

# SUSTAINABILITY REPORT 2024



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## A MESSAGE FROM OUR CEO

At Louisiana-Pacific Corporation (LP), we provide sustainable solutions for resilient homes. We recognize that responsible stewardship is essential to our long-term success, core to our strategy, and vital for creating stockholder value.

In 2023, we released eight environmental product declarations (EPDs) for products representing approximately 75% of our North American net sales for the year. The EPDs confirmed that these eight products are carbon negative, storing more carbon than is emitted throughout their life cycle. Engineered for durability, LP products deliver long-term benefits for both customers and the environment.

For LP, sustainability starts with the responsible sourcing of trees, our most important raw material. LP has long practiced and advocated for sustainable forestry—both through our team of highly skilled foresters, as well as our partnerships with third-party experts and industry organizations. This approach ensures the long-term availability of wood fiber, which is essential to our business model. As a forester myself, I've witnessed firsthand the benefits of sustainable forest management. Healthy, productive forests are not only critical to LP's business, but also integral to carbon sequestration, community prosperity, and healthy ecosystems.

We deeply respect and value our partnerships with Indigenous communities in the areas where we operate. Prioritizing these partnerships is central to our values as we actively engage in collaborative efforts on forestry and other matters. Through employment opportunities, skill development programs, and continuing education initiatives, we strive to support economic development within these communities.

Last year, we celebrated 50 years since the creation of the LP Foundation. We are proud of this milestone, which highlights our longstanding commitment to community engagement. Since 1973, the LP Foundation has contributed over \$22 million to important causes. At the heart of our philanthropic efforts is the LP Foundation's Community Grants program, empowering each of our mills and office locations to address the unique needs of their communities. In 2023 alone, the LP Foundation supported over 30 local initiatives and donated more than \$200,000 to aid in disaster relief efforts within our communities.

Together with the LP Foundation's other programs, we donated to more than 100 nonprofit organizations, totaling nearly \$1 million in 2023. In addition to LP providing stable employment to our team members and the various other economic benefits our facilities provide, our Community Grants program exemplifies our dedication to making a positive impact in our hometowns.

In 2023, we remained focused on creating a diverse, engaged, productive, and safe workplace. We achieved an industry-leading total incident rate of 0.5, underscoring the effectiveness of our deeply rooted safety culture. This commitment to safety earned us the Safest Company Award from APA—The Engineered Wood Association for the 11th time in 15 years. We also prioritized the well-being of our team members and their families by enhancing various health and welfare benefits while reducing medical premiums. Meanwhile, our commitment to inclusion was reinforced through our Building a Better LP training program, expanded mentorship programs, and newly established scholarship programs with diverse institutions to foster a sense of belonging across the company.

We expect that the year ahead will bring strong value creation driven by our highly talented and dedicated team members. To our stockholders and other stakeholders, our message is this: We believe our products and our mission position us to deliver sustainable value for the long term. I invite you to join us in Building a Better World™ and witness firsthand the value we can create by producing and delivering innovative and sustainable building products.



**BRAD SOUTHERN**

Chairperson and Chief Executive Officer



## ABOUT THIS REPORT

At LP, sustainability is a core principle that guides every aspect of our business. It shapes our interactions with one another, our communities, and key stakeholders. It's also a critical lens through which we evaluate our products, practices, and manufacturing operations. Our dedication to sustainability underscores an enduring commitment to leadership within our industry, driving us to continue Building a Better World™.

Our fourth annual Sustainability Report covers LP's ongoing 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.

## SUSTAINABILITY PILLARS



GOVERNANCE



PEOPLE



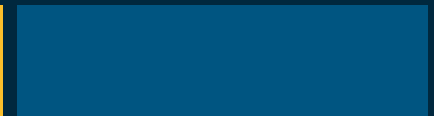
ENVIRONMENT



PRODUCTS



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 (SDGs).

Unless otherwise noted, we include financial and other information as of December 31, 2023.

## SUSTAINABLE DEVELOPMENT GOALS

The SDGs provide 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, LP contributes most significantly to goals 5, 9, 11, 12, 13, and 15.



## ABOUT LP

**\$2.6B**

**NET SALES**

**~4,100**

**TEAM MEMBERS**

**22**

**MANUFACTURING  
FACILITIES**

**2**

**HEADQUARTERS**

**7**

**SALES OFFICES**

**1**

**FORESTRY-ONLY  
OPERATION**

# PURPOSE, VISION, AND MISSION

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

From the way we manage forests and manufacture sustainable products 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, and more durable 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 stockholders build lasting value.

## HIGHLIGHTS

# 8 EPDs

We completed eight environmental product declarations. Representing products accounting for approximately 75% of our North American net sales in 2023, all eight products are carbon negative.

# 11x

LP received the Safest Company Award from APA-The Engineered Wood Association for the 11th time in 15 years, recognizing our world-class safety performance.



Our durable products, designed to reduce waste, offer sustainable alternatives to nonrenewable, energy-intensive options, while helping to safeguard homes from extreme conditions.

# \$22M

In 2023, we celebrated 50 years of the LP Foundation. Since its founding, the LP Foundation has donated more than \$22 million to our communities.

# 100%

Free and unlimited virtual counseling was made accessible to 100% of our U.S. team members, providing comprehensive mental health support.



For 2023, we obtained third-party limited assurance for our Scope 1 and Scope 2 greenhouse gas emissions, reinforcing our commitment to strong governance and data integrity.

# 41%

Since 2019, our Scope 1 and Scope 2 greenhouse gas emissions intensity by net sales has decreased by approximately 41%, demonstrating our continued focus on efficiency.



Our manufacturing process includes functions designed to minimize water use. At several facilities, we recycle and reuse water, as well as apply technologies to limit the amount of water leaving the manufacturing process.



LP was named to Newsweek's list of America's Most Responsible Companies, recognizing our leadership in corporate responsibility.

# 5,000

We spent more than 5,000 hours training all active North American team members on our customized, 90-minute Building a Better LP inclusivity program.



In 2023, we lowered all U.S. medical premiums and rolled out fertility benefits to help remove some of the financial barriers to starting a family.

# 100%

As responsible stewards, we work to ensure that 100% of the wood fiber we source is vetted through stringent forest certification standards.



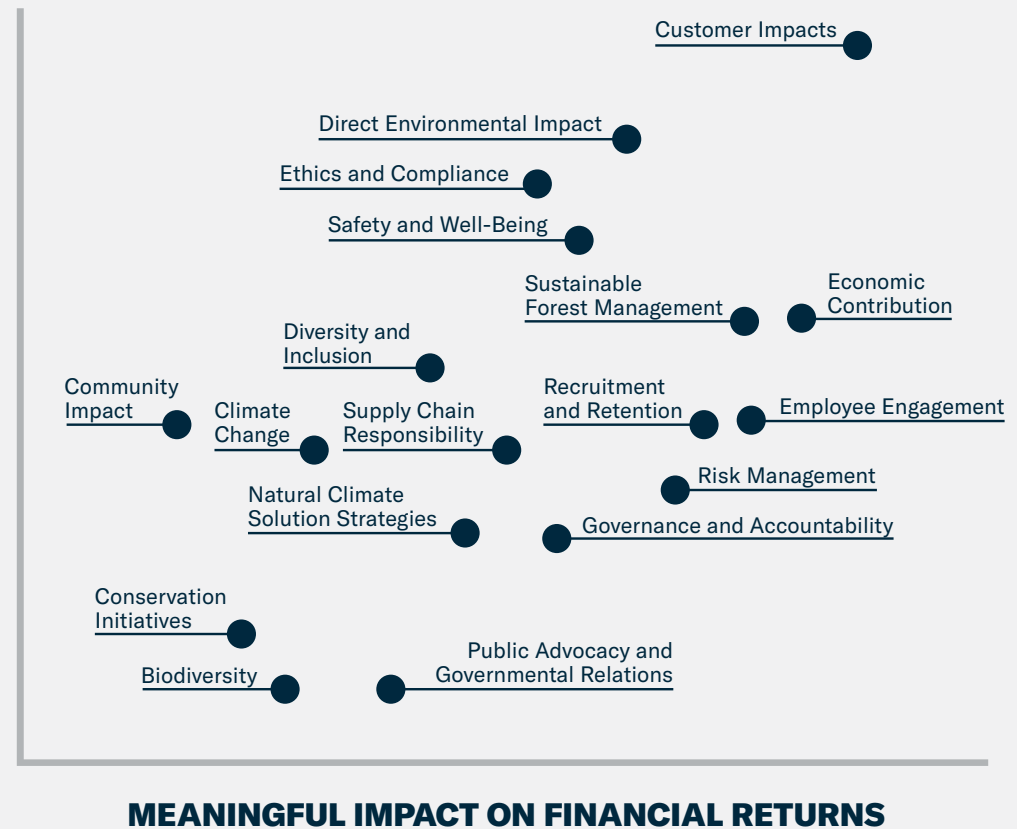
## SUSTAINABILITY AT LP

Building a business that relies on the regenerative capacity of forests underscores the importance of sustainability. This understanding drives our commitment to sustainable practices and informs the way we run our company, design our products, support our team members, and engage with our communities.

### ESG PRIORITY ASSESSMENT

We conducted a comprehensive ESG priority assessment in 2021 to categorize the perspectives of our diverse stakeholders—team members, customers, and investors—and incorporated their interests 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. We plan to revisit the assessment in the coming years to gauge any changes in stakeholder perceptions and ensure the effectiveness of our approach.

**IMPORTANCE TO STAKEHOLDERS**



**MEANINGFUL IMPACT ON FINANCIAL RETURNS**



# GOVERNANCE

**At LP, we are committed to doing the right thing always. Our corporate governance practices are purpose-driven, promoting accountability, integrity, and transparency. We believe by prioritizing innovation and sustainable business practices, we create value for our customers, team members, stockholders, 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 toward ESG-related goals. The GCRC includes every independent member of our Board of Directors, demonstrating their active commitment and engagement in our ESG programs and practices. Meeting at least three times a year, with four meetings held in 2023, the GCRC also oversees programs and processes concerning management succession, safety, environmental and product quality policies and practices, ethics and business conduct, political activities, and human resources.

Reporting to the GCRC, LP's ESG Executive Council (ESG Council) holds management responsibility for our ESG initiatives. 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. Led by our General Counsel, the ESG Task Force meets biweekly and comprises a cross-functional group of leaders from key departments, including Sustainability and Public Policy, Finance, Procurement, Corporate Communications, and Marketing. The ESG Council and the ESG Task Force convene quarterly to discuss ESG strategies and track progress on initiatives.

In 2023, the ESG Task Force prioritized data integrity, developing and implementing processes to capture and communicate accurate, consistent, and timely ESG information. This helps ensure reliable data for informed business decisions.

## LP'S ESG OVERSIGHT STRUCTURE



**Full Board of Directors**



**Governance and Corporate Responsibility Board Committee**



**ESG Executive Council**



**ESG Task Force**

# ETHICAL BUSINESS OPERATIONS

We believe 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.

## CODE OF CONDUCT

Our **Code of Business Conduct and Ethics** articulates the standards to which we hold ourselves in our actions, governing everything from the way LP team members treat each other to how we run our operations, work with our 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 annually thereafter. Additionally, some team members receive detailed, role-dependent training related to anti-bribery and anti-corruption topics.

LP's anti-bribery and anti-corruption program is implemented and primarily monitored by our Legal department under the management of the Senior Vice President, General Counsel, and Corporate Secretary. Additionally, the GCRC oversees anti-bribery and anti-corruption compliance, with reporting to, and oversight by, the full Board of Directors.

## 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**, our Human Rights 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 Business Conduct and Ethics training taken by all full- and part-time LP team members.

## OUR ETHICS AND COMPLIANCE GOALS



By year-end 2023, administer annual Code of Business Conduct and Ethics training, including anti-harassment training, for at least 90% of LP team members.<sup>1</sup>



By year-end 2023, conduct annual anti-bribery training for at least 90% of LP team members involved in finance, sales, marketing, and procurement.

<sup>1</sup>Certain employees completed training before or after the 2023 calendar year.

## 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 reports to supervisors, internal departments such as Human Resources or Legal, and our confidential reporting service.

When a report is made, we investigate as necessary and, depending on the circumstances, we escalate certain reports to the Executive Team, Board of Directors, and/or responsible Board Committee. Quarterly, the Board of Directors also receives updates on the number and type of reports.

## SUPPLY CHAIN ETHICS AND COMPLIANCE

We advocate for the highest levels of ethical and responsible conduct within 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 strive to 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 adhere to our Supplier Code of Conduct and to provide us with documentation of compliance.

## 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://www.lpcorp.com/LPConfidential).

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.

## PUBLIC POLICY AND ADVOCACY

LP works to maintain 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 achieve multiple objectives, including understanding financial and business risks, facilitating mutual understanding of our operations, and anticipating, responding to, and complying with emerging legislation and regulations. We take action to ensure that when we engage with public officials, we do so ethically, responsibly, and in accordance with our **Code of Business Conduct and Ethics**. We disclose information on political contributions to the **Federal Election Commission**.

We work closely with regulatory agencies, public officials, and industry organizations as part of our efforts 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>2</sup>

	FEDERAL	STATE
<b>2023</b>	\$73,000	\$69,500
<b>2022</b>	\$69,500	\$112,000
<b>2021</b>	\$67,000	\$104,000

<sup>2</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 Society of Heating, Refrigerating and Air-Conditioning Engineers
- American Wood Council
- APA—The Engineered Wood Association
- ASTM International
- BC Council of Forest Industries
- Canadian Aboriginal and Minority Supplier Council
- Canadian Home Builders' Association's Net Zero Energy Housing Council
- Ducks Unlimited Canada
- Federal Forest Resource Coalition
- Forest Industry Association of Manitoba
- Forest Landowners Association
- Forest Products Association of Canada
- Forest Resources Association
- Fort St. John & District Chamber of Commerce
- FPInnovations
- Housing Innovation Alliance
- International Code Council
- International Institute of Building Enclosure Consultants
- Michigan Forest Products Council
- Minnesota Forest Industries
- Nashville Area Chamber of Commerce
- National Association of Black Accountants
- National Association of Home Builders
- National Association of Manufacturers
- National Council for Air and Stream Improvement
- National Minority Supplier Development Council
- National Safety Council
- National Society of Black Engineers
- North American Wholesale Lumber Association
- Policy Advisory Board of the Harvard Joint Center for Housing Studies
- Programme for the Endorsement of Forest Certification
- Québec Forest Industry Council
- Rainscreen Association in North America
- Reflective Insulation Manufacturers Association International
- Roofing Industry Committee on Weather Issues
- Society of Hispanic Professional Engineers
- Sustainable Forestry Initiative
- The Great Lakes Professional Timber Producers Association
- Truckers Against Trafficking
- Women In Trucking Association
- Women's Business Enterprise National Council
- Wood-Based Composites Center
- WoodWorks

# CYBERSECURITY AND DATA PRIVACY



To respond to the threat of security breaches and cyberattacks, we maintain a cybersecurity program designed to protect and preserve the confidentiality, integrity, and continued availability of all information owned by, or in the care of, LP. This program includes mechanisms to monitor and detect unusual network activity, cybersecurity incident response and containment tools, and a response plan that provides controls and procedures for timely and accurate reporting of any material cybersecurity incident.

We undertake various efforts to manage data privacy considerations that include encrypting sensitive information and applying specific data management requirements to our contracts with third parties. We do not accept, transmit, or store credit card information, and we do not share customer information with third parties. To confirm the strength of our security measures, we enlist third-party assessors to conduct annual reviews of our security program against the National Institute of Standards and Technology (NIST) Cybersecurity Framework.

Throughout 2023, we remained committed to enhancing our cybersecurity and data privacy programs. Introducing data loss prevention technology enabled us to closely monitor outgoing data, helping us conduct audits, detect anomalies, and promptly identify potential issues. We also made additional improvements to vulnerability management and cloud security—first completing a cloud assessment and then adjusting our practices based on findings.

## CYBERSECURITY OVERSIGHT AND TRAINING

LP prioritizes consistent and uninterrupted operational capability and securing confidential business assets. We have systems and processes in place to assess, identify, and manage cybersecurity incidents, and those systems and processes are integrated into our overall enterprise risk management system. We invest heavily in technology and third-party support to identify, mitigate, and quickly respond to cybersecurity incidents, and maintain a strong focus on consistently reviewing fundamental cybersecurity practices to ensure we are monitoring emerging threats.

Our cybersecurity program is managed by our Information Security Officer (ISO). To more effectively share information and gain consensus regarding cybersecurity initiatives and prevention policies, we maintain a Cyber Council consisting of various members of LP senior leadership and the Chief Information Officer. The Cyber Council is chaired by our ISO.

The ISO and our Cybersecurity team are responsible for leading an enterprise-wide information security strategy, including policy, standards, architecture, processes, and security technology.

