SUSTAINABLE FIBER SOURCING

It's more than our products. It's the way we do business.
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It’s more than our products. It’s the way we do business.

At LP Building Products, we are proud of “Doing the Right Thing” and offering integrated building solutions that work together to save our customers time and money. When you do business with LP, you receive quality products and reliable services while helping to ensure responsible forestry practices.

We believe that sustainability means acting in a way that protects the environment, embraces social responsibilities, and builds economic prosperity today and for future generations.
At LP Building Products, we take our environmental responsibilities seriously and are committed to sourcing our wood fiber from responsibly managed forests. North American forests are diverse and provide numerous ecological, social and economic benefits to society.

As a leading building products manufacturer, we need to consider these values and ensure forest resources are managed sustainably to meet the needs of today’s generation without compromising those of future generations.

LIVING PROOF OF OUR COMMITMENT

Our commitment to sustainable fiber sourcing is reflected in how we manage our daily operations and in the partnerships we establish with forest industry associations, conservation groups, academia and environmental research organizations across the United States and Canada. At LP, we believe we can accomplish sustainable fiber sourcing by ensuring our natural resource managers, landowners, contractors and wood producers stay informed, work together, and remain accountable as they conduct operations on the ground.

LP promotes sustainability by practicing a land use stewardship ethic that integrates the following commitments:

- **Using sustainable forestry practices that support forest productivity and health, including best management practices for water quality protection, reforestation, and conservation of biodiversity and wildlife habitats**
- **Supporting efforts to protect private property rights and the ability of forest landowners to sustainably manage their forestlands**
- **Helping to ensure sustainable forestry practices are used on the lands where we purchase fiber, but do not own or control the land**
- **Providing sustainable forestry information to landowners or their agents, contractors, wood producers and other interested stakeholders**
- **Providing funding and support for research to improve forest health, productivity, conservation of biodiversity, protection of water resources, and forestry best management practices**
Certification to SFI

Forest certification is a voluntary process that incorporates a rigorous set of standards for sustainable forest management, fiber sourcing and chain-of-custody programs. Our sustainable fiber sourcing program helps us source wood from responsibly managed forests/lands. Certification helps us to comply with customer requests, is a proof point for environmental stewardship, and adds value to our products and reputation around the world.

WHO IS SFI?

The Sustainable Forestry Initiative® Inc. (SFI) is a sustainability leader that stands for future forests. SFI is an independent, nonprofit organization that provides supply chain assurances, produces conservation outcomes, and supports education and community engagement.

SFI exemplifies the impact of responsible forestry globally. Their efforts help people, organizations and companies make informed choices when it comes to sustainably sourced forest resources to ensure a healthy future. More than 300 million acres of forestland is certified to the SFI Forest Management Standard.

LP is proud of our affiliation with SFI, first becoming certified in 2000.

These lands are owned and managed by public and private sectors, conservation groups, Indigenous peoples and academic institutions. Collectively, these lands have the scale to work as a living research lab for forest conservation and responsible management.

The SFI label is increasingly recognized in the marketplace. A 2016 Natural Marketing Institute survey of 20,000 U.S. consumers showed that 41% recognized the SFI label.

SFI Inc. is governed by the SFI Board, which sets SFI’s strategic direction and is responsible for overseeing and improving the internationally recognized SFI Program and SFI Standards. The Board’s three chambers represent environmental, social and economic sectors equally.
The Principles of SFI

LP has implemented the principles of SFI within our sustainable fiber sourcing program across company operations, as well as with landowners, wood producers, and other stakeholders responsible for forest management and fiber sourcing activities in the United States and Canada. In keeping with this commitment, LP has a written policy to implement and achieve the following principles:

01 SUSTAINABLE FORESTRY
Meeting the needs of the present without compromising the ability of future generations to meet their own needs.

02 FOREST PRODUCTIVITY AND HEALTH
Programs to help ensure the long-term productivity of forestlands and to help protect them from economically or environmentally undesirable levels of wildfire, pests, diseases, invasive exotic plants and animals, and other damaging agents.

03 PROTECTING WATER RESOURCES
Using best management practices to help protect water bodies and riparian areas.

04 PROTECTING BIOLOGICAL DIVERSITY
Programs to protect and promote biological diversity, including animal and plant species, wildlife habitats, and ecological or natural community types.

05 AESTHETICS AND RECREATION
Programs to manage the visual impact of forest operations and provide recreational opportunities for the public.

06 PROTECTING SPECIAL SITES
Managing areas of special significance (ecologically, geologically or culturally important) in a manner that protects their integrity and takes into account their unique qualities.

