: none"><li>• Our participation in industry associations and their committees enables us to monitor and anticipate changes in climate policy and regulation to help manage potential regulatory risk, including risks related to carbon pricing policy initiatives.</li><li>• We are evaluating GHG targets and decarbonization pathways that enable our operations to reduce emissions and increase energy efficiency, in turn mitigating potential future impacts related to carbon pricing.</li></ul>
<p><b>Risk: Market-Fiber Supply</b></p> <p>Under increasingly ambitious climate change mitigation scenarios, LP may experience increasing costs when sourcing wood fiber supply in North and South America. Growing demand for modern solid biomass (e.g., wood pellets and chips) and carbon credits may lead to competition in LP's key wood supply areas. Specifically, as demand increases, suppliers in either of these markets may begin to overlap with LP wood supply areas, thus leading to direct competition and potentially increasing wood costs.</p>	<p><b>Engagement With Fiber Suppliers</b></p> <ul style="list-style-type: none"><li>• We plan to maintain strong relationships with our current suppliers and establish new relationships with additional suppliers and landowners focused on responsible land use. Given our deep experience in sustainable forestry, we aim to become the go-to partner for establishing relationships with suppliers who want to implement sustainable land management programs to generate carbon offsets while pursuing responsible forestry.</li></ul>
<p><b>Risk: Physical Acute/Chronic</b></p> <p>In climate scenarios with high-temperature outcomes, extreme weather events may have the potential to impact LP's operations and value chain. These events may cause business interruptions and increase operational costs due to weather-related damage at LP manufacturing facilities and/or impacts to the infrastructure that supports the transportation of materials to LP's facilities. LP's product suppliers may also face similar effects due to weather events at their own manufacturing facilities, which could impact their ability to supply and/or deliver materials to LP. Chronic risks, such as extended temperature increases in a high-temperature warming scenario, may lead to shorter logging seasons in the winter, potentially constraining access to wood fiber and increasing operational costs for LP.</p>	<p><b>Building Resiliency Within Our Operations and Value Chain</b></p> <ul style="list-style-type: none"><li>• To build resiliency related to the materials used in our operations, we continue to develop climate vulnerability assessments for our forestry operations to better understand and manage the impacts our business may face in the future as a result of climate change. We develop robust inventories of wood fiber to help manage potential risks from shorter winter seasons. Additionally, we continue to build out and update specific continuity plans that incorporate acute physical risks for all our facilities.</li><li>• To manage potential value chain impacts, we are diversifying our supplier base to allow for more flexibility and agility in sourcing materials in periods where severe weather events might limit or prevent the supply of manufacturing materials to be delivered to our facilities.</li><li>• We also seek to regularly engage critical suppliers to better understand their business continuity plans and risk management processes.</li></ul>



# CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risk/Opportunity	Action
<p><b>Opportunity: Biomass</b></p> <p>In an ambitious climate scenario, demand for modern solid biomass (e.g., wood pellets and chips) is expected to increase significantly. LP’s operations may be able to generate an additional revenue stream by selling biomass byproducts to the modern solid biomass market.</p>	<p><b>Biomass Conversion</b></p> <ul style="list-style-type: none"><li>While we currently sell biomass to other industries at some LP locations, we will continue to evaluate the biomass market and our operations to potentially adapt our processes and/or take advantage of new or expanded market opportunities.</li></ul>
<p><b>Opportunity: Market Access and Customer Preference/Repair and Remodel Market</b></p> <p>In a high-temperature climate scenario, increasingly common and severe acute weather events may affect a growing number of residential and commercial properties. This could potentially grow LP’s market as more value-add oriented strand board (OSB) Structural Solutions and LP® SmartSide® Trim &amp; Siding products are utilized to provide improved structural resiliency and better weatherproofing of homes, and/or are utilized during the rebuilding of communities following severe weather events.</p>	<p><b>LCAs and Carbon Footprints</b></p> <ul style="list-style-type: none"><li>We continue to assess and quantify the carbon footprints of our products. In 2023, we released five new EPDs representing the cradle-to-grave energy, fuel, and materials needed to produce and distribute LP WeatherLogic® Air &amp; Water Barrier, LP® TechShield® Radiant Barrier, LP Legacy® Premium Sub-Flooring, LP® TopNotch® Sub-Flooring, and LP® FlameBlock® Fire-Rated Sheathing in North America.</li><li>Our EPDs show that LP® SmartSide® Lap, Panel &amp; Trim and all eligible LP® Structural Solutions products store more carbon than is released through manufacturing and product distribution. The EPD, along with a supplemental assessment conducted for SmartSide products, demonstrates the carbon negativity of our products.</li><li>LP is currently developing life cycle assessments (LCAs) and EPDs for LP® SmartSide® ExpertFinish® Trim &amp; Siding and LP BuilderSeries® Lap Siding in North America.</li><li>Introduced in 2022, LP NovaCore® Thermal Insulated Sheathing is not yet eligible for an LCA or EPD. Once eligible, we will commence the LCA and EPD process.</li></ul>



# OUR CLIMATE RISK INTEGRATION ROADMAP

  
Commenced

  
Ongoing

  
Complete

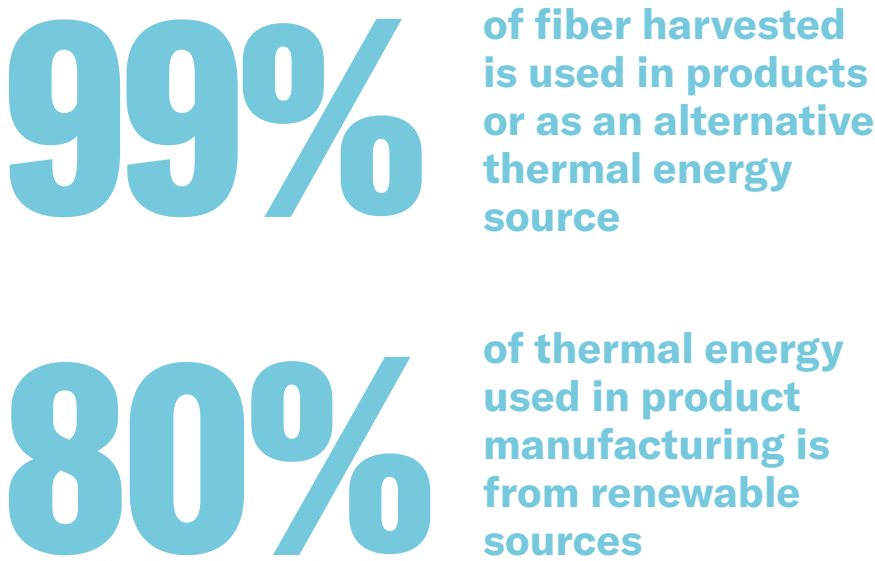
	2021	2022	2023
Strengthen board and management oversight of climate-related risks and opportunities.			
Continue to hold informational sessions with board to build on climate strategy and best practices.			
Define climate-related risks and opportunities across different scenarios.			
Identify the impact of climate-related risks and opportunities on the business.			
Develop strategies and processes to build resiliency and manage climate-related risks and opportunities.			
Develop specific indicators to support investment in climate strategy actions.			
Integrate climate-related risk into enterprise risk management framework and process.			
Disclose Scope 1 and 2 GHG emissions.			
Disclose Scope 3 GHG emissions.			
Develop a GHG target and decarbonization plan.			
Develop metrics and targets to manage climate-related risks and opportunities.			



# SUSTAINABLE MANUFACTURING

We continually evaluate our operations for opportunities to reduce emissions and maximize efficiency, identifying even small changes that can have a big impact. Manufacturing provides our greatest opportunity to meaningfully reduce our emissions. Historically, we have focused on efficiency, replacing old equipment to realize reductions in energy use, which is currently our most significant mechanism for reducing GHG emissions.

To reduce the impact of raw materials, 99% of the fiber we harvest annually is used either in products or as an alternative thermal energy source to offset fossil fuel consumption. In 2022, 80% of the thermal energy we used was renewable—specifically, the wood biomass residuals generated during manufacturing.



By implementing innovative, site-specific environmental management programs at all LP manufacturing facilities, we aim to reduce waste and promote clean air and water quality while producing high-quality, durable building products.

**LP minimizes waste by putting every part of a log to use**, including the parts we don't use to create our products. Tree bark, for example, is either burned for energy or sold for mulch or other purposes.

To further promote sustainability and limit non-GHG air emissions<sup>6</sup> in our manufacturing processes, we source technology that helps save energy and reduce waste. One example of this technology in action is our emissions control systems. In place across all our operations, our emissions control systems capture 99.9% of particulate matter before it leaves our emission stacks and represent the largest proportion of natural gas use across our operations. Where possible, captured particulate matter—produced from biomass combustion and pressing wood and resins under high heat—either returns to the manufacturing process or provides energy recovery. This circular process enables us to mitigate our air emissions and achieve or exceed air quality regulatory standards.

Additional control systems at our facilities allow us to track, capture, and even eliminate non-GHG air emissions before they enter the atmosphere. We measure this information to comply with industry best practices and local regulations and are in the process of collecting and aggregating data.

## CAPITALIZING ON OPPORTUNITIES TO GROW OUR IMPACT

In our Hayward, Wisconsin siding facility, we control air emissions from our wafer presses through equipment called Regenerative Catalytic Oxidizers (RCOs). Fueled by natural gas, RCOs convert volatile organic compounds (VOCs) and other hazardous air pollutants into carbon dioxide and water, limiting air emissions by approximately 95%. As one of the facility's two RCOs approached the end of its life cycle in 2022, we replaced it with a unit that would also enhance our environmental performance in other ways. With greater thermal efficiency and new catalysts, the new RCO uses around 40% less natural gas, enabling our Hayward facility to reduce its overall natural gas usage. Additionally, the new unit requires significantly less electricity to operate. To further reduce the environmental footprint at this facility, we are in the process of replacing its other RCO with the same technology.