### The Cyber Council:

- Meets semiannually to review and discuss cybersecurity risks and threats, incident responses, technology, initiatives to strengthen our information security systems, cybersecurity program assessments, and the emerging threat landscape; and
- Reports risks related to any material cybersecurity incidents as needed to the Board of Directors and the Finance and Audit Committee (FAC) of the Board of Directors.

Oversight of risks from cybersecurity threats is shared by the Board of Directors and the FAC. The FAC oversees our cybersecurity program. The ISO also gives the FAC an annual presentation on our cybersecurity program, emerging threats, and the state of our cybersecurity maturity. In addition, the ISO provides to the FAC quarterly updates regarding the cybersecurity program.

We also have a cybersecurity training and compliance program in place where our connected employees receive training and are tested routinely through simulated phishing attempts.



# PEOPLE



**At LP, we believe that by building a more diverse, engaged, and skilled workforce, we're also building a better, more sustainable, and more competitive company—because when our people thrive, our company thrives. We work to foster a safe and inclusive environment where everyone at LP can grow and feel valued, with competitive pay and comprehensive benefits that empower our team members to care for themselves and their families.**



# CULTURE AND ENGAGEMENT

## LEADERSHIP BEHAVIORS

LP team members know that their company is fully invested in them—invested in their safety and well-being, professional development, and job satisfaction. In turn, the LP team is committed to the success of the business and ensuring a safe work environment. 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 our goals. Our eight leadership behaviors serve as the basis for this ownership mentality:

### BE SAFE

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.

### INSIST ON EXCELLENCE

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.

### INNOVATE & SIMPLIFY

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.

### JOIN FORCES

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.

### BE CURIOUS

Learn every day and help others grow. Seek honest feedback and offer constructive guidance. When you stop improving, you stop excelling.

### EMBRACE DIFFERENCES

Champion diversity. Take time to listen and understand. Welcome everyone with fairness, mutual respect, and equal treatment. Similarities connect us but differences strengthen us.

### LEAN IN, SPEAK UP

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.

### HAVE A BIAS FOR ACTION

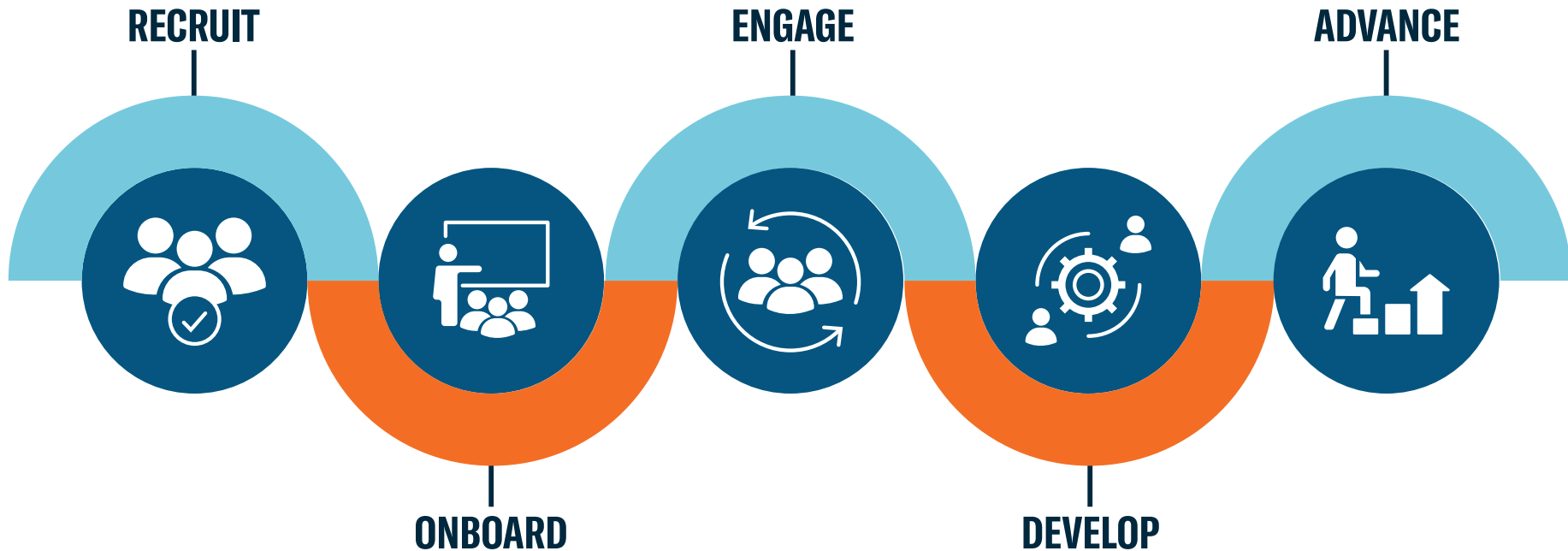
Go-getters make things happen. Act with a sense of urgency and use good judgment, instinct, and expertise to take calculated risks. Own your decisions and deliver results.

## TEAM MEMBER JOURNEY

We strive to cultivate an inclusive environment where we actively listen to, engage with, and develop our team members. We seek out talented individuals who stay for rewarding, long-term careers within our organization. Our Team Member Journey serves as a guide for employees across five areas:

- RECRUIT
- ONBOARD
- ENGAGE
- DEVELOP
- ADVANCE

In recognition of our values-driven culture and our commitment to team members, we were named by Newsweek as one of **AMERICA'S GREATEST WORKPLACES IN 2023** and were featured on The Tennessean's 2023 list of **TOP WORKPLACES.**



## RECRUIT

At LP, we're passionate about fostering diversity and inclusivity within our workforce, which is why our recruitment efforts extend to engaging with students at every stage of their educational journey. From high schools and trade schools to community colleges and four-year universities, we actively seek out opportunities to connect with students firsthand.

We aim to recruit from diverse candidate pools, using a recruitment playbook and comprehensive interview training to ensure an inclusive, best-in-class candidate experience. We have long sponsored and participated in college career fairs and on-campus events, extending our reach to historically Black colleges and universities (HBCUs) and other diverse institutions in our pursuit to attract and cultivate the next generation of LP leaders. By reaching out to students early on and offering them insight into potential career paths, we hope to inspire and empower the next generation of talent to join LP and contribute to our shared success.



## 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. A critical part of the program is Blueprint Fundamentals, a live one-and-a-half-day online session facilitated by LP leaders. The session covers everything from sustainability to ethics to product spotlights, but its most popular feature is “Logs to Dollars,” where new employees learn how we create our products from raw material sourcing all the way to point of sale.

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. Manufacturing team members receive 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 annual engagement surveys to better understand and respond to the needs of our teams, alternating between comprehensive engagement surveys and shorter mini surveys for periodic progress updates on employee engagement.

Taking steps to measure and assess employee satisfaction and engagement is at the heart of our long-term success and creating a great place to work. Regularly conducting engagement surveys and periodic mini surveys allows us to stay attuned to the needs of our teams.

In 2023, we introduced a concise mini survey focusing on seven key areas previously covered in our comprehensive 2022 employee engagement survey. A representative sample of nearly 1,500 team members participated in the 2023 survey. The results revealed an engagement score of 71/100, an increase over 2022, with improvements observed across all categories. This underscores our commitment to implement actionable plans that help enhance our workplace environment. It's evident that our efforts are making a tangible difference, further solidifying LP's reputation as an exceptional and safe place to work.

## DEVELOP

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

In 2023, we developed a formal internship program, which launched in early 2024. The program enables college students to gain hands-on work experience in one of our mills or corporate headquarters.

We implement targeted programs that deliver meaningful learning opportunities to team members at key points in their careers. These include our LP Leadership Academy, access to various digital learning platforms, and specialized programs tailored to the roles and responsibilities of specific team members. We typically collect and implement feedback after training is complete to continually improve our programs. In 2023, team members who participated in our digital learning programs took an average of four hours of training.

## LP'S CAREER ROADMAP

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



## LP Leadership Academy

Our leadership academy encompasses three key leadership development programs:



### Manager Kickstart

A 12-course program that equips first-time managers and managers new to LP with the skills and knowledge to transition from Individual Contributor to People Leader.



### Foundations of Building Leaders

A program that provides foundational leadership training over three months for emerging leaders.



### Building Leaders

A program that offers advanced leadership training over four months to seasoned managers who have the potential to advance into senior leadership positions.

## Digital Learning Tools and Programs

We offer all team members access to on-demand digital learning platforms, including those described below.

- **LinkedIn Learning** is a digital library of more than 20,000 expert-led courses covering business, leadership, software, and technical topics that allow individuals to earn credits and certifications based on their career path and interests.
- The **Dale Carnegie** training platform allows team members to gain business and leadership skills through live, collaborative, and virtual training experiences 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. We also offer live, in-person training through the Dale Carnegie training program, which in 2023 included multiday sessions on developing leadership skills and creating high impact presentations.
- To ensure every team member understands the technical programs and systems integral to our daily operations, we use **BrainStorm QuickHelp**. This platform provides thousands of resources and personalized learning experiences on remote work, effective collaboration, improved software skills, online security, and more.

Additionally, we provide specialized programs tailored to the roles and responsibilities of specific team members, including:



### LP TradesBuilder

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



### LP Sales University

For team members working in Sales and Marketing, we offer LP Sales University—a customized program uniquely tailored to developing our team, enhanced this year to provide an even more engaging experience. In 2023, nearly 200 individuals attended one or more of our 20 sessions. In total, Sales and Marketing team members were offered more than 35 learning hours over the year.



### BetterUp® Coaching

LP introduced BetterUp® Coaching in 2023 to help high-performance team members achieve their personal and professional goals by matching them with a certified coach to support their development. The program's first year saw significant engagement, with over 200 coaching hours completed in the first month of the program alone. The second cohort is underway for 2024.

## Tuition Assistance Program

Through our Tuition Assistance Program, we offer U.S. and Canadian LP team members reimbursement for a portion of their eligible expenses every year when they enroll in a degree-seeking program through an accredited university or an equivalent program through a trade or vocational school.

## ADVANCE

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, which is structured to provide constructive feedback and support career advancement.

The annual performance management process begins by setting companywide goals at the start of each year. These goals are then disseminated across the organization and tailored to the distinct responsibilities of every team member. Collaboratively, team members and their supervisors set individual goals, informing their regular progress discussions throughout the year. The annual process culminates in a final performance review, which helps to determine merit-based salary increases.

We prioritize the development of our team members, providing them with the tools they need to grow into more senior roles within LP. In our formal succession planning, we target team member development to build a diverse population of talent for future leadership roles within our organization. We also offer individual development plans for all team members and focused coaching and development for high-potential individuals.



## OUR RECRUITMENT AND RETENTION GOALS

GOAL	Augment existing benefits and policies to support team members' work/life balance.	Increase participation in digital professional development and training platforms by 10% annually.	Provide an onboarding experience that builds team member loyalty and accelerates role proficiency.
PROGRESS	<p><b>ONGOING</b></p> <p>In 2023, we reduced medical premiums and rolled out fertility benefits to remove some of the financial barriers to starting a family.</p>	<p><b>ACHIEVED</b></p> <p>In 2023, we expanded our training programs and increased digital training hours by 23%.</p>	<p><b>COMPLETE</b></p> <p>We rolled out LP Blueprint, our comprehensive onboarding program, to all targeted team members.</p>

# BENEFITS AND WELL-BEING

## COMPENSATION

In 2023, we continued to build an even more robust total rewards program to support our team members' health, well-being, and financial security. Many of these enhancements, including family building benefits and decreased medical premiums, were in direct response to team member feedback.

### WAGES

Providing competitive wages for LP team members is not just critical to attracting and retaining skilled talent; it's the right thing to do. We continuously monitor and assess compensation to ensure we offer a fair living wage across our locations.

### 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 total company financial targets are met, the company also offers a pre-tax profit-sharing contribution to team members' retirement savings plans. Eligible team members employed by LP as of December 31 of the plan year receive a profit-sharing contribution as a percentage of their annual salaries. For 2023, our target was to achieve an 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 2% 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, where they contribute a percentage of pay up to the Internal Revenue Service maximum to purchase LP stock at a 15% discount. At the end of 2023, nearly 750 team members were enrolled in the program.

## WELL-BEING PROGRAMS

### PHYSICAL HEALTH

#### 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.

In 2023, we made significant improvements to our U.S. medical plans. We lowered all medical premiums, driven by feedback from our LP team members. Responding to their input, we transitioned to a new insurer to provide enhanced medical coverage at reduced premiums. We also began offering a high-deductible health plan with a \$0 premium. Once our team members enroll in LP's medical, vision, and dental insurance plans, we encourage them to use their annual preventive health care benefits. As an incentive, 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 2023, WE EXPANDED OUR U.S. HEALTH CARE OFFERING TO ASSIST WITH THE COSTS OF COMPREHENSIVE FERTILITY TREATMENT**, helping to remove some of the financial barriers faced by team members looking to build a family. Team members enrolled in our health care plan are eligible to receive three "smart cycles" that cover eligible services, tests, and treatments they might need to become a parent.



## LP HEALTH AND WELLNESS CENTERS

We prioritize the health and wellness of our team members. Our 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 treatment for short-term illnesses. 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 families, which allows for easy scheduling and little to no wait times.

## MENTAL HEALTH

### UNLIMITED VIRTUAL COUNSELING

We expanded our mental health support to include unlimited virtual mental health visits for U.S. team members—even for those not enrolled in our medical plans. For team members enrolled in LP's health insurance plan, this free resource is also available to their eligible dependents.

### EMPLOYEE ASSISTANCE PROGRAM

Our Employee Assistance Program provides free access to a range of mental health services, including counseling, work-life balancing, substance abuse treatment, legal guidance, and financial assistance. All LP North American team members and their dependents can receive five free counseling sessions per topic per year. This means that an employee could receive five free sessions over a year to discuss finances, and their dependents can also access five free sessions on the same topic, in addition to other topics like mental health coaching. If an employee or his/her dependent uses all five free sessions for a topic and needs additional counseling, the Employee Assistance Program will provide an in-network referral.

## WORK/LIFE BALANCE

### PARENTAL LEAVE

Our parental leave policy supports team members in their journey of recovery, caregiving, and bonding with a newborn or newly adopted child. The policy now encompasses paid maternity, bonding, adoption, and surrogacy leave to team members following the birth of a child or the placement of a child in connection with adoption. The policy includes:

- 12 weeks of fully paid maternity leave
- 3 weeks of fully paid bonding leave for non-birthing parents
- 6 weeks of fully paid surrogacy leave
- 6 weeks of fully paid leave for the adoption of a child

For the third consecutive year, **THE DAVE THOMAS FOUNDATION FOR ADOPTION NAMED LP TO ITS ADOPTION ADVOCATES LIST**, recognizing our robust adoption benefits programs.



### FLEXIBLE SCHEDULES AND TIME OFF

We provide paid time off and paid company holidays to promote a healthy work/life balance for our team members. In 2023, we announced expanded company holidays, adding Martin Luther King Jr. Day and Veterans Day in the U.S. beginning in 2024 and the National Day for Truth and Reconciliation in British Columbia, Canada beginning in 2023—holidays that have profound cultural and historical significance. 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.

## CARING FOR ONE ANOTHER

### LP CARES FUND

The LP Cares Fund was created by team members to support their colleagues in times of need. It is funded through team member donations, which are matched by the LP Foundation, an independent, 501(c)(3) nonprofit entity solely financed 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. In 2023, we increased the maximum LP Cares grant amount from \$1,500 to \$2,000, providing access to more funds when our team members need it most.

Since its creation in 2014, the LP Cares Fund has supported more than 600 LP team members and members of their households by providing financial support for housing, home repairs, food, clothing, utilities, and medical expenses. In 2023, team members made nearly 1,000 individual donations to the LP Cares Fund. When coupled with LP Foundation donation matches, donations to the LP Cares Fund totaled more than \$35,000.