07 RESPONSIBLE PRACTICES
Using and promoting practices that are scientifically credible and support sound economic, environmental and social choices.

08 LEGAL COMPLIANCE
Complying with federal, provincial, state and local forestry and environmental laws, statutes and regulations.

09 RESEARCH
Supporting advances in sustainable forest management through forestry research, science and technology.

10 TRAINING AND EDUCATION
Improving the practice of sustainable forestry through training and education programs.

01 COMMUNITY INVOLVEMENT AND SOCIAL RESPONSIBILITY
Broadening the practice of sustainable forestry on all lands through community involvement and socially responsible practices.

11 TRANSPARENCY
Broadening the understanding of forest certification by documenting certification audits and making the findings publicly available.

12 CONTINUOUS IMPROVEMENT
Continually improving the practice of sustainable forest management by measuring, monitoring and reporting performance.

13 AVOIDING CONTROVERSIAL SOURCES
Avoiding wood fiber from illegally logged forests and from countries without effective social laws.
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LP and SFI

LP is certified to all three SFI Standards: Forest Management, Fiber Sourcing and Chain of Custody. These standards establish a strict set of objectives, performance measures and indicators that companies certified to SFI must achieve to remain certified. All SFI Program Participants are audited by credible third-party independent auditors to ensure programs conform to the SFI Standards. As part of a continuous improvement process, SFI conducts an external review of the standards to address emerging sustainability trends and to support the strength and credibility of the program.

THE SFI FOREST MANAGEMENT STANDARD applies to participating organizations that own or have management authority over forestlands.

LP does not own forestland but manages approximately 13 million acres (5.3 million hectares) of public forestlands across Canada, which represents about 20% of our total wood supply. We employ professional foresters who are responsible for developing long-term forest management plans to incorporate the values of sustainable forestry across all phases of management on public lands: planning, operations, forest regeneration. In Canada, all forest management activities are closely regulated by provincial and federal agencies to ensure operations are consistent with the sustainable forest management objectives of long- and short-term forestry plans.

THE SFI FIBER SOURCING STANDARD is for organizations that procure wood directly from forests that they do not own or directly manage. As an SFI Program Participant we must show that all of our wood fiber comes from legal and responsible sources, whether the forests are certified or not. In North America LP sources about 80% of our wood fiber in accordance with the SFI Fiber Sourcing requirements, including measures to conserve biodiversity, protect water quality, provide outreach to landowners, and promote utilizing qualified resource management and qualified or certified logging professionals.

THE SFI CHAIN-OF-CUSTODY STANDARD is an accounting system process that tracks wood fiber through the different stages of production. At our chain-of-custody certified facilities, we can make claims about how much of our products come from certified lands and how much is responsibly sourced through SFI’s unique fiber sourcing certification. LP’s certified products are also accepted by the U.S. Green Building Council for wood products in its Leadership in Energy and Environmental Design (LEED) rating system, which enables LP certified products to be eligible for LEED credits.

To learn more about SFI Standards, please visit: sfiprogram.org/sfi-standards.
Since 1995, SFI Program Participants have directly invested nearly $1.6 billion in forest research. In 2016, more than 70% of these investments were allocated to conservation-related objectives.

No other forestry standard has a research requirement.

More than 70% of research funding is linked to conservation-related objectives.

Source: Sustainable Forestry Initiative
LP is committed to responsible forest stewardship, which includes establishing partnerships with conservation organizations to help support and achieve common objectives on public and private lands. These partnerships help to promote conserving habitats of target wildlife species, supporting continuous improvement through the development of best management practices, and developing various media to help educate and promote conservation awareness and sustainable practices across LP’s supply chain.

Learn more about LP’s Research and Conservation Partnerships at LPCorp.com/EnvironmentalResponsibility.
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One of our main goals is to purchase wood fiber sourced from forests certified to the Sustainable Forestry Initiative (SFI), Canadian Standard Association (CSA) or the American Tree Farm System® (ATFS). However, since most of the working forestlands in the United States are family owned and are rarely certified, certifying our fiber sourcing program to SFI helps to ensure our entire wood supply is sourced from responsibly managed forests. LP is committed to meeting or exceeding the most current SFI Standards.

We inform our wood producers about our commitment to sustainable fiber sourcing and ask them to share the information with landowners that they do business with. LP is interested in working with private landowners to meet their management objectives, but we will only enter into agreements that are consistent with our fiber sourcing standards.

We provide information to both wood producers and landowners on management planning, reforestation best management practices (BMPs) to protect water quality, conserving wildlife habitat and biodiversity, special sites and forest aesthetics.