Moving forward, LP will continue to evaluate and include potential environmental enhancements in our capital investment plans that afford the opportunity to harness innovation and smart engineering to drive sustainability performance.

<sup>6</sup>Relevant non-GHG air emissions for LP include particulate matter and volatile organic compounds (VOCs).



# EMISSIONS INVENTORY AND ENERGY USE

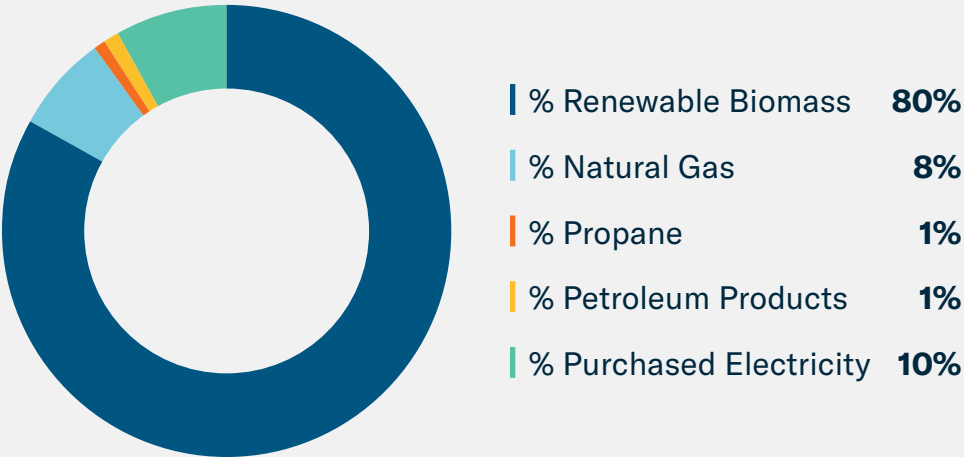
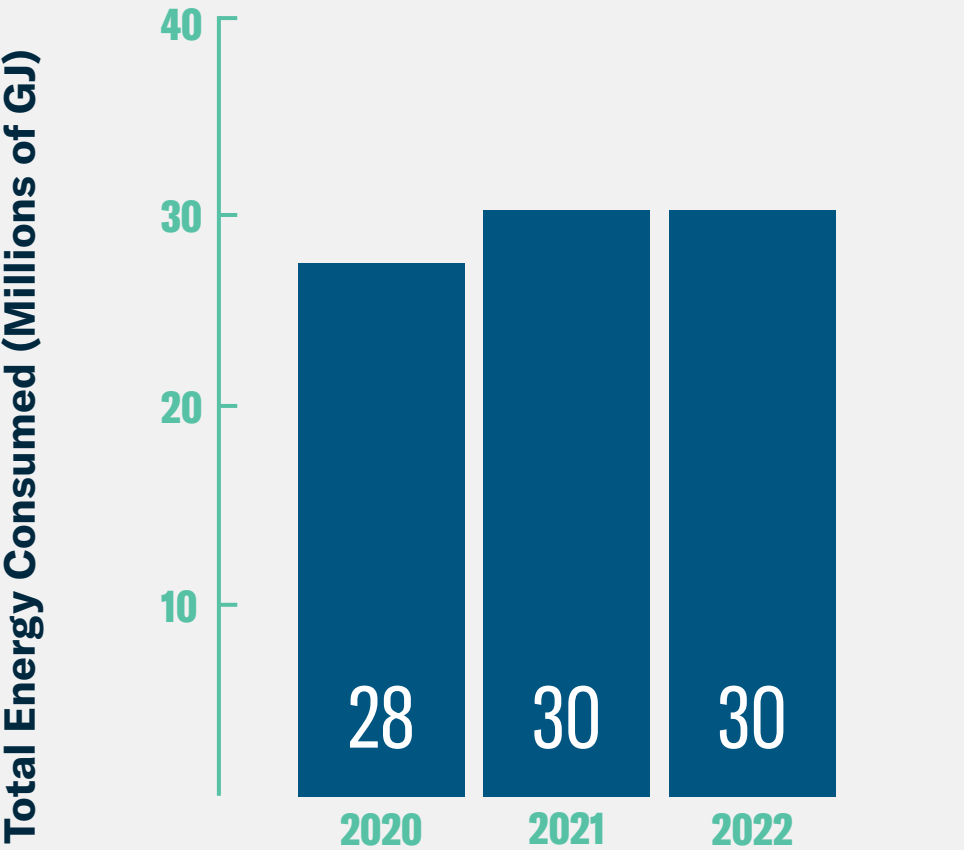
To develop and guide effective decarbonization efforts, we must understand the source of our emissions. Our Scope 1 and 2 GHG emissions<sup>7</sup> arise primarily from the natural gas and electricity used in our operations. We derive a significant amount of energy by using residual biomass generated during manufacturing, which accounts for approximately 80% of the energy consumed in our operations in 2022. Since 2019, our Scope 1 and 2 GHG emissions have decreased by 8% because of energy reductions and other factors related to closures and conversions.

Scope 1 and Scope 2 GHG Emissions (Thousands of Metric Tons (MT) CO<sub>2</sub>e)<sup>8</sup>

	2019 BASELINE	2020	2021	2022
Scope 1	214	191	200	196
Scope 2 (Location-based)	278	270	247	255
Total	492	461	447	451

<sup>7</sup>These figures were calculated using the GHG Protocol Corporate Accounting and Reporting Standard. These figures were rounded.  
<sup>8</sup>The amounts for 2019, 2020, and 2021 were restated to exclude divestitures.

## Energy Use





# EMISSIONS INVENTORY AND ENERGY USE

## SCOPE 3 GHG EMISSIONS

In addition to evaluating our Scope 1 and 2 GHG emissions, we measured our 2019 Scope 3 GHG emissions inventory reflective of normal (pre-COVID-19) operations. This evaluation was an important step in understanding emissions across our supply chain. Our Scope 3 GHG emissions account for over 70% of our total emissions, with purchased goods and services and upstream transportation and distribution serving as the primary contributors of value chain emissions. We will continue to refine our data and methodologies to account for our value chain emissions. Additionally, Scope 3 will be recalculated to reflect divestures in the following year.

Our inventory reflects only material Scope 3 categories. We determined that Category 8 (upstream leased assets), Category 10 (processing of sold products), Category 11 (use of sold products), Category 13 (downstream leased assets), and Category 14 (franchises) are not material to our business and product offering.

### Scope 3 Emissions (Thousands of Metric Tons (MT) CO<sub>2</sub>e)

CATEGORY		2019
1	Purchased Goods and Services	429
2	Capital Goods	35
3	Fuel and Energy-Related Activities	86
4	Upstream Transportation and Distribution	288
5	Waste Generated in Operations	4
6	Business Travel	6
7	Team Member Commuting	7
9	Downstream Transportation and Distribution	105
12	End-of-Life Treatment of Sold Products	227 <sup>9</sup>
15	Investments	17
TOTAL		1,204

<sup>9</sup>This amount was restated from the previously reported amount of 129 thousand MT CO<sub>2</sub>e based on improved data and tracking systems.





# WATER AND WASTE

## WATER

In a strong example of our inherently sustainable operations, our manufacturing processes use very little water. In several of our facilities, we use centrifuges to clean water and evaporators to decrease the amount of water leaving the manufacturing process.

In 2023, we plan to begin a full assessment of water use across our operations. This assessment will allow us to collect baseline data to understand whether our locations are in water-stressed regions and target opportunities for further improvement and risk mitigation.

## WASTE

Our commitment to reducing waste begins at the root of our business: the tree. If we harvest it, we use it. Our whole-log manufacturing processes ensure that no part of the log goes to waste, including the parts that are not used to create our products. Bark and leftover sawdust, for example, are used as biomass fuel, producing renewable energy for our manufacturing process.

Similar to our approach of using the whole log, we make every effort to find uses for all waste. If we can’t use material for our products or turn waste into biomass for energy, we sell it to other industries or find an alternative use. For example, at our Hayward and Tomahawk facilities in Wisconsin, we sell unusable dried flakes for animal bedding, and burner ash becomes an agricultural soil amendment, enabling farmers to add essential plant nutrients and manage soil pH.

Due to the nature of our business, we produce an insignificant amount of hazardous waste.

When products do not meet our quality standards, we divert them from landfills by **selling them at a discount or recycling and returning them to our manufacturing process.**

Waste reduction is also a critical factor in product design. Before we even begin manufacturing products, the waste management process is well underway—it’s integral to our multiuse product design. By creating a variety of product sizes, we provide options to help customers use material more efficiently in residential and light commercial building projects. Variable product sizes require less building material and fewer on-site cuts, efficiencies that result in not only labor and material cost savings for our customers but also in construction site waste reduction.

We continually look for opportunities to reduce waste, encourage recycling, and decrease production costs across our operations. In 2022, we made plans for a waste management and recycling assessment at five pilot LP sites. The assessments will allow us to evaluate best practices, reduce waste, divert waste from landfills, and better track and report on our waste management programs. Once complete, best practices and findings will be implemented across our entire footprint.