### 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.

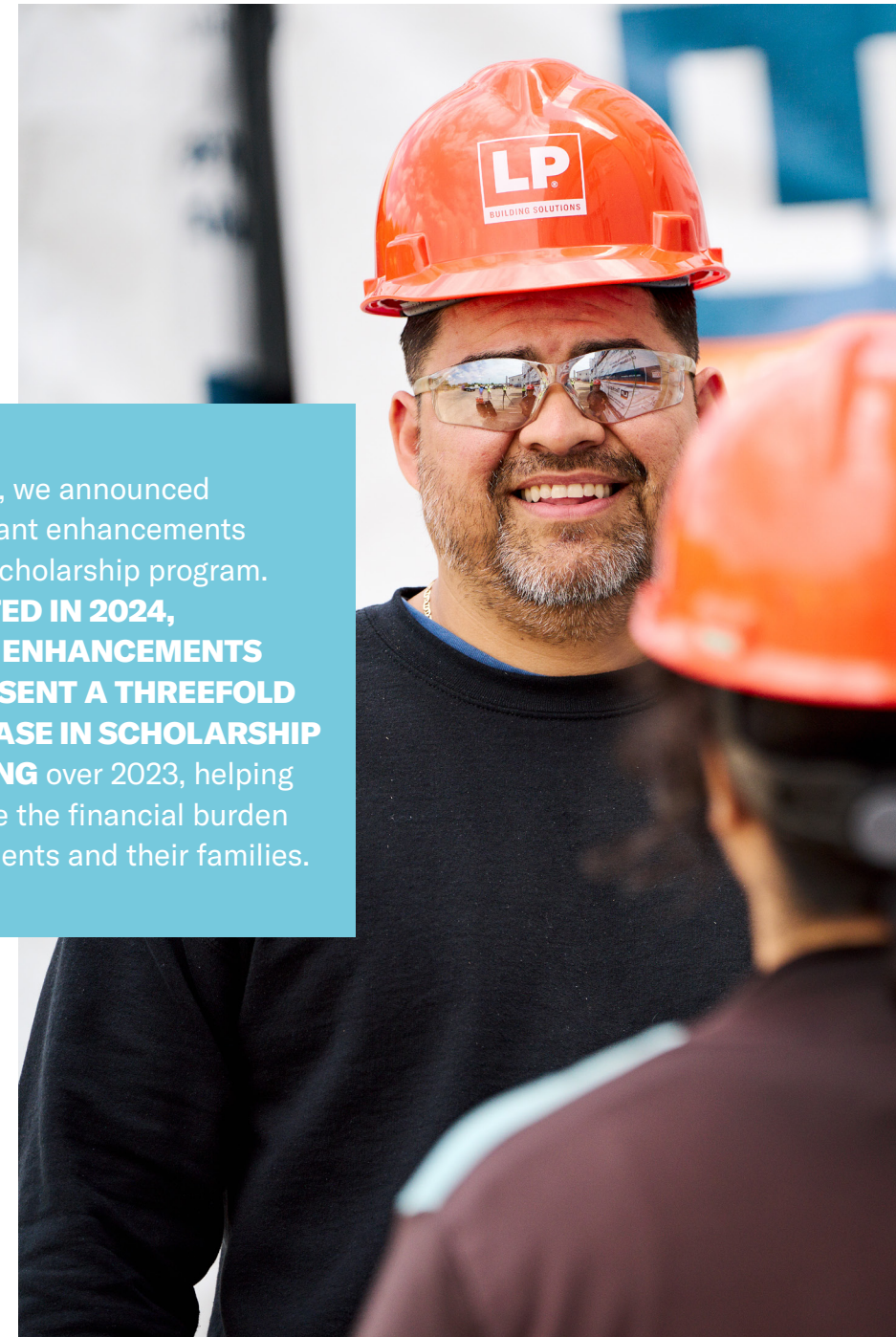


LP team members sent one another nearly 10,000 awards through our LP Roof Raisers recognition program in 2023, totaling nearly \$500,000 in gift awards.

### LP SCHOLARSHIP PROGRAM

The LP Scholarship program aims to ease the financial strain of college expenses for students and their families. In 2023, we developed program enhancements, increasing the scholarship offering from \$1,500 to \$2,500 for eligible children of our team members starting in 2024. In addition to increasing the dollar amount, we expanded the number of new scholarship recipients from 22 to 50, increasing the total potential enrollment from 88 to 200 students each year. 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.

In 2023, we announced significant enhancements to our scholarship program. **ENACTED IN 2024, THESE ENHANCEMENTS REPRESENT A THREEFOLD INCREASE IN SCHOLARSHIP FUNDING** over 2023, helping alleviate the financial burden for students and their families.





## 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—for every task, in every location. Since 2010, LP has won more than 90 safety awards and achieved 1 million recordable incident-free hours at various LP sites 17 times, including our Dawson Creek, British Columbia, Canada mill in 2023. In addition, three of our sites are OSHA VPP Star Certified.

In 2023, LP received the **2022 SAFEST COMPANY AWARD** from APA–The Engineered Wood Association, marking our 11th time receiving this recognition since the award’s inception 15 years ago.



## HEALTH AND SAFETY OVERSIGHT

Our commitment to Building a Better World™ starts by taking ownership for the health and safety of our team members. The full Board of Directors discusses safety at least annually and receives monthly updates on safety metrics, performance, and programs.

At the management level, each of our sites has direct ownership of its health and safety programs and is responsible for implementing our Safety Management System. Site safety leaders report performance through their respective business segment leaders, with the ultimate responsibility for safety residing at the executive level. Our Executive Team receives safety updates every two weeks, further driving our culture of safety.

## SAFETY MANAGEMENT PROGRAMS

Our companywide Safety Management System applies to all team members and contractors, and outlines our expectations for how to stay safe on the job. The comprehensive system 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 Prevention program is a function of our Safety Management System, designed to better target safety performance improvements. This advanced program represents the evolution of our safety programs, going far beyond traditional safety programs to target two focus areas: human behavior and the physical workplace environment. To address human behavior, we use predictive tools and training, and empower team members to share concerns to identify the potential for injuries.

We use a hierarchy of control model to reduce potential physical workplace risks, using elimination, substitution, engineering, administrative action, and personal protective equipment to mitigate hazards and prevent incidents before they occur. To further help eliminate hazards, safety improvement funds provide financial resources that allow our facilities to aggressively target and quickly implement hazard-reducing initiatives.

Strong safety performance starts with a strong safety culture. We hold a Serious Injury and Fatality Prevention program call every two weeks to drive this culture, where safety leaders across our operations share stories and best practices with one another about how to drive even stronger safety performance. This fosters collective improvement and prevents safety issues before they occur.

As a core tenet of our Serious Injury and Fatality Prevention program, all team members, no matter their roles or seniority, are empowered and encouraged to speak up when they see something potentially unsafe. Our team members understand their roles and responsibilities when it comes to safety to help ensure no one gets injured while working at LP.

Our culture of safety extends to every corner of LP, including New Waverly Transportation (NWT), our trucking operation. In 2023, **NWT RECEIVED THE PLATINUM AWARD FOR SAFETY** from the Great West Casualty Company as part of its National Safety Awards Program. The award recognizes NWT for excellence in safety as demonstrated by a strong safety culture, a commitment to safe driving practices, and excellent performance metrics. In 2022, NWT ran 7.7 million miles without a preventable Department of Transportation reportable accident—the equivalent of driving the circumference of the earth 309 times.



## EMPLOYEE HEALTH AND SAFETY TRAINING

Upon joining the company, every LP team member and contractor receives foundational safety training. This training is geared to the specific roles and responsibilities of the team member. Each location's safety leaders also administer their own annual safety training program tailored to the unique risks and trends of that facility, typically consisting of classroom, job site, and online training.

Special emphasis training in our facilities is also implemented 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.

Our Serious Injury and Fatality Prevention program is designed to proactively assess and implement controls for high-risk conditions and events. In 2022, we closely monitored safety incidents across the organization, particularly focusing on pedestrian exposure to mobile equipment, and promptly took action to implement pedestrian monitoring systems across our operations. Building upon these efforts in 2023, we initiated enhancements to these safety measures by physically separating pedestrians from mobile equipment to mitigate potential incidents.

## SAFETY GOALS

Every year, we establish internal safety targets and strive for continuous improvements in safety performance. One of the metrics we track is Total Incident Rate (TIR), a common industry measure of recordable incidents<sup>3</sup> per 100 employees. We have established a TIR target of <1.0 per year, which we believe represents industry-leading performance. Since 2007, LP has consistently achieved a world-class TIR below 1.0 every year. In 2023, our TIR of 0.5 surpassed our target.

## SAFETY METRICS AND PERFORMANCE

	2023	2022	2021
<b>Total Incident Rate (TIR)<sup>4</sup></b>	0.50	0.84	0.88
<b>Weighted Incident Rate (WIR)<sup>5</sup></b>	2.05	3.95	4.85
<b>Total Fatalities</b>	0	0	0
<b>Days Away Restricted or Transferred (DART) Rate<sup>6</sup></b>	0.20	0.44	0.51
<b>Lost Workday Rate<sup>7</sup></b>	0.15	0.27	0.39

## 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 LP's contractor prequalification program, we thoroughly vet all contractors before their work begins. If, during the vetting process, a contractor has safety metrics that fail to meet our standards, they are flagged and rigorously reviewed to determine whether work will proceed. All contractors complete mandatory safety 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

Each LP location also maintains its own Emergency Action Plan that details procedures and expectations in a fire, natural disaster, active shooter, or other emergency situation. At the corporate level, we maintain an emergency response plan that is overseen and updated by our Corporate Safety Committee. These practices ensure we have measures in place to inform our team members of emergencies and enable us to mitigate potential disruptions in the event of an emergency or an issue at one of our locations.

<sup>3</sup>TIR includes any work-related fatality or injury/illness that results in loss of consciousness, days away from work, restricted work, transfer to another job, or medical treatment beyond first aid.

<sup>4</sup>To calculate TIR, the total number of recordable injuries are multiplied by 200,000 and then divided by the total number of hours worked.

<sup>5</sup>To calculate WIR, incidents are weighted by severity using predetermined categories. Those are totaled, multiplied by 200,000, and then divided by the total number of hours worked.

<sup>6</sup>To calculate DART, the total number of days away and restricted or transferred cases are multiplied by 200,000 and then divided by the total number of hours worked.

<sup>7</sup>To calculate Lost Workday Rate, the total number of lost workday cases are multiplied by 200,000 and then divided by the total number of hours worked.

## INCLUSION AND BELONGING

### OVERVIEW

We embrace diversity and foster inclusion among our team members, customers, and stakeholders. We deeply value the richness brought by their diverse backgrounds, experiences, perspectives, and talents. Our aim is to cultivate a culture that not only supports but also enhances our capacity to attract, develop, and retain diverse talent across all levels. This commitment not only strengthens our competitiveness, but also aligns with our values and principles. Our Executive Team oversees our programs, policies, and initiatives related to diversity, equity, and inclusion (DEI), focusing on belonging, talent development, and compensation and benefits. It is our policy to fully comply with all laws (domestic and foreign) applicable to equal employment opportunity and discrimination in the workplace.

Our **Code of Business Conduct and Ethics** has long held us accountable for creating a workplace environment free from abuse, discrimination, or harassment. It requires us to uphold a culture of mutual respect, ensuring the dignity of all LP team members. We support collaborative practices and foster trust in each other so our employees can thrive. Our **Human Rights Policy** further clarifies our commitments.

## INCLUSION AND BELONGING GOALS

# 1

Work to ensure our teams represent the communities where they operate in terms of race, ethnicity, and gender.

# 2

Increase the representation of women and people of color in leadership positions.

# 3

Ensure representation of women and people of color on LP's Board of Directors.

# 4

Strengthen the supply chain by sourcing more goods and services from suppliers owned and operated by minorities, women, veterans, members of the LGBTQ+ community, and/or individuals with a disability.

# 5

Ensure pay equity for comparable work, experience, and performance regardless of gender, race, religion, or age through third-party reviews and internal analysis.

## PROGRAMS

Over the last year, we initiated recruitment, training, and mentorship programs to create enhanced DEI awareness, develop diverse talent, and foster inclusivity across LP. New programming includes our LP Women Connect event, recruitment initiatives for women and veterans, and the launch of our customized North American team member training program called Building a Better LP.

### Recruitment

#### OPPORTUNITY FOR VETERANS

LP has a longstanding commitment to hiring veterans. In 2023, we announced our partnership with the Manufacturing Institute's Heroes MAKE America program, an initiative that provides certifications and career readiness training to prepare transitioning service members, veterans, National Guard members, reservists, and military spouses for rewarding careers in manufacturing.



By helping veterans apply the skills gained through their service to a career, the Heroes MAKE America program removes barriers for veterans to become leaders in the manufacturing industry. With a 90% job placement rate, the program collaborates with manufacturing companies like LP to identify open positions and prepare veterans through essential manufacturing credentials and coursework.

In addition to supporting Heroes MAKE America, two LP team members received U.S. Department of Defense Patriot Awards. The award recognizes the efforts of individual supervisors to support National Guard or military reserve members and their families, whether through flexible schedules, time off prior to and after deployment, caring for families, or providing leaves of absence if needed.

#### HBCUS AND DIVERSE-SERVING INSTITUTIONS

We have long sponsored and participated in college career fairs and on-campus events, extending our reach to historically Black colleges and universities (HBCUs) and other diverse institutions in our pursuit to attract and cultivate the next generation of LP leaders. At the high school level—especially with high schools in communities near our facilities—we conduct facility tours and engage with students to teach them about LP and careers in manufacturing.

In 2023, we expanded our diverse recruitment at the college level by joining Handshake, a career community that allows us to connect with early career talent. Since joining, we've **ENGAGED WITH NEARLY 1,500 STUDENTS ACROSS APPROXIMATELY:**

- 70 HBCUs
- 200 Hispanic-serving institutions
- 70 Asian American and Pacific Islander-serving institutions
- 30 Women's colleges

In 2023, we established additional strategic partnerships with third-party organizations, including the National Association of Black Accountants, as another way to help diversify our recruiting. We also announced the funding of new college scholarships in partnership with the Society of Hispanic Professional Engineers and the National Society of Black Engineers. These scholarships invest in the education and future of underrepresented students and mark our first collaboration with both organizations.



#### CLOSING THE GENDER GAP THROUGH THE “35X30” PROGRAM

In 2023, we pledged our support to the Manufacturing Institute's “35x30” campaign, an industrywide initiative to narrow the gender gap in manufacturing by integrating half a million women into the industry. This effort aims to increase women's representation in the U.S. manufacturing industry from the current 29% to 35%. A key component of this campaign is the Women MAKE Mentorship Program, which aims to empower women in the industry by training over 1,000 women mentors in manufacturing. These mentors will then engage with younger women in both industry and educational settings, including four-year colleges, universities, community colleges, high schools, middle schools, and among refugee populations. Through our support, we aspire to attract and retain the next generation of women leaders by facilitating their growth and development throughout their educational journeys.



### **BABEL FOR BUSINESS**

In 2023, we began offering access to the language learning platform Babbel to better support communication across teams and with our customers and communities. The service enables team members across North and South America to access a range of language courses at no expense.

### **Training**

Promoting diversity enhances a sense of belonging and fosters the introduction of unique ideas and innovations in the workplace. We incorporate inclusivity training materials into our existing training programs, including LP Leadership Academy and onboarding sessions. Additionally, DEI content is included in our on-demand training courses accessible through LP's LinkedIn Learning library membership.

### **BUILDING A BETTER LP**

We set out to design an inclusion and belonging training program that is unique to how we work and how we think about performance, and directly tied to our core purpose: Building a Better World™. Led by nearly 100 trained LP facilitators and conducted in small groups, Building a Better LP is our customized, 90-minute program focused on the intersection of our culture and our DEI practices. During conversational and interactive training sessions, team members learn about the importance of psychological safety for creating a high-performing culture and are provided 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.

Following the initial training, by year-end 2023, we achieved 100% participation in the training across all active North American team members—totaling nearly 3,500 employees. In the future, all new hires in North America will receive inclusivity training.

By dedicating over 5,000 hours and substantial resources to this training, and making participation a requirement in our salaried North American team members' 2023 performance plans, we are enhancing our culture of belonging and integrating it further into our daily operations.



## Mentorship Programs

### LP WOMEN CONNECT

As part of our efforts to continue fostering a sense of belonging for all team members, in 2023 we held the inaugural LP Women Connect event. The event convened women from across LP to hear directly from the company's female members of the Board of Directors, who shared details about their professional journeys, as well as insights and advice for the women in attendance.

### ADVANCING WOMEN IN NASHVILLE

LP has partnered with Advancing Women in Nashville since 2020 to provide women team members with the resources and support they need to grow and advance in their careers. As part of our partnership, in 2023 we offered membership to 20 women team members at our Nashville, Tennessee headquarters and at the salaried mill level, with plans to further expand participation in 2024. Members participate in virtual or in-person programs focused on leadership development to help them learn from other women in leadership positions and reach their individual career goals.

### EQUITY IN ACTION

In 2023, a cohort of nearly 30 LP team members completed our Equity in Action program, an initiative that paired Black professionals with LP leadership sponsors for a two-way learning experience. Led by the Urban League of Middle Tennessee and 9Paths, the year-long program combined training and mentorship to inspire meaningful conversations about systemic barriers that can lead to workplace inequity, as well as honest exploration of strategies to address and prevent those barriers at LP.

Program participants included team members from our headquarters, mills, facilities, and home offices. Once paired, each participant assumed the roles of both mentor and mentee, facilitating two-way learning and development. The program commenced with two days of in-person activities, followed by monthly virtual meetings, assignments, and one-on-one mentorship sessions.

The Equity in Action program culminated in group presentations to our Executive Team, during which participants suggested strategies to enhance inclusivity in the LP workplace. These recommendations covered various topics, including mentoring initiatives, internal support structures, and collaborations with community organizations. Many of these recommendations are already in progress, aimed at enhancing the overall employee experience.