LP requires that all wood producers understand their responsibilities for achieving our sustainable fiber sourcing commitments. At a minimum, each wood producer must have an on-site crew member who is responsible for satisfying BMPs and who is trained as a Qualified Logging Professional (QLP). Where QLP training is unavailable, LP will encourage and support the development of such programs.

In addition, LP monitors harvesting operations in regards to BMP compliance, contract requirements, proper utilization of resources, and adherence to all sustainable forestry practices. Inspections are made to evaluate key aspects of the job, which are shared with the operator and entered into LP’s wood supply monitoring database for annual reviews and continuous improvement. Variations from sustainable practices, whether intentional or inadvertent, are documented and corrective action taken if necessary.
Forest Management Planning

Good planning is the key ingredient to sustainable forestry. Forest landowners should tailor their plans to meet their objectives and consider unique conditions found on their property. Forest management plans may also help the landowner qualify for cost-sharing programs and property-tax reductions.

Sustainable forest management, whether on private lands or on public lands, considers all the values and ecological services that forestlands provide. As part of our commitment to sustainability, LP encourages forest landowners and managers to implement practices that protect and enhance biodiversity and support the conservation of wildlife habitat over the long term.

When developing forest management plans, LP encourages the use of qualified resource professionals (QRP). QRP’s often consider multiple attributes such as tree species, plants, soils, terrain, ecosystems, size and shape and age of harvest areas, site productivity with a focus on following components:

Reforestation
LP recommends prompt reforestation as the cornerstone of sustainable forestry. Through the planning process, forest landowners need to consider their options for reforestation. Natural regeneration includes natural seeding, root suckering or stump sprouting. Artificial regeneration includes hand or machine planting of seedlings or direct seeding from the air or land. Various management systems such as uneven-aged and even-aged management further define how and when the forest will regenerate. Forest landowners can learn more about reforestation by contacting a local, state or provincial forestry association or agency.

Invasive Species
Invasive species are plants or animals introduced into an area from another geographic region outside of their natural range. These species may have fewer natural population controls in the new environment and may become a pest or nuisance species. Invasive species can out-compete or even replace native species.

LP complies with legislation designed to limit the introduction, impact and spread of invasive exotic plants and animals that directly threaten or are likely to threaten native plant and animal communities, and we encourage the same among all forest landowners.

Special Sites
Special sites are defined as areas that include ecologically or geologically unique or culturally important features. Identification and management of special sites can occur in many ways, including state and provincial legislation, local knowledge and consultation with stakeholders, or information discovered during routine assessments and planning activities. LP encourages landowners to consult with local historians, archeologists, indigenous peoples and local governments to determine the occurrences and significance of special sites on their lands.
**CONSERVING WILDLIFE HABITAT**

Maintaining a balance of forest stand types at varying stages of growth and development across private forestlands supports biodiversity and wildlife habitat. Some key wildlife habitat attributes that should be considered during the planning and management of forest operations include:

- Identifying target wildlife species that may be located on private lands (including threatened and endangered species)
- Identifying key wildlife habitat features such as the presence of cavity trees, snags and coarse woody debris
- Determining best location for residual wildlife tree patches within harvest areas
- Determining best location of connectivity corridors through harvest areas, which encourage wildlife migration across forestlands.
- Protecting unique or sensitive areas (e.g. bat hibernacula, mineral licks)

**WATER QUALITY**

Maintaining water quality in harvest areas is an important part of a forest management plan. LP requires the use of best management practices to protect water quality, and the following are some examples of these practices:

- Identify the presence of water bodies and streamside management zones
- Implement erosion-control measures on forest roads and skid trails
- Leave vegetated buffer strips/reserve zones along all water features and wetlands
- Keep all fuel products and waste away from water features
- Conduct proper road maintenance
- Install proper stream crossings

**CONSERVING BIODIVERSITY**

In the United States, LP recognizes designations under the Endangered Species Act in addition to SFI’s Forests with Exceptional Conservation Value (FECV). FECV are forests that contain critically imperiled (G1) and imperiled (G2) species and ecological communities.

In Canada, species at risk include those species designated by the federal and provincial governments as endangered, threatened or of special concern. LP encourages forest landowners to learn about, conserve and manage for rare, threatened and endangered species that might lie within or close to their property.

LP can assist private landowners in obtaining information about the rare species that may potentially live in or around an individual property, and whether a property has a habitat suitable for the species. In most instances, the best source of information on local rare species is a state, provincial or federal wildlife agency.