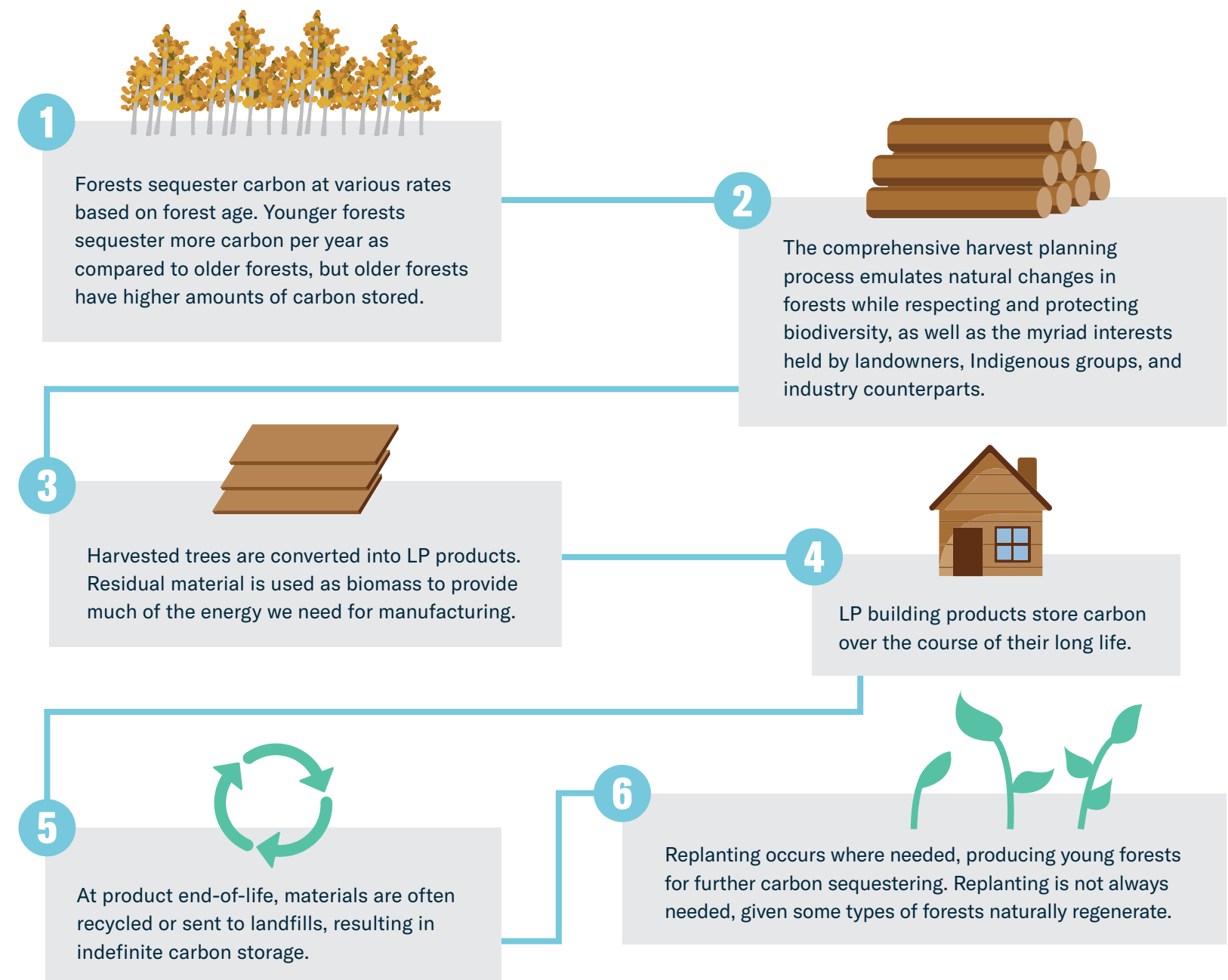


# RESPONSIBLE FOREST MANAGEMENT AND REFORESTATION

Responsible forest management is not just the right thing to do. It is critical for the long-term welfare of our forests, communities, and business. We work with biologists, hydrologists, geologists, ecologists, and landowners to ensure our forestry management practices sustain working forests that are as healthy and productive tomorrow as they are today. Guided by their expertise, we harvest fiber and plant seedlings and encourage natural regeneration throughout the years to continue the cycle that sustains our forests and our business.

Our commitment to sustainable forestry is communicated in our [Sustainable Fiber Sourcing Policy](#).

## From Forests to Products: Sustainable Forestry's Role in Mitigating Climate Change





# SUSTAINABLE FORESTRY PRACTICES

We work hard to ensure that 100% of the wood fiber we source is vetted through stringent forest certification standards. These standards define the principles, objectives, performance measures, and indicators to which we must adhere when sourcing wood fiber. We use forest certification not just to prevent deforestation but to build sustainable forests that will thrive for years to come.

LP was an early adopter of Sustainable Forestry Initiative® (SFI®) standards, achieving our first SFI certification in 2000. This certification provides customers with assurance that 100% of the wood fiber we source in the U.S. and Canada is vetted through our forest certification program. In South America, our wood fiber has long been sourced to the Programme for the Endorsement of Forest Certification (PEFC®) standards. We were also the first in Chile to be certified to the new PEFC Chain of Custody Standard (ST 2002:2020)—an assurance that fiber used in our South American facilities is sourced from sustainably managed forests and in compliance with applicable government laws and regulations.

**SUSTAINABLE FORESTRY INITIATIVE**

SFI-00003

**LP won the SFI® President’s Award for 2022,** recognizing our company for our **long-standing leadership on sustainable forestry.**

## FOREST MANAGEMENT

Through extensive planning, consultation, and scientific research, sustainable forest management prevents deforestation while keeping working forests productive and thriving.

Each of our locations has a unique log supply and procurement footprint. Though we do not own forestland, we act as forest managers in some areas, including on public lands licensed to LP in Canada. In this role, LP must implement sustainable forest management practices on the forestlands we directly manage. On lands we do not directly manage, we must ensure that our suppliers adhere to recognized best management practices.

We conduct regular supplier audits to comprehensively evaluate ownership, certification, training, harvest management plans, endangered species management, visual quality and aesthetics, and best management practices. When an audit identifies issues with a supplier, we detail corrective action plans and follow up with the supplier to close the uncovered gaps.



Our involvement with suppliers often extends beyond confirmation of their adherence to SFI or PEFC principles. We work to establish relationships within the forestry community, serving as a valued partner and resource for suppliers and driving continuous improvement in the training, resources, and understanding of individuals within the industry.

## REFORESTATION

Reforestation is a key element of sustainable forestry and a critical component of harvest planning. When we identify an area of land for harvest, we evaluate the species present in that area, focusing on the percentage of trees made up by each species. On lands we manage in Canada, we are required to regenerate timberlands to their original species composition following harvest.

Reforestation efforts differ based on tree species. We primarily use two types of timber in our products: trembling aspen and Southern yellow pine.

- Aspen is a deciduous hardwood tree known for its ability to rapidly self-regenerate. After timber harvesting, aspens naturally send up root sprouts, a regrowth known as coppice regeneration. Though aspen can grow to great heights, it has a shorter lifespan than conifer species due to its susceptibility to insects and disease. This means that forest management plays a critical role in restoring aspen ecosystems, spurring the natural regeneration process, and preventing the spread of disease in older trees.
- Southern yellow pines are softwood trees found predominately in the southern U.S. When Southern yellow pines are harvested, reforestation occurs through the direct seeding and/or planting of seedlings, known as artificial regeneration.

Whatever the tree species targeted for harvest, our planning process ensures long-term forest health, greater wildlife diversity, continued resource availability, and the continued production of beautiful, long-lasting LP products.



# BIODIVERSITY AND HABITAT CONSERVATION

Forestland provides much more than timber. Our forests harbor critical species and provide a foundational ecosystem for goods and services. As responsible stewards, we utilize best practices to protect and conserve forest habitat and biodiversity.

LP conducts a variety of biodiversity assessments within our operations prior to the initiation of timber harvest activities. These assessments allow us to maintain a balance of forest types and ages, preserve a range of wildlife habitats, and mitigate potential risks to plant and animal species. For example, in Canada, we focus on limiting forestry activities during the migratory bird nesting period. If we determine that there is an at-risk or sensitive species active in an area planned for harvest, we will defer harvest until after the period has ended.

## SUPPORTING MANITOBA'S BOREAL FOREST IN PARTNERSHIP WITH DUCKS UNLIMITED CANADA

Since 2001, LP has partnered with Ducks Unlimited Canada (DUC) to support the conservation and protection of the boreal forest's rich biodiversity. Using rigorous sustainable forest management practices, our conservation efforts aim to minimize the area's susceptibility to natural disturbances to protect communities and keep the ecosystem healthy and productive.

In 2020, we deepened this partnership to proactively inventory more than 6.2 million acres of boreal wetlands. Together with DUC, we developed a new method of estimating carbon storage in boreal wetlands—a task critical for understanding the role these ecosystems play in mitigating global climate change.

[Learn More About Our Wetland and Waterfowl Conservation Efforts in Partnership With DUC.](#)

In the U.S. and Canada, we use the NatureServe Explorer® Pro database, a tool that allows foresters to assess tracts of private forestland available for harvest for known or predicted occurrences of state or federally listed species at risk (known as Forests with Exceptional Conservation Value within SFI Standards). This information helps guide tract purchases and allows us to educate landowners and loggers so they can play an active role in the greater conservation effort. We're able to alert them of potential species that may be in or near the property and provide guidance on how to spot endangered species and what to do if these species are encountered during harvest activities.

Across our Canadian operations, where we are licensed to harvest on public lands, we manage forests to ensure we maintain a range of age classes and forest types across the landscape. This allows us to preserve a variety of habitats for plant and animal species that require either younger or older forests. We take our conservation efforts a step further, conducting logging operations in a way that ensures single trees and patches of trees are maintained across harvest areas, which encourages wildlife to use the area during and after harvest.

**We support reforestation across our footprint.** In Canada, regeneration is largely natural. In the southern U.S.—where **more than 1 billion seedlings are planted annually**<sup>10</sup>—we work with landowners to artificially regenerate forests through tree planting.