## 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 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. The next pay equity study is slated to take place in 2024.

## Supplier Diversity

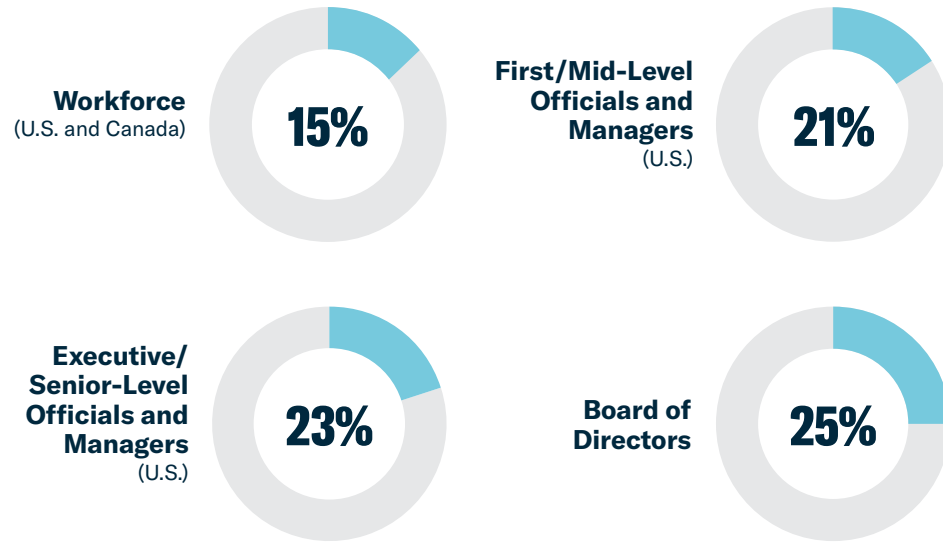
We continually work to foster a culture of diversity, equity, and inclusion both within and beyond LP.

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

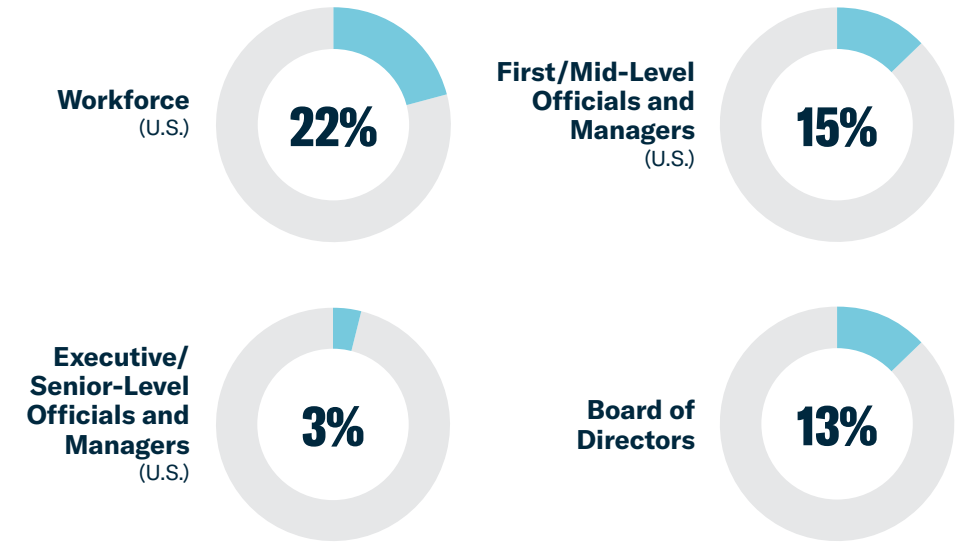
LP defines a diverse supplier as a company that is at least 51% owned and operated by a racial or ethnic minority, woman, veteran, member of the LGBTQ+ community, or person with a disability. We partner with well-known third-party agencies to identify diverse suppliers, including the **National Minority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

DEI METRICS AND PERFORMANCE

FEMALE

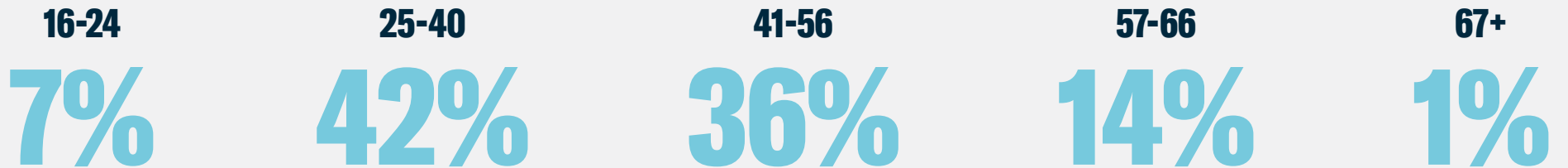


RACIAL AND ETHNIC MINORITY<sup>8</sup>



AGE

(U.S. AND CANADA)



<sup>8</sup>Minority metrics are based on EEO-1 categories and include U.S. employees who self-identify as American Indian/Alaskan Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, or two or more races.



# ENVIRONMENT



**At LP, environmental stewardship is at the heart of our business. We strive to responsibly manage our environmental footprint throughout the entire product life cycle, starting from innovation and sourcing, continuing through manufacturing, and ending with installation and final 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

At LP, environmental stewardship is a responsibility shared by every team member. Our **Policy on Environmental Stewardship** guides our operations and is supported by programs and processes that help us minimize emissions, reduce waste and water use, and support the conservation of biodiversity. By implementing innovative, site-specific environmental management programs at all LP manufacturing facilities, we aim to reduce waste and promote clean air and water while producing high-quality, durable building products.

We were recognized by Newsweek as one of **AMERICA'S MOST RESPONSIBLE COMPANIES IN 2024**. The list ranks the top U.S. companies based on key environmental, social, and governance (ESG) performance indicators and public opinion.



## ENVIRONMENTAL OVERSIGHT

Oversight of our environmental programs and initiatives begins with LP's Board of Directors, where the responsibility is assigned to the Governance and Corporate Responsibility Committee of LP's Board of Directors (GCRC). The GCRC oversees our ESG strategy, which includes not only our overall environmental footprint, but also the goals, initiatives, and metrics designed to help us manage potential climate-related risks and opportunities. Four members of the GCRC also serve on the Finance and Audit Committee of LP's Board of Directors, providing further assurance that our environmental processes, metrics, and disclosures are subject to rigorous controls.

At the management level, our ESG Council also plays a critical role in overseeing 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. Ultimately, this guidance is shared with the GCRC and the full Board of Directors and supports Board-level decision-making with respect to ESG issues. The ESG Council and the ESG Task Force meet regularly to discuss our ESG strategies, initiatives, and progress.

## ENVIRONMENTAL OVERSIGHT



**GCRC**



**ESG Executive Council**



**ESG Task Force**

## ENVIRONMENTAL MANAGEMENT SYSTEM

Our Environmental Management System (EMS):

- Details standard operating procedures
- Provides guidance on data management and performance documentation
- Defines team members' roles and responsibilities
- Assigns ownership for environmental programs and initiatives

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 environmental tasks. Reporting to the CEO, business segment leaders serve as EMS owners, sharing accountability for the implementation of our EMS.

**As part of our commitment to reduce our environmental impact, all major capital spend undergoes thorough review against environmental criteria. Where needed, we bring in third-party environmental experts to conduct an external review of potential projects.**

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 all manufacturing team members during onboarding and regularly thereafter. Training at each facility is tailored to site-specific processing equipment and needs. This combination of ownership, process management, and training has resulted in exceptionally low rates of noncompliance events across our footprint.

## ENVIRONMENTAL, HEALTH, AND SAFETY ASSESSMENTS

Conducted by internal experts, our environmental, health, and safety (EHS) assessments rigorously evaluate the EHS programs, processes, and performance of our facilities. In 2023, we revamped these assessments, aiming to incorporate new best practices and better engage facility leaders in the assessment process. Starting in 2024, internal experts plan to conduct quarterly assessments at LP facilities, rotating among facilities at least four times annually. These assessments will prioritize the management of waste, water, and air emissions management programs.

# LP'S CLIMATE STRATEGY

We recognize the role that sustainable building materials play in long-term resilience for our customers, communities, and other key stakeholders.

Our climate strategy encompasses not only the products we create, but the way we create them, supporting our purpose of Building a Better World™ now and in the future. Our climate strategy focuses on greenhouse gas (GHG) emission reductions, risk mitigation, and adaptation measures.

Our products, most 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 products. With **environmental product declarations** (EPDs) that show our products store more carbon than they emit across their full manufacturing value chain, from raw materials to product end-of-life, we help limit emissions associated with the building process.



## EMISSIONS AND ENERGY USE

We continually evaluate our operations for opportunities to maximize efficiency. Our Scope 1 and 2 greenhouse gas (GHG) emissions arise primarily from the natural gas and electricity used in our operations. As such, we focus on reducing energy use, primarily by upgrading to newer, more efficient equipment.

In 2023, in addition to upgrading compressors and other process equipment across our footprint, we began converting several mills to LED lighting. LED lighting is not only more energy efficient than other types of lighting, but also lasts longer and emits significantly less heat, resulting in lower ambient temperatures.<sup>9</sup> At our mill in Peace Valley, British Columbia, Canada, we expect this conversion will save approximately \$250,000 per year in electricity costs.

## RENEWABLE ENERGY

We derive a significant amount of energy from using residual biomass generated during manufacturing, which accounted for approximately 80% of our total energy use in 2023. We utilize 99% of all wood fiber that enters our manufacturing facilities either in our products or as an alternative renewable energy source to offset fossil fuel consumption. In 2023, we also began two renewable energy projects in South America, both of which are expected to come online in the next two years.

# 80% RENEWABLE

TOTAL ENERGY USED

<sup>9</sup>Source: EPA



## SCOPE 1 AND SCOPE 2 GHG EMISSIONS (Thousands of Metric Tons (MT) CO<sub>2</sub>e)<sup>10</sup>

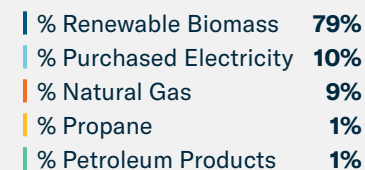
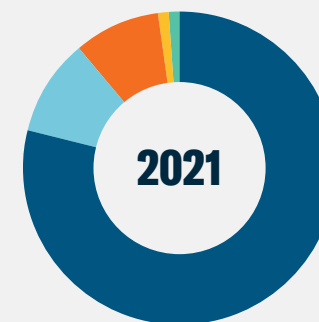
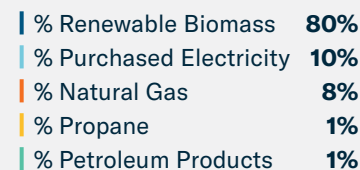
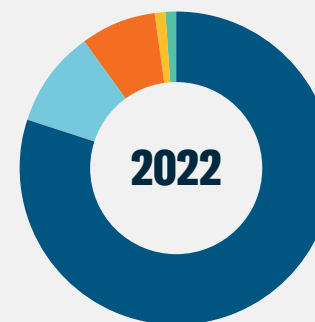
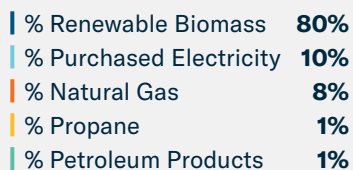
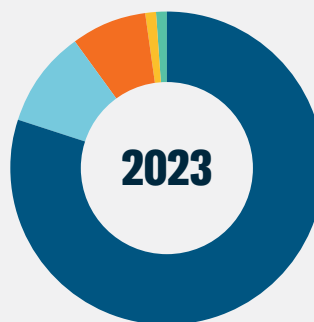
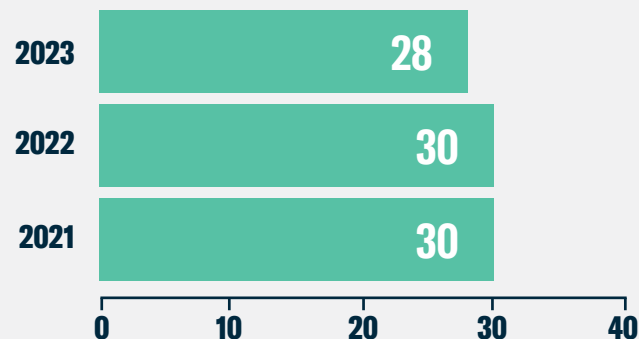
For the first time, we obtained limited assurance from a third-party auditor on our 2023 Scope 1 and Scope 2 emissions. This reflects our commitment to data reliability and further ensures we make business decisions based on accurate, timely information. View the appendix for the full Statement of Greenhouse Gas Emissions and assurance.

SCOPE 1 AND SCOPE 2 EMISSIONS	2019 BASE YEAR	2023	2022 <sup>11</sup>	2021 <sup>11</sup>
Scope 1	214	177	196	200
Scope 2 (Location-based)	278	212	255	247
Scope 2 <sup>12</sup> (Market-based)	-	234	-	-
<b>TOTAL</b> Scope 1 + Scope 2 (Location-based)	492	388	451	447

SCOPE 1 AND SCOPE 2 EMISSIONS INTENSITY	2019 BASE YEAR	2023	2022	2021
Scope 1 and Scope 2 Emissions Intensity (CO <sub>2</sub> e/\$MM)	257	150	117	114
Scope 1 and Scope 2 Emissions Intensity (CO <sub>2</sub> e/MMSF)	86	75	74	75

## ENERGY USE

### Total Energy Consumed (Millions of GJ)



<sup>10</sup>These figures were calculated using the GHG Protocol Corporate Accounting and Reporting Standard's operational control approach. We use 2019 as our baseline year, as this is the first year we reported our emissions figures. These figures are rounded.

<sup>11</sup>The information prior to December 31, 2023 was not subject to assurance by Deloitte & Touche LLP. Accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information.

<sup>12</sup>Due to market-based emissions factors published for fewer jurisdictions and at a greater delay to location-based factors, LP historically has only calculated location-based Scope 2 emissions. LP's base year for 2019 is calculated only for location-based Scope 2 emissions. At the time of this disclosure, 2022 and 2023 market-based emissions factors were not available for the regions where LP consumes electricity. As such, 2021 market-based emissions factors have been used.



## SCOPE 3 GHG EMISSIONS

We measure and disclose our Scope 3 GHG emissions, recognizing both the need for transparency and the role Scope 3 GHG emissions plays in understanding the emissions impact of our full value chain. We estimate that our 2023 Scope 3 GHG emissions account for over 79%<sup>13</sup> of our total emissions, with purchased goods and services, upstream transportation and distribution, and end-of-life treatment of sold products serving as the primary contributors of value chain emissions.

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), Category 14 (franchises), and Category 15 (investments) are not material to our operations.

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

CATEGORY	2019 BASE YEAR <sup>14</sup>	2023	2022	2021	2020
1 PURCHASED GOODS AND SERVICES	749	690	823	769	730
2 CAPITAL GOODS	26	50	71	46	12
3 FUEL AND ENERGY-RELATED ACTIVITIES	97	89	122	87	93
4 UPSTREAM TRANSPORTATION AND DISTRIBUTION	350	293	378	443	367
5 WASTE GENERATED IN OPERATIONS	3	5	4	3	3
6 BUSINESS TRAVEL	5	6	4	2	3
7 TEAM MEMBER COMMUTING	5	4	5	6	5
9 DOWNSTREAM TRANSPORTATION AND DISTRIBUTION	49	39	63	74	87
12 END-OF-LIFE TREATMENT OF SOLD PRODUCTS	220	281	324	313	296
<b>TOTAL</b>	<b>1,503</b>	<b>1,458</b>	<b>1,794</b>	<b>1,743</b>	<b>1,596</b>

<sup>13</sup>Does not include direct CO<sub>2</sub> emissions from renewable biomass combustion.

<sup>14</sup>These amounts were restated from previously reported figures based on improvements in data collection.

## AIR EMISSIONS

We employ a variety of technologies that limit non-GHG air emissions<sup>15</sup> while saving energy and reducing waste. One example of this technology in action is our emissions control systems. In place across all our operations, our emissions control systems capture more than 99% of particulate matter before it leaves our emissions stacks. For some of our systems, captured particulate matter—produced from biomass combustion, flake drying, flake separation, forming lines, trimming, and sawing—either returns to the manufacturing process or provides energy recovery.

Additional 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. With no manufacturing facilities in urban areas as defined by the U.S. Census Bureau, we produce zero significant emissions in areas of dense population.<sup>16</sup> We measure and disclose nitrogen oxides (NOx) and sulfur oxides (SOx) for 2022 in the table below, as information for 2023 is not yet available.

### AIR EMISSIONS (Metric Tons (MT))

	2022 <sup>17</sup>
NOx	1,459
SOx	92

<sup>15</sup>Relevant non-GHG air emissions for LP include particulate matter and volatile organic compounds (VOCs).