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**FOREST AESTHETICS**

Forestry operations may be highly visible and therefore subject to public perception and opinion based on how forest management activities look on the landscape. As such, the image of the forest products industry is strongly impacted by the visual quality of forest management operations. For these reasons, LP is committed to managing the visual impact of all forest operations in visually sensitive areas.

LP recommends the use of visual quality guidelines to help minimize the visual and audible impacts of forestry operations. These guidelines may include designing harvest blocks to follow natural landscape features, ensuring the proper location of landings and retaining corridors and buffer zones.
In addition, we require that a QLP harvest timber on forestlands where we procure stumpage rights from forest landowners.

LP promotes the use of Qualified Resource Professionals (QRP) and Qualified Logging Professionals (QLP) to help ensure the principles of sustainable forestry are implemented during forest management activities.

A QRP is a person who by training and experience can make forest management recommendations. Examples include professional foresters, soil scientists, hydrologists, forest engineers, forest ecologists, fishery and wildlife biologists, and other technically trained specialists in such fields.

A QLP is a person with specialized skills in timber harvesting gained through experience and formal training who has successfully completed wood producer training programs and continuing education requirements recognized by the SFI Program. LP encourages all independent wood producers who deliver wood to our facilities to be a fully trained QLP.

Qualified Professionals

LP WILL HELP FOREST LANDOWNERS AND WOOD PRODUCERS MAKE THE DECISIONS NECESSARY TO MANAGE FORESTS IN A SUSTAINABLE WAY.

We work closely with logging and forestry associations to promote professionalism within the industry and to establish credible training and continuing education programs where we operate.
In 2016, 96% of all fiber supplied to SFI Program Participant mills were delivered by trained harvesting professionals.

Source: Sustainable Forestry Initiative
Sustaining Rural Communities

LP supports public outreach, education and community involvement to promote sustainable forestry practices and help sustain rural communities and their economies. Each of our facilities directly and indirectly supports hundreds of jobs through forestry operations and through the manufacturing of high-quality engineered wood products. LP fosters strong public relations through partnerships and collaboration with indigenous communities, local community organizations, recreational sporting groups, conservation groups, educational institutions, government agencies, and landowner cooperative programs.

2,888
Number of LP Employees in the U.S.

1,387
Number of LP Employees in Canada

14
Number of LP Mills in the U.S.

8
Number of LP Mills in Canada

1.2 MILLION
Number of jobs directly supported by the forest products industry in the U.S. and Canada

$225 BILLION
Annual direct economic impact of forest products industry in the U.S. and Canada

*Source: AF&PA and Natural Resources Canada (measured 2017)
At LP Building Products, we pride ourselves on safety, quality, sustainability and creating advanced technologies that deliver uniquely engineered wood products to help our customers build everything smarter, better, faster and more efficiently—from a single-family home or a multifamily complex to a homeowner’s remodeling project.

As a company certified to SFI, we source all of our wood fiber responsibly; therefore, all of our products may help builders qualify for green building credits.

Today, our top quality products and innovative solutions support the building community with high-performance products such as LP® SmartSide® Trim & Siding, LP Legacy® Sub-Flooring, LP® TechShield® Radiant Barrier Sheathing and LP® FlameBlock® Fire-Rated OSB Sheathing—just to name a few.

To learn more about our full line of products, visit LPCorp.com.

LP® SMARTSIDE®
LP® SmartSide® Trim & Siding offers the warmth and beauty of traditional wood with the durability of treated engineered wood. It’s a complete line of high-performance trim and siding products to complement almost any building style. All LP SmartSide products feature LP’s innovative four-component SmartGuard® manufacturing process for strength against harsh weather and to resist fungal decay and termites.

LP® FLAMEBLOCK®
LP® FlameBlock® Fire-Rated OSB Sheathing is ICC-certified to meet code and provides additional value—strength, savings and greater design flexibility. It helps builders build fire-rated wall assemblies and roof decks faster—at a lower cost—than most common alternatives.

LP® TECHSHIELD®
LP® TechShield® Radiant Barrier Sheathing is designed to lower a home’s attic temperature. It blocks up to 97% of the radiant heat in the roof panel from emitting into a home’s attic, reducing an attic’s temperature by up to 30° F.

LP® LEGACY®
LP Legacy® sub-flooring uses Gorilla Glue Technology® for one of the industry’s strongest, stiffest sub-floors. It’s technology that homebuyers easily understand and value.
We invite you to discover more about LP’s environmental programs, industry-leading employee safety accomplishments, community involvement, and high performance products by visiting: LP Corp. com.

*It’s more than our products. It’s the way we do business.*