On the ground, logging professionals must make real-time decisions to minimize our environmental footprint in managed forests. LP uses Qualified Logging Professionals, who have certified and specialized skills in timber harvesting gained through formal training and who understand the importance of careful planning and decision making. These individuals are knowledgeable about best practices and implement strategies in real time to protect ecologically and culturally sensitive sites, facilitate forest productivity, protect water quality, and conserve wildlife habitat and biodiversity.

<sup>10</sup>Forisk





# BIODIVERSITY AND HABITAT CONSERVATION

## USING OUR EXPERTISE TO HELP CONSERVE HABITATS AND PROTECT ENDANGERED BATS

Bats play a vital role in maintaining healthy, biodiverse ecosystems in our wetlands and woodlands, where they not only help control pest populations but also pollinate flowering trees and disperse seeds to aid reforestation. These vital inhabitants of our forests are also extremely vulnerable to white-nose syndrome, a rapidly spreading fungal disease decimating bat populations across North America. More than 15 bat species are currently listed as federally endangered, threatened, or under the Endangered Species Act.<sup>11</sup> In 2023, the northern long-eared bat—native to forestlands where we operate in the north central U.S.—received federal endangered status, and our expert forestry team stepped up to help.

LP worked with the Michigan, Minnesota, and Wisconsin Departments of Natural Resources to help develop a plan to protect and conserve bat habitats. This habitat conservation plan provides guidelines for forest management activities around maternal colonies and near caves and mines where they hibernate. The plan also educates land users on how to spot day roosts, where a single tree may provide refuge to more than 150 endangered bats. By safeguarding the health and habitats of bats, the conservation plan enables landowners, loggers, and foresters to continue to responsibly manage our forests and provide logs to our mills.

### Our Sustainable Forestry Goals

Continue to ensure 100% of wood fiber volume is sourced through our certified sourcing program.	 <b>ACHIEVED</b>
Implement a tool to identify biodiversity values and species at risk across our U.S. operations.	 <b>ACHIEVED</b>

<sup>11</sup>Source: [U.S. Fish and Wildlife Service](#)





# PRODUCTS

For a half century, we've built our reputation on innovative, high-quality building products designed for performance and engineered to last longer. Every LP building product begins with sustainably sourced fiber and our thoroughly tested product formulas. Our reliable, state-of-the-art manufacturing processes incorporate rigorous safety standards and relentless quality testing to consistently produce carbon-negative products that withstand the test of time.







## OUR PRODUCTS: A PART OF THE SOLUTION

We create building products that lock in carbon that was previously stored in trees. These products continue to store carbon for the life of the residential and commercial buildings. The result: less carbon in our atmosphere and continued value for customers, homeowners, and shareholders.

Our wood products, and the processes we employ to create them, are inherently sustainable. **The six environmental product declarations (EPDs) we released since 2021 show the carbon negativity of our LP® SmartSide® Trim & Siding and LP® Structural Solutions product portfolios.**

Carbon negativity means that a product stores more carbon over its lifetime than is released during raw material sourcing, manufacturing, and shipping the product to its final customer. We don't have to reimagine our products or wait for new technologies to be invented. Our products are already positively impacting the environment.



# PRODUCT INNOVATION AND SUSTAINABILITY

Our long history of innovation has resulted in products that are more sustainable, resilient, energy efficient, and easier to install—a win for LP and our customers. And we don't stop there. We are continually evaluating our product offerings to explore new opportunities to create sustainable, high-performing products and improve product installation processes to maximize efficiency and minimize waste.

Our products are designed for easier installation and minimized waste during the building process. **By engineering products like LP WeatherLogic® Air & Water Barrier to meet multiple needs, we eliminate the need for a secondary house wrap**, which reduces waste from sourcing and installing multiple layers during building.

Each of our business segments—Siding, oriented strand board (OSB), and LP South America—has its own product research and development team. These teams work directly with technology and quality experts to evaluate market conditions and develop new and innovative products to meet the needs of our customers. We evaluate all potential new products through a sustainability lens, considering everything from where we will source the raw materials to how we can mitigate the environmental impacts of severe weather, wildfires, and other challenges exacerbated by climate change.

Our new LP NovaCore® Thermal Insulated Sheathing product emerged from this process. Engineered to promote energy efficiency, LP NovaCore® sheathing helps customers reduce the energy required to heat and cool homes. Beyond its use for energy efficiency, the LP NovaCore® product was developed with sustainability in mind throughout the manufacturing process. While there are many options for the raw materials of the product, and many more options for the process of laminating the insulation to OSB, we opted to use a low-emission blowing agent for the insulation. Installing LP NovaCore® sheathing helps builders achieve LEED®, ENERGY STAR®, and Green Building Standard ICC 700-2008 certifications.

**Resilience is intrinsic to sustainability. By considering resiliency throughout our product innovation process, LP is positioned to minimize the waste and emissions that would otherwise be associated with creating, installing, and more frequently replacing products with inherently inferior resilience.**

## ENGINEERING PRODUCT INNOVATIONS THAT WITHSTAND THE ELEMENTS

**The National Oceanic and Atmospheric Administration (NOAA) recorded a meteoric rise in the number of \$1 billion or more weather and climate disasters since 1980—with \$20 billion from disasters in 2021 alone.<sup>12</sup> While we cannot prevent natural disasters, by creating resilient products that can stand up to the elements, we can help improve outcomes for homeowners and families in the face of severe weather events. At LP, our goal is to engineer our products with resilience to help withstand the impact of increasingly harsh and more frequently occurring climate-related events. Across our portfolio, we are engineering resilient, durable products with additional moisture protection, bolstered strength, and energy-saving features.**

<sup>12</sup>Source: [NOAA](#)



# PRODUCT INNOVATION AND SUSTAINABILITY

## INCREASING ENERGY EFFICIENCY IN HOMES WITH LP® TECHSHIELD® RADIANT BARRIER

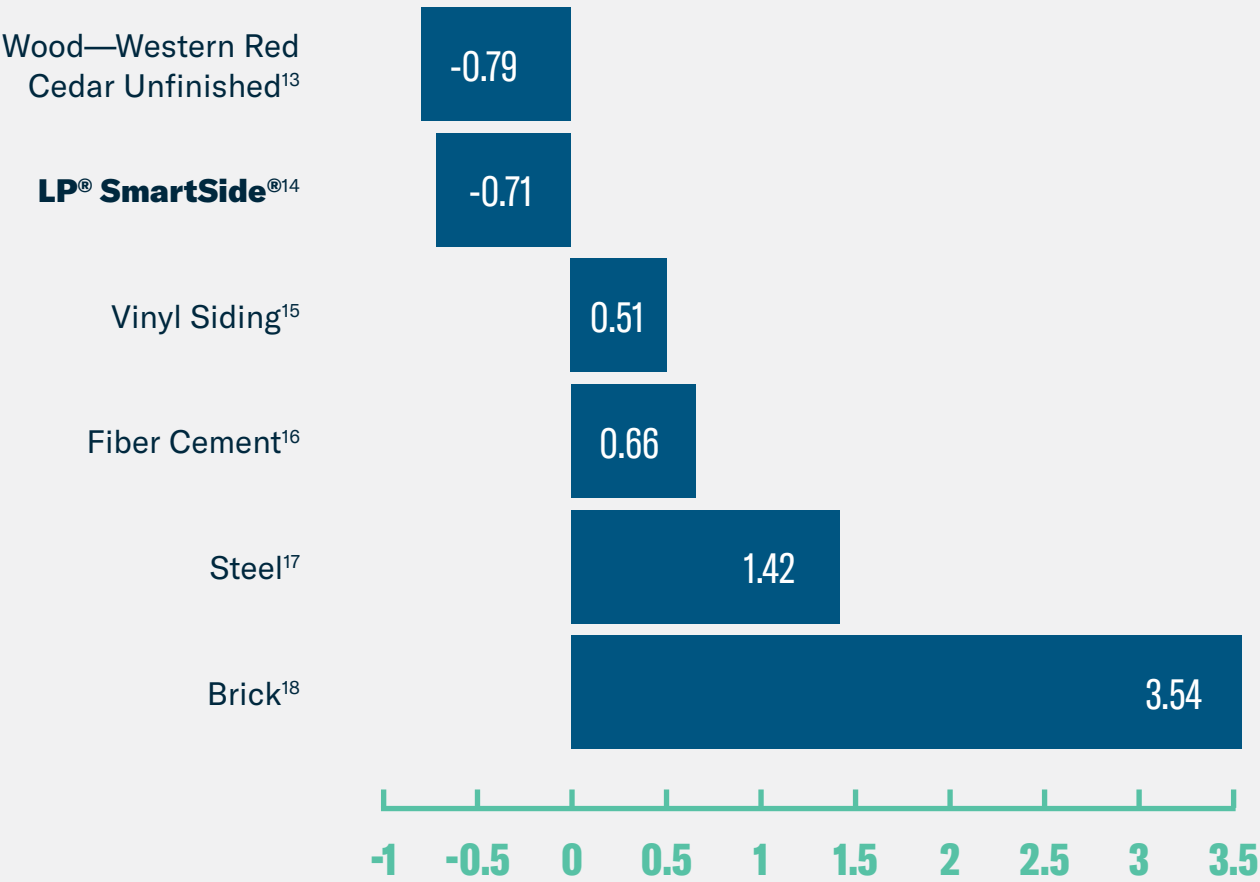
With rising global temperatures comes the urgency to provide solutions that help increase energy efficiency in homes. LP rose to this challenge with a pioneering product innovation. LP® TechShield® Radiant Barrier is the No. 1 and original radiant barrier brand. Research confirms that LP® TechShield® Radiant Barrier blocks up to 97% of the heat in roof panels from radiating into the attic, lowering temperatures by up to 30 degrees Fahrenheit, reducing, in turn, the energy needed to keep homes cool despite high temperatures. Already installed in more than 2 million U.S. homes, the product enables builders to qualify for energy incentives, including green building credits, energy rebates, and lower Home Energy Rating System (HERS®) Index scores.