<sup>16</sup>The U.S. Census Bureau defines an “urban area” as one with 5,000 or more persons per square mile. We used this definition as the basis for determining high population density.

<sup>17</sup> Does not include data from our St. Louis location or South America locations.

### MAXIMIZING EFFICIENCY, MINIMIZING AIR POLLUTANTS

Regenerative Catalytic Oxidizers (RCOs) and Regenerative Thermal Oxidizers (RTOs) play a critical role at many of our facilities, helping us substantially reduce wood processing air emissions to meet or exceed national, state, and/or provincial air emission standards. Though essential, this equipment is typically powered by natural gas—making it critical that we prioritize efficiency when RCOs and RTOs are replaced and rebuilt. In recent years, we have upgraded this equipment at several of our mills, with plans to continue across our footprint. The result: maximized efficiency, reduced resource use, and decreased energy usage, benefitting both our business and the environment.



# WATER AND WASTE

## WATER

Our manufacturing processes use very little water, with water at the mill level primarily used for sanitary purposes. Despite our small water footprint, we recognize and commit to decreasing our water use where possible. At several facilities, we recycle and reuse water in our systems and apply technologies such as centrifuges and evaporators to decrease the amount of water leaving the manufacturing process.

To assess the potential impact of water scarcity on our operations, we conducted a water risk assessment in 2023 utilizing the World Resource Institute's Aqueduct Tool. Based on the assessment, 15% of our U.S. and Canada-based sites are located in regions with high or extremely high baseline water stress.

WATER	2023	2022	2021
<b>Total Water Withdrawal<sup>18</sup></b> (million gal)	280 <sup>19</sup>	416	421

Our facilities that create prefinished products like LP<sup>®</sup> SmartSide<sup>®</sup> ExpertFinish<sup>®</sup> Trim & Siding, use acrylic latex paint in the manufacturing process to create beautiful, pre-painted, ready-to-install products. Previously, paint wastewater would be trucked to water treatment facilities, resulting in significant emissions and costs. In recent years, we have installed plate presses at these facilities. Now, paint solids can be separated from the wastewater and made into a landfill-safe material. The treated wastewater is discharged directly into the sanitary sewer system, substantially reducing wastewater treatment requirements.



<sup>18</sup>Does not include South America.

<sup>19</sup>Decrease is partially attributable to enhanced data and tracking systems.



## 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 virtually 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. Due to the nature of our business, nearly 100% of the waste we generate is non-hazardous.



**WE PUT EVERY PART OF A LOG TO USE**, including the portions we don't use to create our products. Tree bark, for example, is either burned for energy or sold for mulch or other purposes.

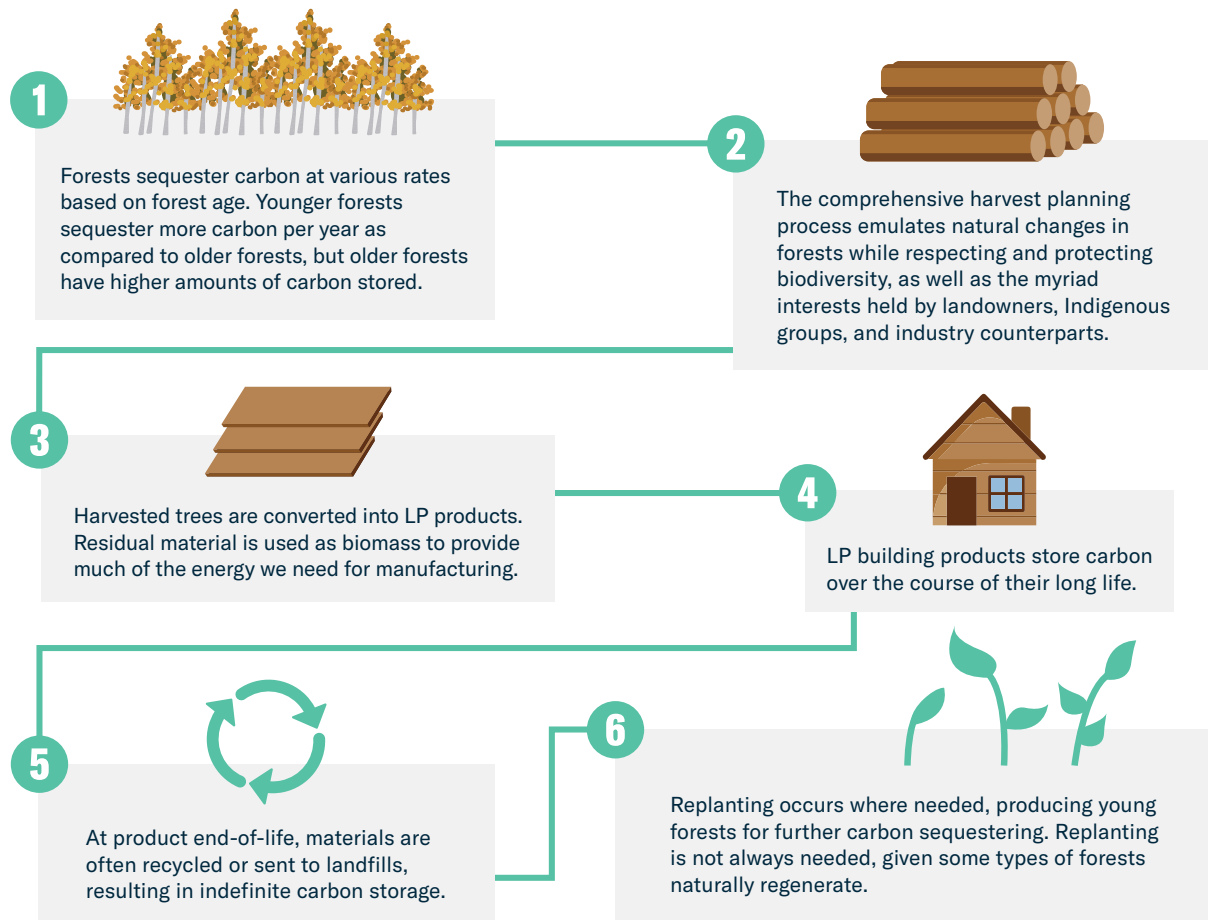
Similarly, we make every effort to use waste generated during the manufacturing process. If products do not meet our quality standards, trademark stamps are removed, and they are sold for non-structural applications at a discount. If we can't use material for our own purposes, we sell it to other industries 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.

Waste reduction is also a critical factor in product design. Long before we begin manufacturing products, the waste management process is well underway, starting during product design. By creating a variety of product sizes, we 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.

# SUSTAINABLE FOREST MANAGEMENT AND REFORESTATION

## From Forests to Products:

### Modern Forestry's Role in Mitigating Climate Change



Responsible forest management is critical for the long-term welfare of our forests, communities, landowners, and business. Our extensive team of forestry experts works alongside biologists, hydrologists, geologists, archaeologists, and ecologists to ensure our modern forestry practices sustain working forests that are as healthy and productive tomorrow as they are today. Guided by their expertise, we harvest fiber, plant seedlings, and encourage natural regeneration to continue the cycle that sustains our forests and our business.

Our commitment to sustainable forestry is 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.

## SUSTAINABLE FORESTRY PRACTICES

We work to ensure that 100% of the wood fiber we source is vetted through stringent forest certification standards that ensure best management practices are used in forest operations. These standards define the principles, objectives, performance measures, and indicators to which we adhere when sourcing wood fiber.



LP was an early adopter of Sustainable Forestry Initiative® (SFI®) standards, achieving our first SFI certification in 2000. This provides customers and other stakeholders assurance that **100% of the wood fiber we source in the U.S. and Canada** is vetted through our SFI program. Our wood fiber in South America has long been sourced according to the Programme for the Endorsement of Forest Certification (PEFC/24-32-10800) standards. This ensures that the fiber used in our South American facilities complies with relevant government laws and regulations. In Chile, we were the first to be certified to the PEFC Chain of Custody Standard (ST 2002:2020). Through comprehensive supplier



audits, we regularly evaluate the companies that supply our wood fiber and their operations. We validate ownership, certifications, and training credentials, while also closely examining harvest management plans. 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 and PEFC 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.

## FOREST MANAGEMENT

Through extensive planning, consultation, and scientific research, sustainable forest management helps ensure best management practices are used in forest operations 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 on public lands licensed to LP in Canada. In this role, LP is responsible for implementing sustainable forest management practices in the forestlands under our direct management. On lands we do not directly manage in North America, we encourage our suppliers to adhere to recognized best practices and sustainable forestry standards from SFI.

## SECOND-GROWTH FORESTS

When our mills in Hayward, Wisconsin and Houlton, Maine first opened in the 1970s and early 1980s, nearby forests supplied wood to create oriented strand board (OSB). At the time, OSB was a relatively new product being used in the construction of countless homes and buildings. Today, nearly 50 years later, thanks to sustainable forest management and reforestation, those same forests are ready to harvest for a second time—this time, making LP® SmartSide® Trim & Siding instead of OSB. This is the power of responsible sourcing: creating new products that not only store carbon throughout their extended lifespan but also utilize renewable resources. Through replanting or natural regeneration, this process further enhances carbon sequestration.



In Canada, our modern forestry practices ensure we maintain a range of age classes and forest types across the landscape. This allows us to preserve a variety of habitats and ecosystems for plant and animal species that require either younger or older forests. In areas where we act as forest managers, we conduct ecosystem mapping, allowing us to identify and appropriately protect soil and water. We then implement thoughtful design strategies for harvest areas aimed at promoting wildlife habitats both during and after the harvesting process. These strategies include targeted tree retention, management of wetlands and riparian zones, and the creation of animal travel corridors.

Logging professionals must make real-time, on-the-ground 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 management practices and implement them to protect ecologically and culturally sensitive sites, facilitate forest productivity, protect water quality, and conserve wildlife habitat and biodiversity.

## REFORESTATION

Reforestation is a key element of sustainable forestry and a critical component of harvest planning. When we identify an area for harvest, we evaluate the species present in that area, focusing on the percentage of trees per 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.

- **TREMBLING ASPEN** is a deciduous hardwood tree known for its rapid self-regeneration. After timber harvesting, aspens naturally send up root sprouts, known as coppice regeneration. Though the tree can grow to great heights, it has a shorter lifespan than conifer species. This means that forest management is critical for maintaining aspen ecosystems and spurring the natural regeneration process.
- **SOUTHERN YELLOW PINES** are softwood trees found predominately in the Southern U.S. When southern yellow pines are harvested, reforestation occurs primarily through the planting of seedlings, known as artificial regeneration. In the Southern U.S., forest owners and managers plant more than 1 billion trees in working forests each year.<sup>20</sup>

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

## WILDFIRE SALVAGE IN BRITISH COLUMBIA

British Columbia, Canada suffered its most destructive fire season on record in 2023, with nearly 3 million hectares burned.<sup>21</sup> The extensive damage requires significant cleanup and salvage operations to mitigate future fire risks and promote forest regeneration. Collaborating closely with First Nations, we're actively engaged in salvage efforts, using burnt timber where we can while ensuring proper disposal of unusable wood to support the long-term health of the forest ecosystem.

<sup>20</sup>Source: [Forisk](#)

<sup>21</sup>Source: [British Columbia Wildfire Service](#)



## BIODIVERSITY AND HABITAT CONSERVATION

Forests provide more than just timber. They are home to critical species and conserve ecosystems for the future. As responsible stewards, we utilize best practices to protect and conserve forest habitat and biodiversity, with executive-level oversight of our biodiversity programs and practices. Through careful harvest planning, we work to avoid operating in areas with high biodiversity value—specifically those with species categorized as “G2: imperiled” or “G1: critically imperiled” or forests with exceptional conservation value.

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

In the U.S. and Canada, we use the NatureServe Explorer® Pro database, a tool that allows foresters to evaluate tracts of private forestland available for harvest. This database helps identify known or predicted occurrences of rare and endangered species and ecosystems, known as Forests with Exceptional Conservation Value within SFI Standards. This information guides tract purchases and allows us to educate landowners and loggers. We alert them of potential unique forest types that may be in or near the property and provide guidance on how to operate near unique ecosystems, so they are protected for the future.

**Like people, forests are unique. They have distinct plants, animals, and patterns—all of which can function differently based on the local environment. In Alabama, we partnered with the Alabama National Heritage Foundation, the Alabama Forestry Association, the Alabama Forestry Commission, and the Alabama SFI Implementation Committee to study and identify 12 unique forest communities, particularly those containing G1 and G2 species that are typically not found elsewhere. Once identified, we worked to jointly develop informational sheets to advise third parties on how to interact with these forests, whether for recreational or commercial use.**

### OUR SUSTAINABLE FORESTRY GOALS

Continue to ensure that 100% of the wood fiber we source is vetted through stringent forest certification standards.



### PROTECTING THE GOPHER TORTOISE

One of only five North American tortoise species and one of the oldest living species on the planet, the gopher tortoise is listed as “threatened” by the U.S. Fish and Wildlife Service.<sup>22</sup> The tortoise plays a key role in ecosystems across the Southeastern U.S., creating deep, wide burrows that then become shelters for other animals, such as snakes, frogs, or rodents.



To better understand the population of this important species, we partnered with the Alabama Department of Conservation and Natural Resources, the Alabama Forestry Association, Auburn University, and U.S. Fish and Wildlife to sample gopher tortoise populations across the Southeastern U.S. This dataset helped to inform state and federal classification and protection efforts, as well as efforts to proactively manage forests to protect gopher tortoises.

### HEARING THE CALL: PROTECTING CANADA WARBLERS

Small, colorful, and capable of flying thousands of miles per year, Canada warblers spend most of their time in mature deciduous forests—forests that often are prime targets for development or conversion to agricultural land. Facing habitat loss, the species is listed as “threatened” in Canada.



As part of our efforts to protect biodiversity in and around our operations, our mill in Swan River, Manitoba, Canada voluntarily conducts bird surveys on proposed harvest blocks. During these surveys, team members record bird calls from 4-8 a.m. in proposed blocks, passing recordings to third-party experts to identify bird calls, including the calls of the Canada warbler. If experts identify a Canada warbler call, we do not harvest the area until the birds finish nesting.

Between 1997 and 2021, we recorded over 2,500 warblers, tracked their locations, and used this information to understand their habitats, occupancy, breeding site selection, and probability of encountering a Canada warbler at any given site. This is just one of the many ways we proactively screen for and protect biodiversity in and around our operations.

<sup>22</sup>Source: U.S. Fish and Wildlife Service





# PRODUCTS

**Our reputation is built on innovative, high-quality building products designed to perform and engineered for durability. Every LP building product begins with fiber vetted through stringent third-party forest certification standards and our thoroughly tested product formulas. Our reliable, state-of-the-art manufacturing processes incorporate rigorous safety standards and relentless quality testing, to produce longer-lasting, carbon-negative products.**

## OUR PRODUCTS: A PART OF THE SOLUTION

We create building products that lock in carbon previously stored in trees. Once installed, these products then continue to store carbon over their lifespan—resulting in less carbon in our atmosphere and continued value for customers, homeowners, and stockholders. The durability of our products provides another crucial benefit: They help stand up to the test of time, meaning less frequent replacement and less waste.

Our wood products, and the processes we employ to create them, are inherently sustainable. **In 2023, we published eight environmental product declarations (EPDs) demonstrating the carbon negativity of LP® SmartSide® Trim & Siding products, LP BuilderSeries® Lap Siding, and the majority of our LP® Structural Solutions products. Together, these eight products accounted for 75% of our net sales in North America in 2023.**

While we believe in continually improving the sustainability of our products and practices, we also know that most of our products are already carbon negative. Carbon negativity means that a product stores more carbon over its lifetime than is released from raw material sourcing, manufacturing, shipping the product to its final customer, and average product end-of-life scenario. We don't have to reimagine our products or wait for new technologies to be invented. Our products already positively impact the environment. Many LP products help architects and specifiers achieve credits 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®.



In 2023, LP was named **BUILD MAGAZINE'S BEST HIGH-PERFORMANCE SUSTAINABLE BUILDING PRODUCTS MANUFACTURER – USA.** We were also named to the magazine's list of **BUILDING PRODUCTS ENVIRONMENTAL STEWARDSHIP LEADERS – USA.**

# PRODUCT INNOVATION AND SUSTAINABILITY

Our long history of innovation has resulted in products that are more sustainable, resilient, energy efficient, and easy to install—a win for LP and our customers. And we don't stop there. We continuously evaluate our product offerings to develop sustainable, high-performing products and improve product installation processes to maximize efficiency and minimize waste. Our longer-lasting products are built for durability, resulting in less need for replacements and thereby reducing resource use.

Each of our business segments—Siding, Oriented Strand Board (OSB), and LP South America—has its own product research and development team. Our in-house technology and quality experts develop new, innovative, and longer-lasting products to meet the emerging needs of our customers. We evaluate all potential new products through a sustainability lens, considering everything from raw materials sourcing to how we can mitigate the environmental impacts of severe weather, wildfires, and other challenges exacerbated by climate change.

## OUR PRODUCTS: Engineered for Resilience and Durability

Costly weather and climate disasters are on the rise. In 2023 alone, the National Oceanic and Atmospheric Administration (NOAA) recorded almost 30 events with losses exceeding \$1 billion—the highest number of recorded events since 1980.<sup>23</sup> We create products that help stand up to these extremes. All LP products are engineered for resilience and durability, providing resistance to moisture intrusion, superior strength, and energy saving features.

<sup>23</sup>Source: NOAA



## ENVIRONMENTAL PRODUCT DECLARATIONS

We develop life cycle assessments (LCAs) and EPDs for our products—all of which are third-party verified by ASTM International. LCAs and EPDs allow us to assess and compare the environmental impact of our products' life cycles in line with internationally recognized standards, including International Organization for Standardization (ISO) standards. These tools help customers compare product sustainability and provide transparency into the environmental footprint of a product across its full manufacturing value chain, from raw materials to product end-of-life.

In 2023, we conducted an update on the LCA and EPD for LP® SmartSide® Trim & Siding. This involved calculating the energy and materials required from cradle-to-grave for LP® SmartSide® Lap, Panel & Trim in North America. Our LCA concluded that LP® SmartSide® Trim & Siding is carbon negative with substantially lower emissions compared to various other cladding options. We've also completed LCAs and EPDs for LP® SmartSide® ExpertFinish® Trim & Siding and LP BuilderSeries® Lap Siding, affirming their carbon negativity.

In 2023, we completed EPDs for five LP® Structural Solutions products. These EPDs show carbon negativity for all five evaluated products, which together represented 92% of our Structural Solutions net sales in North America in 2023.<sup>24</sup>



## LP INNOVATION CENTER

Opened in 2023, the LP Innovation Center marks yet another milestone in developing and testing new, innovative building products. Housed in the Natural Resources Research Institute at the University of Minnesota Duluth, the LP Innovation Center features a full-scale mock house, display wall, and small-scale fabrication shop. This simulated environment allows us to fully test not just individual products, but the entire systems used for home façades.

We completed eight EPDs representing products from our LP® Structural Solutions portfolio, LP® SmartSide® portfolio, and LP BuilderSeries® Lap Siding in 2023. Representing 75% of our North American net sales in 2023, **all eight products are carbon negative**—even our prefinished products.

### 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](#)
- [LP® SmartSide® Trim & Siding](#)
- [LP® SmartSide® ExpertFinish® Trim & Siding](#)
- [LP BuilderSeries® Lap Siding](#)



<sup>24</sup>Excludes LP® LongLength™ and LP® LongLength XL™ OSB Sheathing.

## OUR PRODUCTS IN ACTION

Whether recently introduced or in production for 40 years, LP products share several key attributes: durability, workability, and a manufacturing process that prioritizes sustainability. The products described below are only highlights of our full portfolio but demonstrate the quality and performance inherent in all our products.

### LP® SMARTSIDE® DURABILITY WITH OUR NEW PEBBLED STUCCO PANEL SIDING

In 2023, we put our superior engineering and product innovation skills to the test to develop LP® SmartSide® Pebbled Stucco Panel Siding. Using the same chemistry as the rest of our LP® SmartSide® portfolio, Pebbled Stucco Panel Siding allows homebuilders to use a wood-based product to get the look of traditional stucco. This facilitates easy installation and enhanced durability across diverse climates, plus eliminates the use of emissions-intensive materials like metal lath and concrete required for traditional stucco siding.

### INCREASING ENERGY EFFICIENCY IN HOMES

Two LP products play an important role in addressing rising temperatures: LP® TechShield® Radiant Barrier and LP NovaCore® Thermal Insulated Sheathing.

Already installed in more than 2 million homes, research confirms that LP® TechShield® Radiant Barrier can help block up to 97% of the heat in roof panels from radiating into the attic, lowering attic temperatures by up to 30 degrees Fahrenheit. Similarly, by combining OSB sheathing with cutting-edge Owens Corning® FOAMULAR® NGX® 250 XPS foam insulation, LP NovaCore® Thermal Insulated Sheathing is engineered to help customers reduce the energy needed to heat and cool homes. Both products increase efficiency and enable builders to qualify for energy incentives, including green building credits, certifications, and energy rebates.

The hottest desert in both Mexico and the U.S., the Sonoran Desert is a place of extremes. During the summer, temperatures routinely exceed 104 degrees Fahrenheit and can reach upwards of 118 degrees Fahrenheit. When storms happen, they can be violent and produce vast amounts of rain over short periods of time. In such a climate, homes need superior protection against the elements.

When builder Brad Leavitt and building science expert Mike LaLiberte set out to create a net-zero home in the heart of Arizona's Sonoran Desert, they turned to multiple LP products:

- **LP® TECHSHIELD® RADIANT BARRIER** to help block the sun's scorching heat, reducing attic temperatures and improving efficiency
- **LP WEATHERLOGIC® AIR & WATER BARRIER** to provide moisture control and a tighter building envelope, facilitating both efficiency and durability
- **LP LEGACY® PREMIUM SUB-FLOORING AND ADHESIVE** to create firm, quieter subfloors

Together, these sheathing products—all of which are carbon negative—help keep the home safe, cool, and dry no matter the weather.



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



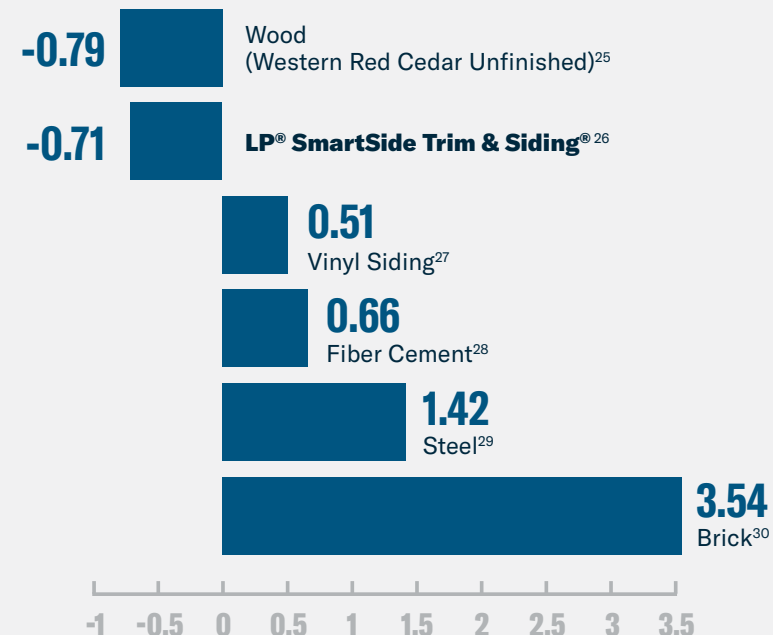
**Our carbon-negative LP® SmartSide® Trim & Siding was recognized as the most sustainable siding in Green Builder Media’s 2024 Sustainable Brand Leader Awards.**

We know that when it comes to building, efficiency is key. Our products minimize waste and save time at the job site. In a side-by-side, third-party installation study conducted by RSMMeans, LP® SmartSide® Lap & Trim installed faster than fiber cement lap and trim. Available in 16-foot lengths, LP® SmartSide® products require fewer cuts and less installation time. They are also lightweight—45% lighter than fiber cement per square foot. And because it’s light enough for just one crew member to carry up to five lap boards at a time without damaging them, the product enables increased efficiency, mobility, and job site durability. All these features contribute to faster installation.

**54% LESS GREENHOUSE GAS EMISSIONS THAN FIBER CEMENT-BASED SIDING**

**45% LIGHTER THAN FIBER CEMENT PER SQUARE FOOT**

### NET CARBON IN SIDING



Net carbon is calculated by subtracting carbon emissions from the amount of carbon stored in the product, measured in kgCO<sub>2</sub>e/ft<sup>2</sup>.

<sup>25</sup>Source: Western Red Cedar Lumber Association EPD

<sup>26</sup>Source: LP SmartSide EPD (primed only)

<sup>27</sup>Source: Vinyl Siding Institute EPD

<sup>28</sup>Source: Fiber Cement EPD

<sup>29</sup>Source: Metal Construction Association EPD

<sup>30</sup>Source: Brick Industry Association EPD

## RESPONSIBLE SOURCING

We engage with our suppliers to responsibly source the materials we use to create our products. All wood fiber—a renewable material which comprises the vast majority of our raw materials—is responsibly sourced through the Sustainable Forestry Initiative® (SFI®) certification program in North America and the Programme for the Endorsement of Forest Certification (PEFC®) forest certification program in South America. These certification programs help promote long-term forest health.



# PRODUCT QUALITY AND SAFETY

## PRODUCT QUALITY TESTING AND ASSURANCE

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 throughout the manufacturing process. Third-party labs and testing facilities also perform independent certifications of LP products.



We back up our commitment to quality with rigorous processes and practices. All LP manufacturing sites are equipped with an on-site quality assurance lab, overseen by a dedicated quality assurance manager. Additionally, a designated staff member responsible for quality assurance is present during every shift. We test our products multiple times per shift to better ensure every product meets or exceeds our high standards.

Our products are trademarked through **APA-The Engineered Wood Association**, a nonprofit trade organization that certifies high-performing structural wood products. APA trademarking requires our products to undergo a rigorous qualification process in addition to regular external quality management system audits, quarterly spot tests, random product samples, and regular site visits with audits to verify training, documentation, and quality processes.

## PRODUCT HANDLING AND INSTALLATION

We offer extensive training resources to help professionals safely handle and install our products. We publish technical documents and installation guidelines in English, Spanish, French, and Portuguese to provide accessible training on proper product use, storage, installation, care, and maintenance. We also provide Safety Data Sheets for each LP product.

### GOING TO EXTREMES TO HELP 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>31</sup> each year. It's under these harsh, hot conditions that we test our products. Since 1996, at our Hilo test site, we have subjected LP siding products to rigorous environmental conditions, substantiating their resistance to many weather conditions, termites, and fungal decay. This ongoing evaluation 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.

<sup>31</sup>Source



## PRODUCT WARRANTIES

Because our products are built to last, we provide industry-leading product warranties.

We offer a transferable prorated limited warranty for LP® SmartSide® products, including a five-year 100% labor and material replacement warranty with a 50-year prorated limited warranty. LP® SmartSide® ExpertFinish® Trim & Siding products include a 15-year finish warranty.

All our LP® Structural Solutions products offer at least a 20-year limited warranty, with LP WeatherLogic® Air & Water Barrier boasting a 30-year limited warranty and LP Legacy® Premium Sub-Flooring providing a lifetime limited warranty.

# 0.05%

Our rolling 12-month average warranty claim rate is just 0.05% of sales<sup>32</sup>—0.02% for our siding products<sup>31</sup> and 0.10% for Structural Solutions and commodity OSB products—an indication of high-quality products that withstand the elements. We had no product recalls in 2023.

## PRODUCT LABELING AND MARKETING

We work to 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.

**EXTENDED  
WARRANTY**

In 2023, we conducted extensive research on the combination of LP® SmartSide® Trim & Siding with LP WeatherLogic® Air & Water Barrier. Our findings demonstrated exceptional resistance to air and water intrusion, offering a dual layer of protection against the elements, as well as structural strength and exterior durability. As LP® SmartSide® Trim & Siding already comes with a 50-year prorated limited warranty, this research prompted us to **INTRODUCE A NEW, FIRST-OF-ITS-KIND, 50-YEAR EXTENDED WARRANTY** specifically tailored for the LP WeatherLogic® system when used in conjunction with SmartSide® Trim and Siding products. This extended warranty adds a 20-year prorated extended limited warranty to the standard LP WeatherLogic® limited warranty, providing enhanced peace of mind for our customers.

<sup>32</sup>Does not include discontinued products.





# COMMUNITY

**At LP, our professional conduct and interactions are shaped by our respect for the communities we share and the land that supports us. Through meaningful collaboration and active engagement, we strive to support our neighbors—Indigenous peoples, local suppliers, veterans, youth, educators, nonprofits, and others.**

## INDIGENOUS ENGAGEMENT

We hold tremendous respect and appreciation for the cultural significance and ancestral history of the land in and around our operations. Through regular engagement with Indigenous Nations and leaders, we work together toward shared goals that foster healthy forests, economic growth, employment, training, youth education and skill building, community infrastructure projects, protection of cultural values, and support for local cultural events. Our [Policy for Respecting the Rights of Indigenous Peoples](#), [Human Rights Policy](#), and [Code of Business Conduct and Ethics](#) outline our commitments, guide our interactions, and hold us accountable for engaging responsibly and respectfully with Indigenous peoples and Indigenous Nations.

## HARVEST PLANNING AND OPERATIONS

In Canada, LP works closely with Indigenous Nations in an effort to understand their interests and concerns in the management of wildlife habitats and the protection of areas that hold significant spiritual and traditional value. For example, LP team members at our oriented strand board (OSB) facility in Peace Valley, British Columbia, Canada 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 them.

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

Input from Indigenous communities has long played an integral role in shaping our forest management plans in Canada. In 2023, we met with community members and leaders, participated in field trips, and held public meetings to gather invaluable feedback and insights that directly influenced our 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 to support the growth and viability of Indigenous-owned businesses, including contracting logging and hauling services and sourcing materials through Indigenous-owned suppliers. 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.

Our mill in Dawson Creek, British Columbia, Canada maintains a business relationship with 4 Evergreen Resources LP, a harvesting contractor owned by Saluteau First Nations, providing essential harvesting services to the mill. Recently, LP has forged a partnership with Saaluteau First Nations regarding their Wildfire Salvage Opportunity License, permitting the harvest and utilization of timber affected by the 2023 fire season. This collaboration is another example of the continuing positive relationship between LP and Saaluteau First Nations.

As another example, in Maniwaki, Québec, Canada we partner with Mikisiw, a logging company owned by members of a First Nation whose traditional territory overlaps the supply territory. Mikisiw provides employment opportunities for community members to work in harvesting and road construction operations within their traditional territory. This partnership empowers the community to create jobs and build its workforce capacity while delivering essential support to LP forestry operations. We maintain similar partnerships across our footprint, working with Indigenous-owned companies to provide logging services.

Another notable collaboration is with Six Nations Venture, an organization jointly owned by six First Nations communities. Through this partnership, Six Nations Venture supports the logyard at our Peace Valley mill in British Columbia, Canada, overseeing operations critical to the mill's success. With representation from each First Nations community on its board, Six Nations Venture is responsible for a significant portion of our mill's logyard under a multiyear contract, showcasing the power of Indigenous-led initiatives in driving economic development.

At our Swan Valley mill in Manitoba, Canada, three out of nine core contractors are Indigenous-owned and -operated businesses. Moreover, the Swan Valley facility prioritizes procuring wood from First Nation Reserve and Treaty Land Entitlement areas whenever First Nations are willing to do so, having established one- and two-year timber purchase agreements. Additionally, Swan Valley has supported the Sapotaweyak Cree Nation's entry into the logging industry by aiding in the acquisition of a logging trailer.

## 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 preserve valuable natural and cultural resources.

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 also donate LP products for community infrastructure projects, including housing and community hall improvements.

### TINY HOMES, BIG IMPACT

In Canada, one in five households struggle to find affordable housing<sup>33</sup>—and Indigenous communities are more likely to need home repairs.<sup>34</sup> To help address these issues, LP partnered with Ontario, Canada-based Habitat for Humanity Halton-Mississauga-Dufferin's Youth Skilled Trades Program. Through this collaboration, we provide LP® SmartSide® products free of charge to support the construction of tiny homes, which are donated to various First Nations communities. The tiny homes play a crucial role in addressing a pressing community need, while also serving as a platform to provide high school students with hands-on construction training alongside seasoned professionals.



### BLUEBERRY RIVER FIRST NATIONS CULTURAL CAMP

At LP, we have a deep respect and appreciation for the Indigenous communities with whom we work, and for their ancestral lands, which hold profound historical and cultural significance. In July 2023, the Blueberry River First Nations—comprising both the Beaver and Cree Nations—hosted a five-day cultural camp in the mountains of British Columbia, Canada. LP Peace Valley joined as a sponsor and selected several team members to participate and learn from the community. Camping on the land for the event's duration, the participants from LP enjoyed an immersive experience with cultural activities including beading, making dream catchers, drum making, ribbon skirt making, painting, a fishing derby, moosehide tanning, and hunting.



<sup>33</sup>Source: [Statistics Canada](#)

<sup>34</sup>Source: [Statistics Canada](#)



## EDUCATION AND SKILL BUILDING

Our investment in youth empowerment is a key component of our commitment to building thriving communities and cultivating future leaders. Through our involvement as sponsors and active participants in initiatives like the Outland Youth Employment Program (OYEP), we support First Nations and Métis youth in pursuing careers in forestry, natural resources management, and related fields. From summer camps to year-round support services, OYEP provides hands-on training, mentorship, and educational opportunities that foster growth and create lasting impact.