## MAXIMIZING EFFICIENCY WITH LP® SMARTSIDE® TRIM & SIDING

Because we understand the importance of efficiency in building, we create products that minimize waste and save time at the job site. In a side-by-side, third-party installation study conducted by RSMeans, LP® SmartSide® Lap & Trim installed faster than fiber cement lap and trim. The study also found that LP® SmartSide® Lap Siding produced 7% less waste than fiber cement lap. Available in 16-foot lengths, it requires fewer cuts and less installation time. LP® SmartSide® products are also lightweight—45% lighter than fiber cement. And because it’s durable enough to be carried by just one crew member, the product enables increased mobility and job site durability. All these features contribute to faster installation.

BUILDING A HOME WITH LP® SMARTSIDE® TRIM & SIDING OFFSETS THE EQUIVALENT OF 3,500 MILES WORTH OF CO<sub>2</sub> EMISSIONS PRODUCED BY A CAR.

Net Carbon = Carbon Stored in Product - Carbon Gases from Emissions



Calculations are in kgCO<sub>2</sub>e/ft<sup>2</sup>.

<sup>13</sup>Source: Western Red Cedar Lumber Association EPD  
<sup>14</sup>Source: LP SmartSide EPD (primed only)  
<sup>15</sup>Source: Vinyl Siding Institute EPD  
<sup>16</sup>Source: Fiber Cement EPD  
<sup>17</sup>Source: Metal Construction Association EPD  
<sup>18</sup>Source: Brick Industry Association EPD



# PRODUCT INNOVATION AND SUSTAINABILITY

## ENVIRONMENTAL PRODUCT DECLARATIONS

We work with third parties to develop life cycle assessments (LCAs) and EPDs for LP products. These LCAs<sup>19</sup> and EPDs allow us to assess and compare the environmental impact of our products' life cycles in line with internationally recognized standards, including ISO standards. EPDs are a valuable tool for comparing products and providing transparency into the environmental footprint of a product across its full manufacturing value chain, from raw materials to product end-of-life.

Our **EPD** for our LP® SmartSide® products details the cradle-to-gate energy and materials required for producing LP® SmartSide® Lap, Panel & Trim in North America. Through the LCA and supplemental analysis, we concluded that LP® SmartSide® is carbon negative and significantly better from this standpoint than various other available cladding options.

We began the EPD process in 2022 for our LP® Structural Solutions portfolio, evaluating the full life cycle of five of our products. The results, published in 2023, show carbon negativity for all five evaluated products—meaning that our entire Structural Solutions portfolio is carbon negative, with the exception of LP NovaCore® sheathing, which as a new product is not yet eligible for analysis.

## GREEN BUILDING PRODUCTS

Our efforts to responsibly source materials, embed sustainability into our manufacturing process, and use third parties to show the environmental footprint of our products are driven by our commitment to green building and our belief that it's simply the right thing to do.

Many of our building products help builders achieve higher ratings within green building certification programs, including the U.S. Green Building Council's LEED® (Leadership in Energy and Environmental Design) certification and the WELL Building Institute's WELL Building Standard®.

Our products' ability to help meet these standards demonstrates our commitment to innovation and sustainability.

In 2022, **LP® SmartSide® Trim & Siding**—which is carbon negative—was **recognized as the Green Builder Media's Most Sustainable Supplier in its 2022 Brand Index**.

**In 2023, we completed five EPDs for our LP® Structural Solutions portfolio. These EPDs showed that outside of LP NovaCore® sheathing, which, as a new product, is not yet eligible for analysis, all our Structural Solutions and siding products are carbon negative.**

**That includes:**

- [LP® TechShield® Radiant Barrier](#)
- [LP WeatherLogic® Air & Water Barrier](#)
- [LP Legacy® Premium Sub-Flooring](#)
- [LP® FlameBlock® Fire-Rated Sheathing](#)
- [LP® TopNotch® 350 Durable Sub-Flooring](#)

*An updated list of EPDs is available on our website.*



<sup>19</sup>Our EPDs include a full Life Cycle Assessment (LCA) from cradle to gate. Through the LCA and supplemental analysis, we concluded that LP® SmartSide® was carbon negative.



# RESPONSIBLE SOURCING

Across our operations in North and South America, we source all wood fiber responsibly through the Sustainable Forestry Initiative® (SFI®) and Programme for the Endorsement of Forest Certification (PEFC®) forest certification programs—programs that require our wood fiber to meet stringent criteria. These certification programs help prevent deforestation and promote long-term forest health.

Our commitments are detailed in our [Sustainable Fiber Sourcing Policy](#) and communicated at all levels of the company, as well as to landowners, wood producers, customers, local communities, conservation organizations, and other stakeholders who work with us.

Through regular supplier audits, we conduct comprehensive evaluations of the companies that supply our raw materials and the way they conduct their operations. We verify ownership, certification, and training; scrutinize harvest management plans; and evaluate endangered species management practices and water quality management procedures. When our audits identify supplier issues, we detail corrective action plans and follow up with suppliers to close any identified gaps.

Our involvement with suppliers often extends far beyond simply confirming that they adhere to SFI principles. We establish relationships with the forestry community in and around our facilities and serve as a valued partner and resource for suppliers, working to drive continuous improvement in training and resources, and we support better understanding among individuals within the forestry community.

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**LP won the SFI® President's Award for 2022, recognizing our company's long-standing leadership on sustainable forestry.**

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# PRODUCT QUALITY AND SAFETY

At each of our manufacturing sites, we maintain rigorous product quality standards and processes. To detect potential problems, our internal quality labs conduct regular quality and performance evaluations at every step of the process. Third-party labs and testing facilities perform independent certifications of LP products, providing an additional level of quality assurance.

**Our dedication to quality is more than a check-the-box exercise. Each LP manufacturing site has its own quality assurance lab, a dedicated quality assurance manager, and a quality assurance staff member present during every shift. We test our products multiple times per shift to make sure every product meets or exceeds our high standards.**

Our products are trademarked through the [APA–The Engineered Wood Association](#), a nonprofit trade organization that aims to create high-performing structural wood products. APA trademarking requires our products to undergo a rigorous APA trademark application review process in addition to regular external quality management system audits, quarterly spot tests, random product samples, and quarterly site visits with audits to verify training, documentation, and quality processes.

Because safe handling and use of our products is of utmost importance to us, we offer extensive training resources to the individuals who install them. Our safety data sheets provide detailed information about the safe handling of each LP product. We also publish technical documents and installation guidelines, available in English, Spanish, and French, to provide accessible training on proper product use, storage, installation, care, and maintenance.

Our rolling 12-month average warranty claim rate is just .08% of sales—a **strong indication of the quality and performance of our products.**

## PRODUCT LABELING AND MARKETING

We thoroughly vet all product-related marketing and communications to help make sure our messaging is truthful, aligns with applicable laws and regulations, and is not misleading to the consumer. All product claims go through a thorough technical and legal review to help ensure that we can back up our claims with data.

<sup>20</sup>Source

## GOING TO EXTREMES TO ENSURE OUR PRODUCTS WITHSTAND THEM

**Located near the equator, Hilo, Hawaii has a tropical climate—lush, green, and incredibly humid. The wettest city in the U.S., Hilo gets precipitation on average 236 days<sup>20</sup> each year. It’s under these harsh, hot conditions that we test our products. At our Hilo test site and others, LP siding products are subjected to rigorous environmental conditions, substantiating their resistance to decay and termites. This thorough evaluation of the types of installation and durability of our products is one of the many ways we help ensure that our customers can count on LP products to stand up in a variety of climates and conditions.**





# COMMUNITY

The way we live, work, and interact within our communities is guided by our respect for the interconnectedness we share as community members. LP and our team members engage with our neighbors—Indigenous peoples, veterans, youth, educators, nonprofits, and more—listening to their hopes and history and collaborating to support their needs.





# INDIGENOUS ENGAGEMENT

Wherever we operate, we maintain tremendous respect and appreciation for the generations of Indigenous communities for whom the areas hold cultural significance and ancestral history. We continually collaborate with these communities to create mutually beneficial relationships and shared understanding.

Through regular engagement with Indigenous communities and leaders, we work together toward shared goals that foster economic growth, employment, training, youth education and skill building, community infrastructure projects, protection of cultural values, and support for local cultural events. Our [Human Rights Policy](#), [Code of Business Conduct and Ethics](#), and [Policy for Respecting the Rights of Indigenous Peoples](#) outline our commitments, guide our interactions, and hold us accountable for engaging responsibly and respectfully with Indigenous communities.

## HARVEST PLANNING AND OPERATIONS

In Canada, LP works closely with First Nations to understand Indigenous concerns and interests in the management of wildlife habitats and the protection of areas that carry spiritual and traditional land use value. For example, our Peace Valley, British Columbia oriented strand board (OSB) facility worked closely with Halfway River First Nations to jointly design and harvest a specific area of interest to maintain and protect the natural and cultural values most important to the them.

The information provided during our engagement is incorporated into our long-term and annual harvest plans to ensure the concerns and interests shared are addressed. When communities share confidential information related to important Indigenous spiritual and cultural sites, we do not identify it in our management plans that are accessible to the public.

**As valued stakeholders, Indigenous communities played an active role in our development process in 2022.**

Through public meetings and field trips, we gathered feedback and on-the-ground input from community members and elders, helping to inform our development plans.