We also provide three years of funding to Indigenous students enrolled in Vancouver Island University's Indigenous Peoples in Trades Training Program and its Women in Trades Training Program to help pay for tuition, books, tools, and other necessities. Both programs focus on construction and mechanical trades, helping to address labor shortages while also supporting Indigenous peoples, particularly students facing personal hardships. In our ongoing efforts, we work with First Nations to identify and fund additional educational programs and initiatives through established agreements.

### OUTLAND YOUTH EMPLOYMENT PROGRAM

Since 2022, we've sponsored and hosted trainings with the Outland Youth Employment Program (OYEP), a 25-year-old nonprofit that specializes in experiential learning for high school-aged Indigenous youth. During a six-week paid summer employment period, Indigenous students gain industry experience and directly connect with LP through our educational tours. In 2023, OYEP held two camps near LP facilities in Canada—one in British Columbia and one in Manitoba—both of which included hands-on training from LP team members, providing opportunities for students to learn forestry field skills like navigation and tree measurement, as well as logging, mill operations, and wetlands management. LP also contributes both funding and time to support OYEP's year-round services that assist students with resume building, connecting to employment opportunities, outlining career pathways and application processes, connecting with bursaries and scholarships, and connecting to mental wellness support systems, as well as providing bureaucratic assistance, and educational and housing support.

# COMMUNITY DEVELOPMENT

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

# 1

**Economic  
Prosperity**



# 2

**Community Skill  
Building**



# 3

**Community  
Involvement and  
Support**



## ECONOMIC PROSPERITY

By offering rewarding jobs to local workforces and providing business growth opportunities to local suppliers, LP plays an important role in building sustainable, thriving communities for everyone. As we're typically among the largest employers in the areas where we operate, LP is committed to supporting local economic development and prosperity, and we're in it for the long haul. Our facilities offer not only jobs, but fulfilling careers, a key aspect of our enduring investment in communities.

## COMMUNITY SKILL BUILDING

Our communities hold the future talent who will one day join and lead our teams. By engaging with local students, we introduce them to a path toward long, rewarding careers in our industry and help them gain the skills to get there. Every year, our team members spend hours with children and young adults in our communities, leading mill and forestry tours, hosting career days, speaking at local schools, and presenting at youth STEM (science, technology, engineering and math) events.

In 2023, we partnered with the Society of Hispanic Professional Engineers and the National Society of Black Engineers to establish scholarships for the 2023-2024 academic year, with the goal of attracting more diverse talent into the manufacturing industry. Scholarship recipients must be pursuing degrees in engineering fields directly related to our operations and answer only one question: How will they use their degree to build a better world?

### DIVERSE BUILDER INITIATIVE

Despite Houston's considerable ethnic and racial diversity, there remains a lack of representation in the building community. In 2023, LP launched the Diverse Builder Initiative in partnership with the Greater Houston Homebuilders Association and ABC Supply—one of the largest building supply distributors in North America—to promote greater equity in the industry. This pioneering initiative equips minority builders and tradespeople with the skills and business acumen they need to launch and successfully run their own businesses, empowering them to serve their communities and build a better Houston.

### MANUFACTURING DAY

Manufacturing Day—an annual event where manufacturers of all kinds open their doors to the public—aims to raise community awareness and engagement while connecting with the next generation of manufacturing leaders. In 2023, we held Manufacturing Day events and celebrations across our North American operations.

At our Swan Valley mill in Manitoba, Canada, more than 500 residents and families of our team members attended our “Inside the SmartSide” open house, the first public event held there since the mill's grand opening in 1996. LP team members led tours, served food, and distributed goodies to the public while raising awareness about the mill's operations. The mill shut down for the occasion with no impact to team member pay, allowing all guests the opportunity to safely learn more about LP and spend time with friends, families, and community members.

### GROWING SKILLED TRADES: GREATER SOUTHERN TIER EVENT

Long before the facility was operational, our Bath, New York site sponsored and participated in the Growing Skilled Trades: Greater Southern Tier event—a hands-on day of career exploration for 8- to 12-year-old students from 16 area school districts. Students got to explore various trades, from welding to heavy equipment operation. At the LP booth, students tested their skills by matching LP® SmartSide® ExpertFinish® Trim & Siding color names to corresponding product samples for the chance to win gift cards to local stores. Through initiatives like these, we promote our industry to the next generation of skilled tradespeople while building an early recruitment pipeline for future LP leaders in our communities.





## 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. The strong local relationships we maintain enable us to understand and address short-term and longer-term needs, building community resilience and advancing mutually beneficial outcomes.

### 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™ since 1973. Over the years, the LP Foundation has donated more than \$22 million to nonprofits and public schools in the areas where we live and work.

**2023 marked the LP Foundation's 50th anniversary. That's 50 years of donating our time, expertise, and resources to the communities where we live and work to build a better world.**

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

- 1. HOUSING:** Building affordable homes for those in need, in and around our communities.
- 2. ENVIRONMENT:** Protecting ecosystems and supporting resilient, biodiverse forests.
- 3. FOSTERING FUTURE TALENT:** Creating inclusive programs to attract and develop the next generation of diverse manufacturers, foresters, and construction tradespeople.

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

In addition to the LP Foundation's initiatives, LP contributes donated products following natural disasters and supports causes that are important to our customers and team members.

### 2023 LP Foundation Giving Summary



### LP and the LP Foundation Total Charitable Giving



## COMMUNITY GRANTS

The strong local relationships we maintain enable us to understand and address short-term and longer-term needs, building community resilience and advancing mutually beneficial outcomes. With most 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, which the LP Foundation is positioned to support. Every year, the LP Foundation allocates grants to each of our mills, facilities, and offices to help nonprofits and public schools meet community needs. Local LP teams choose the causes to support because they know the needs of their communities best.



**LP was named an inaugural winner of HBSDealer's Golden Hammer Purpose Award, recognizing our efforts to support local communities.**

## HOUSING

### Hard Bargain Association

For a quarter century, the Hard Bargain Association (HBA) has worked to restore the Hard Bargain neighborhood in Franklin, Tennessee. Located near our Nashville, Tennessee headquarters, HBA preserves and protects the historic Black neighborhood by renovating and landscaping existing homes and building high-quality affordable housing units.

Recently, the LP Foundation awarded a grant to HBA to begin the Hill Project, a \$13.2 million dollar development with affordable housing for civil servants like teachers, police officers, and firefighters, who serve the community but cannot otherwise afford to live near their workplaces. In addition, we donated funds to help build two new homes, both of which are expected to break ground in 2024.



**ENVIRONMENT**

**Harpeth Conservancy**

The LP Foundation awarded a grant to the Harpeth Conservancy, a Greater Nashville nonprofit with a mission to restore and protect clean water and healthy ecosystems for rivers in Tennessee. Our grant funded a stream-side reforestation project, which will protect rivers by stabilizing their banks, preventing erosion, and reducing flood potential. LP team members participated in the reforestation project too, planting trees along the riverbank near our headquarters.

**Tennessee Environmental Council**

The LP Foundation awarded a grant to the Tennessee Environmental Council to help remove invasive plant species and plant native trees at Bledsoe Historical Park in Castalian Springs, Tennessee. The 80-acre site holds considerable historical significance, including Native American artifacts and ceremonial mounds, sulfur and saltwater springs, and one of the first Middle Tennessee settlements. LP Foundation funds helped purchase more than 1,000 native trees, which LP employees then volunteered to plant.



**FOSTERING FUTURE TALENT**

**Urban League of Middle Tennessee**

The Urban League of Middle Tennessee’s Real Estate Developers (R.E.D.) Academy provides people of color with a free, 18-month real estate development training program. Through the program, small cohorts of participants meet weekly for classes, seminars, and other activities to build the knowledge and skills they need for success in the real estate development industry, with a particular focus on solving Greater Nashville’s affordable housing crisis. In 2023, the LP Foundation provided a grant to support the R.E.D. Academy in its mission to attract more diversity in the industry and achieve greater housing equity.

**Project Heavy Duty**

For more than 20 years, Project Heavy Duty has provided senior high school students near our Peace Valley mill in British Columbia, Canada the opportunity to take a week off from school to learn about the construction industry. Using its 2023 grant, the Peace Valley mill provided funds to help 15 students gain hands-on experience with heavy equipment, learning not only how to operate it, but also critical contextual knowledge of safety, teamwork, and time management. To complement their introduction to the field, students also received resume assistance and networking opportunities. Through the project, we’re not only building interest and industry-relevant skills among students, but also preparing them to become future leaders—both at work and in their communities.



### GARY SINISE FOUNDATION PARTNERSHIP

Building a Better World™ begins at home. In 2022, the LP Foundation kicked off a national partnership with the Gary Sinise Foundation, supporting its Restoring Independence Supporting Empowerment (R.I.S.E.) program, which builds mortgage-free, specially adapted homes for America's most severely wounded veterans and first responders. In 2023, the LP Foundation donated \$100,000 for the second consecutive year and donated SmartSide® siding for several of the organization's builds.

**In July, the Gary Sinise Foundation held a dedication ceremony for retired U.S. Army Captain Jason Church, welcoming him to his new 100% mortgage-free home in Wisconsin. Jason was injured during a routine patrol in Afghanistan in 2012, losing both legs below the knee due to an explosion. In addition to donating LP® SmartSide® ExpertFinish® Trim & Soffit, the LP Foundation made a monetary contribution to help build Jason's new, fully accessible home.**



### DISASTER RELIEF

When natural or man-made disasters happen near our operations, we swiftly mobilize resources to support affected communities, deploying funds, donated products, and volunteers where communities need it most. LP and the LP Foundation provided more than \$200,000 in funds and product donations in 2023 to support disaster relief in the communities our team members call home.

#### Selma Tornado

About 60 miles from our mill in Clarke County, Alabama, the city of Selma faced severe devastation caused by a powerful EF2 tornado, with winds reaching up to 130 mph. The tornado left a trail of uprooted trees, overturned vehicles, and damaged buildings and homes in its wake. LP and the LP Foundation responded by donating 14 units—nearly 1,000 boards—of OSB to local volunteers and providing financial support to the United Way of Selma & Dallas County to aid tornado relief efforts. Additionally, LP extended financial assistance to affected employees through LP Cares, our dedicated emergency support fund for employees during challenging times.



#### Nashville School Shooting

In March 2023, a tragic shooting at The Covenant School in Nashville claimed the lives of six people, deeply impacting the community and LP team members. A year before the incident, teachers and staff at the school received advanced active shooter preparedness training, which is credited with saving numerous lives. To extend this vital training to other schools in Nashville, the LP Foundation donated \$50,000 to the nonprofit Tomorrow is Safer, enabling schools with limited resources to access crucial preparation for potential threats.

### 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 employee to eligible nonprofit organizations each year. Since we launched our Team Member Giving Match program in 2013, combined contributions from individual team members have totaled nearly \$500,000, which, when matched by the LP Foundation, totaled close to \$1,000,000. In 2023, the LP Foundation matched more than 1,200 team member donations.

### TEAM MEMBER VOLUNTEERING

Our team members invest their time, skills, and expertise to help build strong relationships and better their communities. LP actively promotes volunteerism, supporting team members' involvement on nonprofit boards and sponsoring events that empower them to contribute time to community initiatives.

### LP SALES & MARKETING TEAMS PARTICIPATE IN VOLUNTEER DAY

Donating our time and talents is deeply embedded in our company culture. During LP's 2023 International Sales and Marketing Meeting in Nassau, Bahamas, approximately 250 LP team members volunteered for local organizations, dedicating their time to three initiatives:

- **BONEFISH POND NATIONAL PARK:** Attendees supported wetland conservation by removing litter and clearing non-native vegetation threatening park wildlife, filling a 20 cubic yard dumpster in just three hours.
- **THE RED CROSS:** Volunteers assisted the Bahamas Red Cross in packing disaster-ready boxes with food and supplies, contributing to its mission to alleviate suffering, particularly following natural disasters.
- **CLARIDGE PRIMARY SCHOOL:** Following a fire in 2021 that damaged the school's library, LP team members supported Claridge Primary School's mission to provide quality education by building benches and bookshelves for the library, as well as reading to classes throughout the day.





# APPENDIX

## SASB INDEX

LP is aligned with the Sustainability Accounting Standards Board (SASB) standards for Building Products and Furnishings and Forestry Management. The following index describes our alignment with the material environmental, social, and governance (ESG) topics and metrics relevant to our business and as identified by these two standards.

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
<b>BUILDING PRODUCTS &amp; FURNISHINGS</b>				
<b>Energy Management in Manufacturing</b>	(1) Total energy consumed	(1) Total energy consumed: 28 million gigajoules (GJ)	CG-BF-130a.1	For more information, refer to the <b><u>Emissions and Energy Use section</u></b> .
	(2) Percentage grid electricity	(2) Percentage from grid electricity: 10% (3 million GJ)		
	(3) Percentage renewable	(3) Percentage renewable: 80% (22 million GJ)		
<b>Management of Chemicals in Products</b>	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 <b><u>APA-The Engineered Wood Association</u></b>, 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 on random product samples, and performs quarterly site visits and audits to verify training, documentation, and quality processes.</p>	CG-BF-250a.1	<p>For more information, refer to the <b><u>Product Quality and Safety section</u></b>.</p> <p><b><u>APA's Product Technical Note on Formaldehyde and Engineered Wood Products</u></b></p>
	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	<p>For more information, refer to LP's <b><u>Safety Data Sheets</u></b>.</p> <p><b><u>APA's Product Technical Note on Formaldehyde and Engineered Wood Products</u></b></p>

## SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
<b>BUILDING PRODUCTS &amp; FURNISHINGS</b>				
<b>Product Life Cycle Environmental Impacts</b>	Description of efforts to manage product life cycle impacts and meet demand for sustainable products	<p>We work with third parties to create and validate life cycle assessments (LCAs) and 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 2023, we published eight EPDs demonstrating the carbon negativity of LP® SmartSide® Trim &amp; Siding, LP® SmartSide® ExpertFinish® Trim &amp; Siding, LP BuilderSeries® Lap Siding, and the majority of our LP® Structural Solutions products.</p>	CG-BF-410a.1	For more information, refer to the <a href="#">Environmental Product Declarations section</a> .
	<p>(1) Weight of end-of-life material recovered</p> <p>(2) Percentage of recovered materials recycled</p>	<p>We do not currently disclose end-of-life material 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 offset fossil fuel consumption.</p>	CG-BF-410a.2	For more information, refer to the <a href="#">Emissions and Energy Use section</a> .
<b>Wood Supply Chain Management</b>	<p>(1) Total weight of wood fiber materials purchased</p> <p>(2) Percentage from third-party certified forestlands</p> <p>(3) Percentage by standard</p> <p>(4) Percentage certified to other wood fiber standards</p> <p>(5) Percentage by standard</p>	<p>(1) Total weight of wood fiber materials purchased: 7 million metric tons for U.S. and Canadian operations</p> <p>(2) Percentage from third-party certified forestlands: 54% of our Canadian operations and 16% for Canadian and U.S. operations</p> <p>(3) Percentage by standard: 54% certified to the SFI Forest Management Standard based on Canadian operations</p> <p>(4) Percentage certified to other wood fiber standards: 100% by weight</p> <p>(5) Percentage by standard: 100% of fiber procured in North American operations is certified to SFI Fiber Sourcing Standard</p>	CG-BF-430a.1	<p>For more information, refer to the <a href="#">Sustainable 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
<b>FORESTRY MANAGEMENT</b>				
<b>Ecosystem Services &amp; Impacts</b>	Area of forestland certified to a third-party forest management standard; percentage certified to each standard	<p>LP manages forestland under license by the provincial governments of Canada. LP does not manage forestland in the U.S. or South America.</p> <p>In 2023, 10 million hectares were certified to the SFI Forest Management Standard.</p>	RR-FM-160a.1	For more information, refer to the <a href="#">Sustainable Forest Management and Reforestation section</a> .
	Area of forestland with protected conservation status	Approximately 3 million hectares 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="#">Sustainable Forest Management and Reforestation section</a> .
	Area of forestland in endangered species habitat	<p>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.</p> <p>Approximately 2 million hectares located within LP long-term forest management license areas in Canada are considered endangered species habitats, specifically boreal caribou critical habitats.</p>	RR-FM-160a.3	For more information, refer to the <a href="#">Sustainable Forest Management and Reforestation section</a> .
	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> .