## BUSINESS RELATIONS AND AGREEMENTS

LP aims to provide pathways for Indigenous peoples to get involved with the forestry sector. We work together to find opportunities that support the growth and viability of Indigenous-owned businesses, including contracting logging and hauling services and sourcing supplies through Indigenous-owned supply companies. We have also provided financial backing for projects to support emerging Indigenous logging and hauling business ventures, further encouraging participation and involvement in the industry.







# INDIGENOUS ENGAGEMENT

## COMMUNITY SUPPORT

As responsible partners, we continuously pursue opportunities to learn from Indigenous peoples and to become more informed about their history, traditions, and culture. We believe this awareness is fundamental to ensuring we operate in ways that respect Indigenous customs and cultures.

To facilitate these learning opportunities, we partner with Indigenous communities to provide additional resources and support, as well as funding for training, education, and cultural events. We have also provided LP products for community infrastructure projects, including housing and community hall improvements.

## EDUCATION AND SKILL BUILDING

To open doors for First Nations and Metis youth to pursue careers in the forestry industry, natural resources sector, and beyond, we sponsor and host trainings with the Outland Youth Employment Program. Through the program, Indigenous youth gain experience with our industry and LP directly through mill, forestry, and wetland tours. We also work with First Nations to identify and fund additional educational programs and initiatives through established agreements.

In 2022, to further support Indigenous students, we committed to fund a three-year annual scholarship for Indigenous students in Vancouver Island University's Indigenous Peoples in Trades Training Program and Women in Trades Training Program. These two programs focus on construction and mechanical trades, helping to address labor shortages in manufacturing and construction while also supporting Indigenous peoples, particularly students who face personal hardships.



# COMMUNITY DEVELOPMENT

Supporting our communities is a critical part of who we are and how we work. We provide funding, resources, and volunteers for causes aligned with our missions and values, focusing on three key pillars:

- 1

Economic Prosperity
- 2

Fostering Future Talent
- 3

Community Involvement and Support

## ECONOMIC PROSPERITY

We understand that when companies provide rewarding jobs for local workforces and provide growing business opportunities to local suppliers, it helps create sustainable, flourishing communities for all. Typically being among the largest employers in the areas where we operate, LP is committed to supporting economic development and prosperity in our communities, and we're in it for the long haul.

In 2022, we continued to invest in our communities and grow our footprint, opening our new Nashville, Tennessee headquarters; investing more than \$150 million to convert our Houlton, Maine facility to the manufacture of carbon-negative SmartSide siding; and by breaking ground on our new and highly automated prefinishing facility in Bath, New York. Our facilities offer not just jobs but rewarding careers and represent our enduring investment in communities.



IN 2022, WE RECEIVED THE MAINE FOREST PRODUCTS COUNCIL OUTSTANDING MANUFACTURING AWARD, RECOGNIZING US FOR OUR CONTINUED INVESTMENT IN OUR HOULTON, MAINE FACILITY.

In the same year, we finalized our more than \$150 million investment in the facility to transition production to LP® SmartSide® Trim & Siding.



# COMMUNITY DEVELOPMENT

## FOSTERING FUTURE TALENT

We understand that our communities hold the future talent who will one day join and lead our teams. By engaging with local students, we can introduce them to a path toward long, rewarding careers in our industry and help them develop the skills to get there. Every year, our team members spend thousands of rewarding hours with our communities' young adults, leading mill and forestry tours, hosting career days, speaking at local schools, and presenting at school STEM events. To help break down barriers to education, LP also supports college and trade school scholarships in our local communities.

### STUDENTS TODAY, TEAM MEMBERS TOMORROW

As key employers in our communities, we create opportunities for local students to learn more about what we do, whether by visiting career fairs or bringing students to our mills for educational events. For example, in Newberry, Michigan our team partnered with the Great Lakes Timber Professionals Association, Northland Harvesting, Michigan Association of Timbermen, and the Wheels to Woods Program coordinated through the Michigan Department of Natural Resources to host a three-day on-site educational event for local students.

Each day, students joined a fiber harvesting trip, toured the Newberry log yard, and watched logs work their way through the process to ultimately become SmartSide® Trim & Siding. Students not only got to see the full process but also learned about scaling a tree for height, tree species, tree volume, and how to determine tree age—all important elements of harvest planning. These are the building blocks for getting young, talented students interested in careers in forestry and manufacturing.



## UNCOMMON CONSTRUCTION PARTNERSHIP

**By getting involved with local organizations that align with our purpose, our sites help LP build strong partnerships and advance our diversity, equity, and inclusion (DEI) commitment wherever we live and work. In Louisiana, we work with unCommon Construction, a nonprofit that uses the homebuilding process to equip high school students with the skills, network, resources, and experience to enter the building industry after high school or college. Through the program, high school-aged students apply for internships, where they earn hourly pay and school credit at an active construction site. Revenue from these projects funds scholarships, enabling student interns to pursue further education, industry certification, and tools to secure long-term employment in the building industry.**



# COMMUNITY DEVELOPMENT

## COMMUNITY INVOLVEMENT AND SUPPORT

Our community development strategy is driven by the specific needs of our communities and advanced through the investment of our time, funds, and resources.

### LP FOUNDATION

Established shortly after our founding, the LP Foundation is an independent, 501(c)(3) nonprofit entity funded entirely by LP that has been Building a Better World™ for almost as long as we have. Over the years, the LP Foundation has donated more than \$21 million in grants to nonprofits and public schools in the areas where we live and work.

The LP Foundation’s grants program supports four focus areas aligned with our mission and values:

1. Building affordable homes in and around our communities
2. Protecting the environment and supporting healthy, thriving forests
3. Partnering with nonprofits and educators to enhance the public STEM education that will empower and inspire the next generation of innovators, manufacturers, and LP leaders
4. Working with DEI-focused organizations to build diverse talent and promote inclusivity in our communities

The LP Foundation donates approximately \$500,000 annually across five key programs:

- Community Grants
- Disaster Relief
- Team Member Giving Matches
- Team Member Nonprofit Board Sponsorships
- Gary Sinise Foundation Partnership



## LP AND THE LP FOUNDATION TOTAL CHARITABLE GIVING



## 2022 GIVING SUMMARY





# COMMUNITY DEVELOPMENT

## RESTORING FOREST HABITATS NEAR OUR COMMUNITIES

Along the Cumberland Plateau and Western Highland Rim in Tennessee, near LP’s corporate headquarters in Nashville, the absence of fire coupled with poor forest management practices have caused a decline in healthy forests and contributed to declining populations of several bird species. The LP Foundation provided funds for the Tennessee Wildlife Federation to create, manage, and monitor forest restoration blocks to improve conditions and restore bird populations.

## GARY SINISE FOUNDATION R.I.S.E. PROGRAM PARTNERSHIP

Building a Better World™ begins at home. In 2022, the LP Foundation kicked off a national partnership with the Gary Sinise Foundation’s R.I.S.E. (Restoring Independence Supporting Empowerment) program, which builds mortgage-free, specially adapted homes for America’s most severely wounded veterans and first responders. The Foundation launched the partnership with an initial donation of \$100,000. Over the next two years, LP and the LP Foundation will contribute funding and product donations to help build at least nine new homes to help veterans reclaim their independence.





# COMMUNITY DEVELOPMENT

## PUBLIC EDUCATION NEEDS COMMUNITY INVOLVEMENT AND LEADERSHIP (PENCIL) PARTNERSHIP

Increased access to educational resources and learning opportunities sets younger generations on paths to become future community leaders and innovators and builds the next generation of LP talent. In Tennessee communities near our headquarters, the nonprofit organization PENCIL helps bridge resource gaps in public schools, providing learning opportunities outside of the classroom that would not be possible with existing supply budgets.

Through the LP Foundation's 2022 grant, PENCIL now provides every public middle school with access to a first-of-its-kind lending library. Metro Nashville educators can visit PENCIL's new LP Science, Technology, Engineering, and Math (STEM) Lending Library to check out learning kits, which cover virtual reality, robotics, mechanical/construction, and other educational topics. Students can use the interactive kits in their classrooms for weeks at a time before teachers return them to the library to provide learning opportunities for other children.

**With LP's grant, PENCIL provides STEM kits to every Metro Nashville Public Middle School.**

**25 SCHOOLS**  
**700 CLASSROOMS**  
**>560 STUDENTS WHO HAVE ALREADY CHECKED OUT KITS**





# COMMUNITY DEVELOPMENT

## COMMUNITY GRANTS

With the majority of our mills and facilities located in rural communities and small towns, we play an important role as both a key employer and a community partner. Each of our communities has unique needs—needs that, through the LP Foundation, we are positioned to help meet.

Each year, every LP mill, facility, and office is allocated funding that can be used to support nonprofits and public schools to help meet community needs. Local LP teams choose the causes to support because they know the needs of their communities best.

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### Swan Valley Summer Fundraising

In summer 2022, our Swan Valley mill, located in Manitoba, Canada, held a 14-week fundraising event. Every Wednesday, the mill served hot dogs and smokies for team members to purchase, donating 100% of proceeds to a different local charity each week. In 2022, funds went to organizations with focus areas ranging from providing domestic violence resources to addiction and rehabilitation support. The event not only provided funds for causes important to the community but also bolstered team building and camaraderie.

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# COMMUNITY DEVELOPMENT

## PROMOTING DIVERSITY IN OUR CHARITABLE GIVING

The LP Foundation’s philanthropic strategy closely aligns with the LP brand’s vision, mission, and commitment to promoting DEI, within both our company and the communities where we live and work.

In 2022, the LP Foundation supported DEI-focused community outreach programs, providing grants to these and other local nonprofit organizations.



Adventure Science Center, a multigenerational science center located in Nashville, hosted a one-day TWISTER (Tennessee Women in Science, Technology, Engineering, and Research) conference for 125 middle school- and high school-aged girls. The event partnered with women in STEM who shared details about their careers, answered questions, helped steer girls along their educational pathways, and provided a taste of daily life in the workplace. The LP Foundation’s grant supported hands-on as well as minds-on activities and experiments throughout the day.



Project Return provides employment opportunities and supportive services to individuals who are returning to the community after incarceration. As people of color are disproportionately impacted by the criminal legal system, Project Return's work and mission seek to counteract that disparity. The LP Foundation’s grant supported the successful new beginnings of Project Return participants.



Serving Souls works to reduce the wage gap for women of color in traditionally male-dominated industries in the Nashville area, including building and construction. The LP Foundation’s grant support, now in its third year, enables the organization to provide additional education, mentorship, certification, training, and skills courses to help women build careers in the construction field.

We also sponsored local DEI-related community events and organizations in 2022, including Conexión Américas, Black Women Build, National Association of Women in Construction, National Society of Black Engineers, Out & Equal Workplace Advocates, and YWCA of Middle Tennessee. These donations help advance inclusivity in our communities and develop a pipeline of diverse talent for the future.





# COMMUNITY DEVELOPMENT

## TEAM MEMBER GIVING MATCH PROGRAM

Our team members are passionate about a variety of causes. To amplify their charitable giving, the LP Foundation matches up to \$1,000 per individual to eligible nonprofit organizations each year. Since we launched our team member match program in 2013, combined contributions from individual team members have exceeded \$430,000, which, when matched by the LP Foundation, total more than \$860,000.

## TEAM MEMBER VOLUNTEERING

LP team members give their time to support the communities and causes they care about. They serve on the boards of local charities and nonprofits. They raise awareness for environmental concerns impacting their communities. They build and repair homes for families and provide resources for local children. LP encourages this and sponsors events where team members can participate in many such activities. Wherever they serve, our team members invest the time, skills, and expertise to help build strong relationships and better communities.

### Habitat for Humanity

A community's strength and stability rely on the affordability of housing for its members. By building and expanding access to affordable housing, Habitat for Humanity provides critical building blocks for thriving communities across the U.S. Since 2005, the LP Foundation has donated nearly \$650,000 in cash and building materials to Habitat for Humanity of Greater Nashville, and our team members have contributed many thousands of volunteer hours to support the nonprofit organization's mission.

In 2022, Habitat for Humanity Texas recognized our contributions, naming LP "Business of the Year." Through our continued support and engagement in Habitat's efforts to provide safe, stable, and decent homeownership, we're strengthening our community partnerships and Building a Better World™.



The background of the page is a close-up photograph of numerous cross-sections of wood logs. The logs are stacked, showing various shades of brown and tan, with visible wood grain and some bark. The lighting is warm, highlighting the textures of the wood.

# APPENDIX





## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains statements concerning Louisiana-Pacific Corporation (LP) that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, statements regarding our ESG targets, goals, commitments, aspirations and programs, and other business plans, initiatives, and objectives. These statements, which express management's current views concerning future events or results, are subject to inherent risks and uncertainties. These statements are often, but not always, accompanied by words including, but not limited to, "aim," "ambition," "anticipate," "aspire," "believe," "can," "commit," "estimate," "expect," "forecast," "goal," "hope," "intend," "may," "on track," "plan," "predict," "project," "strive," "target," "will," "would," or other similar words. Actual results, including the achievement of any of the targets, goals, or commitments described in this report could differ materially from those expressed or implied in our forward-looking statements as the result of changes in circumstances, unrealized assumptions, or other risks, uncertainties, and factors beyond our control, including but not limited to risks with respect to climate change and global, regional, and local weather conditions, increasing or changing regulations regarding ESG matters, as well as risks related to our ability to meet targets and goals with respect to ESG matters. For additional information about factors that could cause actual results, events, and circumstances to differ materially from those described in the forward-looking statements, please refer to LP's filings with the Securities and Exchange Commission (SEC), including without limitation, under the "Risk Factors" section of our most recently filed annual report on Form 10-K, quarterly reports on Form 10-Q, as well as our other filings with the SEC. The information contained herein speaks as of the date identified herein, and LP does not have or undertake any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except to the extent required by law. Standards of measurement and performance made in reference to the goals, aspirations, and objectives referred to in this document are developing and generated based on protocols, processes, and assumptions that continue to evolve and are subject to change in the future, and no assurances can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this document can or will be achieved.





## A NOTE ON MATERIALITY

While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations.

We use the definition of materiality established under U.S. federal securities laws for the purposes of complying with the disclosure rules and regulations promulgated by the SEC and applicable stock exchange listing standards. However, in our voluntary ESG disclosures, including those that relate to our climate change–related efforts, we have adapted our approach to materiality based on both the subject matter and purpose of the disclosures. In particular, our approach to these voluntary disclosures often considers broader definitions of materiality promulgated by certain external frameworks and reporting guidelines that consider a wider range of factors relevant to climate and ESG disclosures. For the purpose of discussing climate risks and opportunities in this report, we use an approach to materiality that is consistent with the TCFD recommendations. This approach means that this report and many of our other voluntary disclosures capture details on ESG issues, including climate-related risks and opportunities that may not be, and are not necessary to be, incorporated into our required disclosures with the SEC.



# SASB INDEX

LP is aligned with SASB’s Building Products and Furnishings and Forestry Management standards. The following index describes our alignment with the material ESG topics and metrics relevant to our business and as identified by these two standards. More information is available on our website at [lpcorp.com/sustainability](https://lpcorp.com/sustainability).

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
BUILDING PRODUCTS & FURNISHINGS				
Energy Management in Manufacturing	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	<p><b>2022</b> (1) Total energy consumed: 30 million gigajoules (GJ) (2) Percentage from grid electricity: 10% (3 million GJ) (3) Percentage renewable: 80% (24 million GJ)</p> <p><b>2021</b> (1) Total energy consumed: 30 million gigajoules (GJ)<sup>1</sup> (2) Percentage from grid electricity: 10% (3 million GJ)<sup>1</sup> (3) Percentage renewable: 81% (24 million GJ)<sup>1</sup></p> <p><b>2020</b> (1) Total energy consumed: 28 million gigajoules (GJ)<sup>1</sup> (2) Percentage from grid electricity: 10% (3 million GJ)<sup>1</sup> (3) Percentage renewable: 80% (23 million GJ)<sup>1</sup></p> <p><sup>1</sup>The amounts in 2020 and 2021 were restated to exclude divestitures.</p>	CG-BF-130a.1	For more information, refer to the <a href="#">Climate Change section</a> .
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	<p>We conduct rigorous testing on all LP products in our testing facilities and work with third-party laboratories and testing facilities to ensure products meet required quality, safety, and building code standards.</p> <p>Many of our products are trademarked through the <a href="#">APA–The Engineered Wood Association</a>, a nonprofit trade organization that works to create high-performing structural wood products. For products to be APA trademarked, APA audits our quality management systems, conducts quarterly spot tests and random product samples, and performs quarterly site visits and audits to verify training, documentation, and quality processes.</p>	CG-BF-250a.1	For more information, refer to the <a href="#">Product Quality and Safety section</a> .  <a href="#">APA’s Product Technical Note on Formaldehyde and Engineered Wood Products</a>



# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
BUILDING PRODUCTS & FURNISHINGS				
Management of Chemicals in Products	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	100% of LP engineered wood products comply with VOC emissions and content standards.	CG-BF-250a.2	For more information, refer to the <a href="#">Product Quality and Safety section</a> .  <a href="#">APA's Product Technical Note on Formaldehyde and Engineered Wood Products</a>
Product Life Cycle Environmental Impacts	Description of efforts to manage product life cycle impacts and meet demand for sustainable products	<p>We work with third parties to create environmental product declarations (EPDs) for select LP products. EPDs allow us to assess and compare the environmental impact of our products' life cycles in line with internationally recognized standards, including ISO standards.</p> <p>In 2021, LP completed a product-specific life cycle assessment (LCA) and EPD for SmartSide® Trim &amp; Siding from cradle to gate. This information, combined with information from our list of industry standard EPDs, will be used to help facilitate improvements to reduce our overall environmental footprint across our manufacturing operations while providing the construction industry with carbon-negative building solutions.</p> <p>In 2023, LP is extending the boundaries to include end of life for SmartSide® Trim &amp; Siding, making the LCA and EPD go from cradle to gate to cradle to grave. LP is also producing LCAs and EPDs for LP® SmartSide® ExpertFinish® Trim &amp; Siding and LP BuilderSeries® Lap Siding within the LP Siding Solutions product line. These will be completed by the end of 2023.</p> <p>In 2023, LP completed LCAs and EPDs for our LP® Structural Solutions product line. These cradle-to-grave assessments determined the carbon negativity of LP® TechShield® Radiant Barrier, LP WeatherLogic® Air &amp; Water Barrier, LP Legacy® Premium Sub-Flooring, LP® FlameBlock® Fire-Rated Sheathing, and LP® TopNotch®350 Durable Sub-Flooring.</p> <p>LP uses an EPD for OSB products manufactured in North America, developed by the American Wood Council, an industry organization representing sustainable wood building products.</p>	CG-BF-410a.1	For more information, refer to the <a href="#">Environmental Product Declarations section</a> .



# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
BUILDING PRODUCTS & FURNISHINGS				
Product Life Cycle Environmental Impacts	(1) Weight of end-of-life material recovered (2) Percentage of recovered materials recycled	<p>While we do not currently disclose this data, we plan to collect information relative to ongoing recycling and material recovery activities for end-of-life materials and intend to disclose future initiatives that we undertake along with relevant data.</p> <p>We utilize 99% of all wood fiber that enters our manufacturing facilities, either in our products or as an alternative renewable energy source to help offset fossil fuel consumption.</p>	CG-BF-410a.2	For more information, refer to the <a href="#">Sustainable Manufacturing section</a> .





# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
BUILDING PRODUCTS & FURNISHINGS				
Wood Supply Chain Management	(1) Total weight of wood fiber materials purchased (2) Percentage from third-party-certified forestlands (3) Percentage by standard (4) Percentage certified to other wood fiber standards (5) Percentage by standard	<p><b>2022</b></p> <p>(1) Total weight of wood fiber material purchased: 8 million metric tons (mt) for North American operations</p> <p>(2) Percentage from third-party-certified forestlands: 54% by weight</p> <p>(3) Percentage by standard: 54% certified to the SFI Forest Management Standard</p> <p>(4) Percentage certified to other wood fiber standards: 46% by weight</p> <p>(5) Percentage by standard: 100% of fiber procured in North American operations is certified to SFI Fiber Sourcing Standard</p> <p><b>2021</b></p> <p>(1) Total weight of wood fiber material purchased: 8 million<sup>1</sup> metric tons (mt) for North American operations</p> <p>(2) Percentage from third-party-certified forestlands: 56%<sup>1</sup> by weight</p> <p>(3) Percentage by standard: 56%<sup>1</sup> certified to the SFI Forest Management Standard</p> <p>(4) Percentage certified to other wood fiber standards: 44%<sup>1</sup> by weight</p> <p>(5) Percentage by standard: 100% of fiber procured in North American operations is certified to SFI Fiber Sourcing Standard</p> <p><b>2020</b></p> <p>(1) Total weight of wood fiber material purchased: 8 million<sup>1</sup> metric tons (mt) for North American operations</p> <p>(2) Percentage from third-party-certified forestlands: 59%<sup>1</sup> by weight</p> <p>(3) Percentage by standard: 58%<sup>1</sup> of wood fiber was sourced from forestlands certified to the SFI Forest Management Standard and 1% was sourced from forestlands certified to the American Tree Farm System</p> <p>(4) Percentage certified to other wood fiber standards: 41%<sup>1</sup> by weight</p> <p>(5) Percentage by standard: 100% of fiber procured in North American operations is certified to SFI Fiber Sourcing Standard</p> <p><sup>1</sup>The amounts in 2020 and 2021 were restated to exclude divestitures.</p>	CG-BF-430a.1	<p>For more information, refer to the <a href="#">Responsible Forest Management and Reforestation section</a>.</p> <p>Data reported for U.S. and Canadian operations only.</p>



# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
FORESTRY MANAGEMENT				
Ecosystem Services & Impacts	Area of forestland certified to a third-party forest management standard; percentage certified to each standard	<p>LP manages forestland under license by various provincial governments in Canada. LP does not manage forestland in the U.S. or South America.</p> <p>In 2022, 13 million acres were certified to the SFI Forest Management Standard, representing 32% of the gross area (all productive and non-productive forestlands including water features) under license to LP.</p> <p>In 2021, 9 million<sup>1</sup> acres were certified to the SFI Forest Management Standard, representing 24% of the gross area (all productive and non-productive forestlands including water features) under license to LP.</p> <p>In 2020, 9 million<sup>1</sup> acres were certified to the SFI Forest Management Standard, representing 24% of the gross area (all productive and non-productive forestlands including water features) under license to LP.</p> <p>This year-over-year difference is attributed to provincial government analysis and revision to annual allowable harvest volumes.</p> <p><sup>1</sup>The amounts in 2020 and 2021 were restated to exclude divestitures.</p>	RR-FM-160a.1	For more information, refer to the <a href="#">Responsible Forest Management and Reforestation section</a> .
	Area of forestland with protected conservation status	Approximately 1 million acres located within LP long-term forest management license areas in Canada have protected conservation status.	RR-FM-160a.2	For more information, refer to the <a href="#">Responsible Forest Management and Reforestation section</a> .
	Area of forestland in endangered species habitat	Our forest management operations are conducted to monitor and mitigate risks to endangered species. We use best practices across our operations to account for species at risk and typically disclose these in the forest management and/or stewardship plans that we develop in accordance with provincial requirements, and which are vetted through stakeholder consultation processes with rights-based holders and other interested groups.	RR-FM-160a.3	For more information, refer to the <a href="#">Responsible Forest Management and Reforestation section</a> .



# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
FORESTRY MANAGEMENT				
Ecosystem Services & Impacts	Description of approach to optimizing opportunities from ecosystem services provided by forestlands	LP manages the areas under license by the provincial governments to conserve, protect, and sustain ecosystem services currently offered within the forested regions where we operate. We work with several conservation groups, Indigenous communities, and other interested stakeholder groups to sustain the biological, social, and economic value of forestlands.	RR-FM-160a.4	For more information, refer to the <a href="#">Biodiversity and Habitat Conservation section</a> .
Rights of Indigenous Peoples	Area of forestland in Indigenous land	LP is authorized to harvest through long-term license agreements established with Canadian provincial governments. Specific license areas overlap with Indigenous treaty lands. LP works closely with Indigenous communities and provincial governments to ensure operations are being managed in a manner that protects the cultural and traditional interests of local Indigenous peoples.	RR-FM-210a.1	For more information, refer to the <a href="#">Indigenous Engagement section</a> .
	Description of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and the local community	LP is committed to collaborating with Indigenous Nations across the areas where we operate in North and South America. Our <a href="#">Code of Business Conduct and Ethics</a> , <a href="#">Human Rights Policy</a> , and <a href="#">Policy for Respecting the Rights of Indigenous Peoples</a> outline our commitments, guide our interactions, and hold us accountable for engaging with Indigenous communities responsibly and respectfully.  Through the Recognition for the Rights of Indigenous Peoples Policy, we have recognized the rights of Indigenous peoples across our managed lands in Canada.	RR-FM-210a.2	For more information, refer to the <a href="#">Human Rights and Labor Standards</a> and <a href="#">Indigenous Engagement</a> sections.





# SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
FORESTRY MANAGEMENT				
Climate Change Adaptation	Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change	<p>Our Task Force on Climate-Related Financial Disclosure (TCFD) index, published in 2022, supplies an overview of our climate-related risks and opportunities, including potential risks related to sourcing wood fiber and our efforts to mitigate these potential risks.</p> <p>We support robust programs related to responsible forest management that ensure we promote sustainable forestry—a critical element of mitigating potential climate-related impacts related to timber harvesting activities.</p> <p>LP has also undertaken site-level projects to understand carbon storage potential in wetland environments, as well as to evaluate operational vulnerabilities associated with climate change relative to our forest management license area in Manitoba, Canada. These projects served as a pilot to test scientific approaches to quantify environmental factors that can manage or mitigate the effects of our changing climate and protect the long-term viability of timber production for our operations.</p>	RR-FM-450a.1	For more information, refer to our <a href="#">TCFD index</a> .





# SASB INDEX—ACTIVITY METRICS

METRIC	LP ASSESSMENT		CODE	REFERENCE
BUILDING PRODUCTS & FURNISHINGS				
Annual Production	<p><b>LP North American Production</b> OSB and strand Siding production reported in 3/8 basis million square feet (MMSF).</p> <p><b>2022</b> OSB: 3,700 MMSF Strand Siding: 1,900 MMSF</p> <p><b>2021</b> OSB: 3,700 MMSF Strand Siding: 1,700 MMSF</p> <p><b>2020</b> OSB: 3,500 MMSF Strand Siding: 1,500 MMSF</p>	<p><b>LP South America Production</b> Production reported in thousands of cubic meters (km³)</p> <p><b>2022</b> Structural: 282 km³ Non-Structural: 243 km³ Siding: 35 km³</p> <p><b>2021</b> Structural: 381 km³ Non-Structural: 186 km³ Siding: 40 km³</p> <p><b>2020</b> Structural: 237 km³ Non-Structural: 322 km³ Siding: 33 km³</p>	CG-BF-000.A	For more context, refer to LP’s <u>10-K Annual Report</u> , which references total mill production capacity.
Area of Manufacturing Facilities	In 2022, the total area of manufacturing facilities was approximately 7 million ft². In 2021 and 2020, the total area of manufacturing facilities was approximately 6 million¹ ft².  ¹The amounts in 2020 and 2021 were restated to exclude divestitures.		CG-BF-000.B	





# SASB INDEX—ACTIVITY METRICS

METRIC	LP ASSESSMENT	CODE	REFERENCE
FORESTRY MANAGEMENT			
Area of Forestland Owned, Leased, and/or Managed by the Entity	<p>LP is authorized by provincial governments of British Columbia, Manitoba, and Quebec to conduct forest management activities in areas licensed to the company. The total gross reportable area managed/licensed by LP in 2022 was 41 million acres. The total gross reportable area managed/licensed by LP in 2021 and 2020 was 37 million<sup>1</sup> acres.</p> <p><sup>1</sup>The amounts in 2020 and 2021 were restated to exclude divestitures.</p>	RR-FM-000.A	Reported for all LP Canadian assets owned in 2022.
Aggregate Standing Timber Inventory	<p>LP does not currently report on aggregate standing inventory for our areas in Canada.</p>	RR-FM-000.B	
Timber Harvest Volume	<p>In 2022, total timber harvested was 11 million m<sup>3</sup>. In 2021, total timber harvested was 12 million<sup>1</sup> m<sup>3</sup>. In 2020, total timber harvested was 11 million<sup>1</sup> m<sup>3</sup>.</p> <p><sup>1</sup>The amounts in 2020 and 2021 were restated to exclude divestitures.</p>	RR-FM-000.C	Reported for all U.S. and Canadian facilities.