## SASB INDEX

TOPIC	METRIC	LP ASSESSMENT	CODE	REFERENCE
<b>FORESTRY MANAGEMENT</b>				
<b>Rights of Indigenous Peoples</b>	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 <b><u>Indigenous Engagement section</u></b> .
	Description of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and the local community	<p>LP is committed to collaborating with Indigenous communities across the areas where we operate in North and South America. Our <b><u>Code of Business Conduct and Ethics</u></b>, <b><u>Human Rights Policy</u></b>, and <b><u>Recognition for the Rights of Indigenous Peoples Policy</u></b> outline our commitments, guide our interactions, and hold us accountable for engaging with Indigenous communities responsibly and respectfully.</p> <p>Through the Recognition for the Rights of Indigenous Peoples Policy, we have recognized the rights of Indigenous peoples across our managed lands in Canada.</p>	RR-FM-210a.2	For more information, refer to the <b><u>Human Rights and Labor Standards</u></b> and <b><u>Indigenous Engagement</u></b> sections.
<b>Climate Change Adaptation</b>	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 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 the <b><u>TCFD Index section</u></b> .

## SASB INDEX—ACTIVITY METRICS

METRIC	LP ASSESSMENT	CODE	REFERENCE
<b>BUILDING PRODUCTS &amp; FURNISHINGS</b>			
<b>Annual Production</b>	<p>Production reported in 3/8 basis million square feet (MMSF):</p> <ul style="list-style-type: none"> <li>• OSB: 3,100 MMSF</li> <li>• Siding: 1,600 MMSF*</li> <li>• LPSA: 500 MMSF</li> </ul> <p>*In addition to the Siding production listed above, we own and operate four finishing facilities that support our Siding production.</p>	CG-BF-000.A	For more context, refer to LP's <b>10-K Annual Report</b> , which references total mill production capacity.
<b>Area of Manufacturing Facilities</b>	In 2023, the total area of manufacturing facilities was approximately 7 million square feet (700 thousand square meters).	CG-BF-000.B	
<b>FORESTRY MANAGEMENT</b>			
<b>Area of Forestland Owned, Leased, and/or Managed by the Entity</b>	LP is authorized by provincial governments of British Columbia, Manitoba, and Québec to conduct forest management activities in areas licensed to the company. The total gross reportable area managed/licensed by LP in 2023 was 10 million hectares.	RR-FM-000.A	Data reported for Canadian operations only.
<b>Aggregate Standing Timber Inventory</b>	LP does not currently report on aggregate standing inventory for our areas in Canada.	RR-FM-000.B	
<b>Timber Harvest Volume</b>	In 2023, the total timber harvested was 10 million cubic meters.	RR-FM-000.C	Data reported for U.S. and Canadian operations only.

## TCFD INDEX

### Governance

At the Board level, the Governance and Corporate Responsibility Committee (GCRC) is responsible for overseeing our overall environmental footprint in addition to the goals, initiatives, metrics, and targets that help us manage potential climate-related risks and opportunities. The GCRC Committee receives quarterly updates on our environmental, social, and governance (ESG) programs and initiatives, including climate-related risks and opportunities. Additionally, four GCRC members concurrently serve on the Audit and Finance Committee of the Board, providing further assurance that climate change and climate-related risks and opportunities, metrics, analyses, and disclosures are subject to rigorous control processes.

At the management level, environmental programs and initiatives are managed jointly by our ESG Council and ESG Task Force. The cross-functional, executive-level ESG Council oversees the ESG Task Force, a group which provides strategic and technical guidance to the ESG Council and, in turn, to the GCRC and full Board. The ESG Council and ESG Task Force meet quarterly to discuss climate and emissions strategies, related initiatives, and progress toward achieving our ESG goals and targets. Separately, the ESG Task Force meets biweekly to discuss the tactical implementation of our ESG strategy, which includes climate-related risks and opportunities, among other things.

### Strategy

In 2022, we identified potential climate risks and opportunities that may impact our business, using different climate scenarios to understand and quantify the potential impacts on LP's business. The scenarios used to identify potential climate-related risks and opportunities included:

TEMPERATURE	SCENARIO	SOURCE	SCENARIO DESCRIPTION
4°C+	RCP SSP3-7.0	IPCC	Represents the medium to high end of the range of future warming pathways
2.4°C-3°C	Stated Policies	IEA	Limited climate investment and adoption of climate policies
	Current Policies	NGFS	
1.8°C-2.3°C	Announced Policies	IEA	Robust but delayed adoption of advanced technologies
	Delayed Transition	NGFS	
1.4°C-1.7°C	Sustainable Development	IEA	Immediate adoption of climate policies, spurring reorientation toward a zero-carbon economy
	Well below 2-degrees	NGFS	
1.3°C-1.5°C	Net Zero	IEA	Ambitious climate change mitigation policies, leading to net zero emissions by 2050
	Net Zero	NGFS	

## TCFD INDEX

Risks were then evaluated in 10-year time periods across our operations, supply chain, and customer base. The risks identified are detailed in the table below.

RISK/OPPORTUNITY	ACTION
<p><b>Risk: Regulatory/Policy</b> Changes in existing and new carbon pricing mechanisms may lead to increased costs for LP. In a scenario with aggressive climate policy, carbon pricing would likely increase to support emissions mitigation efforts. Within LP’s operational footprint, carbon pricing mechanisms exist in Canada and Chile.</p>	<ul style="list-style-type: none"> <li>• Our participation in industry associations enables us to monitor and anticipate changes in climate policy and regulation to help manage potential regulatory risks, including risks related to carbon pricing policy initiatives.</li> <li>• Our focus on operational efficiency and reducing emissions helps us mitigate the potential costs of carbon pricing.</li> </ul>
<p><b>Risk: Market-Fiber Supply</b> Under ambitious climate change mitigation scenarios, LP may experience increasing costs when sourcing wood fiber 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. As demand increases, suppliers in these markets may begin to overlap with LP wood supply areas, thus leading to direct competition and potentially increasing wood costs.</p>	<ul style="list-style-type: none"> <li>• We 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 preferred partner for suppliers who want to implement sustainable land management programs, which can both generate carbon offsets and allow for selective harvesting.</li> </ul>
<p><b>Risk: Physical Acute/Chronic</b> In climate scenarios with high-temperature outcomes, extreme weather events 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 manufacturing facilities and/or supply chain impacts.  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.</p>	<ul style="list-style-type: none"> <li>• We continue to develop climate vulnerability assessments for our forestry operations to better understand and manage climate-related impacts on raw material supply. We develop robust inventories of wood fiber to help manage potential risks from shorter winter seasons. Additionally, we continue to build 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.</li> <li>• We regularly engage critical suppliers to better understand their business continuity plans and risk management processes.</li> <li>• We evaluate alternative wood species to mitigate potential risks and reduce costs.</li> </ul>

## TCFD INDEX

### RISK/OPPORTUNITY

### ACTION

#### Opportunity: Biomass

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.

- While we currently sell biomass to other industries at some 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.

#### Opportunity: Market Access and Customer Preference/Repair and Remodel Market

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 LP® Structural Solutions and LP® SmartSide® Trim & 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.

- We continue to assess and quantify the carbon footprints of our products. In 2023, we released eight new environmental product declarations (EPDs) representing the cradle-to-grave emissions of our products. The products for which we have EPDs represent 75% of our net sales in North America in 2023 and demonstrate the carbon negativity of our products. This means they store more carbon than is released during their entire life cycle.

The risks and opportunities that emerged from this scenario analysis are integrated into our enterprise risk management (ERM) framework and overall climate strategy. We also began integrating climate considerations into our business processes to manage potential risks and realize new opportunities. 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, most 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 EPDs that show our products store more carbon than is released during their entire life cycle, we help limit emissions associated with the building process.

## TCFD INDEX

### Risk Management

We use multiple processes to identify, assess, and manage climate-related risks, all of which are integrated into everyday business processes. Our forestry and fiber sourcing operations necessitate continual assessment of climate-related risks, which are an implicit consideration in harvesting and sourcing.

We use our ERM framework to assess and prioritize organizational and ESG-related risks and integrate these risks into our ERM process. To assess climate-related risks, LP conducted a scenario analysis to evaluate how regulatory, market, technology, reputation, and physical risks may affect our operations and value chain under several climate scenarios. The risks identified from this process, and resulting mitigation actions, are described above.

We also conduct site vulnerability studies in our Canadian operations to better understand the effects of climate change on operations and on our wood fiber supply in more granular detail, providing insight into physical impacts that may affect our operations in the future. Climate and weather indices are regularly used to evaluate annual conditions in key wood baskets and optimize harvesting patterns throughout the year to mitigate the risk posed by increasingly variable weather or shorter harvesting seasons.

### Metrics and Targets

We measure and disclose our full GHG emissions and energy consumption metrics. Beyond GHG emissions, our efforts to certify all wood fiber through Sustainable Forestry Initiative (SFI®) certification and Programme for the Endorsement of Forest Certification (PEFC®) programs are central to advancing responsible forestry practices, many of which directly address risks. See pages [40-41](#) for emissions data and our [Sustainable Forestry brochure](#) for details about our sustainable forestry practices.

## STATEMENT OF GREENHOUSE GAS EMISSIONS

### GHG PROTOCOL

Scope 1 and Scope 2 greenhouse gas (GHG) emissions data are collected and accounted for in accordance with the World Resources Institute/World Business Council for Sustainable Development GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Management of LP is responsible for the completeness, accuracy, and validity of the Scope 1 and Scope 2 emission disclosures referenced or included in the Statement of GHG Emissions section of the Appendix in LP's Sustainability Report and asserts that the Scope 1 and Scope 2 GHG emission disclosures referenced or included in the Statement of GHG Emissions of LP's Sustainability Report for the year ended December 31, 2023 are presented in accordance with GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), published by the World Resources Institute/World Business Council for Sustainable Development.

LP engaged Deloitte & Touche LLP to perform a review on management's assertion related to the Scope 1 and Scope 2 emission disclosures included in the Statement of GHG Emissions section of LP's Sustainability Report for the year ended December 31, 2023. Information outside of the Scope 1 and Scope 2 emission disclosures referenced or included in the Statement of GHG Emissions section of LP's Sustainability Report including linked information, was not subject to Deloitte & Touche LLP's review and, accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information.

### BASE YEAR

The base year currently selected by LP for direct and indirect emissions sources is 2019, as it was the first full year of complete and accurate calculation of GHG emissions.

The GHG Protocol provides guidance regarding instances (Structural and Methodology Changes) in which base year emissions should be recalculated.

LP will recalculate base year emissions in accordance with GHG Protocol guidance and apply a recalculation significance threshold of 5%.

During the year ended December 31, 2023 there were no triggering events or adjustments to base year emissions.

### ORGANIZATIONAL BOUNDARY CONDITIONS

LP uses the operational control approach as the basis for the estimation and reporting of GHG emission data. The operational control approach is described in Chapter 3 of the Corporate Standard of GHG Protocol as "A company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation." Management will determine operational control based on the ability to introduce and implement operating policies at the subsidiary/business unit level.

Emissions sources under the operational control approach include utility consumption and stationary combustion at office buildings, manufacturing facilities, warehouses owned and leased by LP, and mobile combustion of fuels for LP-owned or -leased vehicles.

### CALCULATION METHODOLOGIES

The GHG Emission Factors for Scope 1 and Scope 2 emissions considered in LP's GHG inventory are taken from the most recent publications from governmental and inter-governmental agencies such as the U.S. Energy Information Administration (EIA), U.S. Environmental Protection Agency (EPA), and the International Energy Agency (IEA).

Our Scope 1 emissions are direct GHG emissions resulting from operations at our manufacturing facilities. Sources of Scope 1 emissions include the combustion of natural gas, petroleum products, and biomass. Scope 2 indirect emissions are the result of electricity purchased from regional electrical power suppliers for our manufacturing facilities and corporate offices.

For Scope 1 and Scope 2, usage or 'activity' data was multiplied by a correlating emissions factor (EF) to calculate the corresponding emissions.

The general formula for calculating emissions is provided below:  

$$\sum \text{Activity Data (Unit)} * \text{EF ((kg GHG)/Unit)} * \text{GWP} = \text{Emissions (kg CO}_2\text{e)}$$

To calculate market-based Scope 2 emissions, we used residual grid emissions factors where available (Green-e® Residual Mix Emissions Rates for U.S. facilities and Norwegian Institute for Sustainability Research (NORSUS) Residual Mix for Brazil and Chile) and location-based emissions factors for the remaining locations, according to the hierarchy set forth by the GHG Protocol.



## GLOBAL WARMING POTENTIAL

The global warming potentials (GWP) are sourced from the Intergovernmental Panel on Climate Change Fifth Assessment Report (AR5) and align with the EPA, Canada Department of Environment, and United Nations Framework Convention on Climate Change reporting requirements. The 100-year global warming potentials from AR5 are shown in the table below:

### Global Warming Potentials (AR5)

GHG	GWP
CO <sub>2</sub>	1
CH <sub>4</sub>	28
N <sub>2</sub> O	265

\*GWP values are from the latest Intergovernmental Panel on Climate Change AR5 published in 2014, per the [Greenhouse Gas Protocol](#).

## GHG EMISSIONS REPORT

There are typically seven Kyoto GHGs reported in accordance with GHG Protocol Corporate Accounting and Principles which include: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and nitrogen trifluoride (NF<sub>3</sub>).

LP currently reports emissions from three out of the seven GHGs—carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O). There is an immaterial quantity of emissions from hydrofluorocarbons (HFCs) resulting from our operations which has been included in our carbon dioxide equivalent (CO<sub>2</sub>e) calculation. We do not include sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), or nitrogen trifluoride (NF<sub>3</sub>) in our GHG inventory because our operations do not result in a significant release of these GHGs.

## Consolidated GHG Emissions (Thousands of Metric Tons CO<sub>2</sub>e)

	2019 BASE YEAR <sup>36</sup>	2023	2022 <sup>36</sup>	2021 <sup>36</sup>
<b>Scope 1</b>	214	177	196	200
<b>Scope 2 (Location-based)</b>	278	212	255	247
<b>Scope 2 (Market-based)<sup>35</sup></b>	-	234	-	-
<b>TOTAL SCOPE 1 + SCOPE 2 (Location-based)</b>	492	388	451	447

## 2023 Scope 1 and Scope 2 Emissions by GHG

EMISSION SOURCE	SCOPE 1		SCOPE 2 (Location-based)	
	THOUSAND METRIC TONS	THOUSAND METRIC TONS OF CO <sub>2</sub> e	THOUSAND METRIC TONS	THOUSAND METRIC TONS OF CO <sub>2</sub> e
<b>Carbon Dioxide (CO<sub>2</sub>)<sup>37</sup></b>	153	153	210	210
<b>Methane (CH<sub>4</sub>)</b>	0	4	0	1
<b>Nitrous Oxide (N<sub>2</sub>O)</b>	0	19	0	1

<sup>35</sup>Due to market-based emissions factors published for fewer jurisdictions and at a greater delay to location-based factors, LP historically has only calculated location-based Scope 2 emissions. LP's base year for 2019 is calculated only for location-based Scope 2 emissions. At the time of this disclosure, 2022 and 2023 market-based emissions factors were not available for the regions where LP consumes electricity. As such, 2021 market-based emissions factors have been used.

<sup>36</sup>The information prior to the year ended December 31, 2023 was not subject to assurance by Deloitte & Touche LLP. Accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information.

<sup>37</sup>In accordance with GHG Protocol, direct CO<sub>2</sub> emissions from biomass are not included. CO<sub>2</sub> emissions from biomass were 1,856 thousand metric tons for the year ended December 31, 2023.



## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Management of Louisiana-Pacific Corporation:

We have reviewed management of Louisiana-Pacific Corporation's ("Louisiana-Pacific" or the "Company") assertion that the accompanying Statement of Greenhouse Gas (GHG) Emissions included within the accompanying Louisiana-Pacific's Sustainability Report for the year ended December 31, 2023 (the "2023 Statement of GHG Emissions") is presented in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Resource Institute/World Business Council for Sustainable Development (the "criteria" or "GHG Protocol"). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, Concepts Common to All Attestation Engagements, and AT-C Section 210, Review Engagements. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the Code of Professional Conduct issued by the AICPA. We applied the Statements on Quality Control Standards established by the AICPA and, accordingly, maintain a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed analytical procedures, conducted inquiries, and other procedures as we considered necessary in the circumstances. For a selection of the GHG emissions disclosed in the 2023 Statement of GHG Emissions, we performed tests of mathematical accuracy of computations, compared amounts to underlying records, or reviewed supporting documentation.

The preparation of the 2023 Statement of GHG Emissions requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect the reported information. Measurement of certain amounts includes estimates and assumptions that are subject to inherent measurement uncertainty, including, for example, the accuracy and precision of conversion factors or estimation methodologies used by management. Obtaining sufficient, appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts and disclosures. The selection by management of different but acceptable measurement methods, input data, or assumptions, may have resulted in materially different amounts or disclosures being reported.

Information outside of the Statement of GHG Emissions for the year ended December 31, 2023 included in Louisiana-Pacific's Sustainability Report was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information. Further, any information relating to periods prior to the year-ended December 31, 2023, or information relating to forward-looking statements, targets, goals, progress against goals, and linked information was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to the Statement of GHG Emissions for the year ended December 31, 2023 in order for them be presented in accordance with the GHG Protocol.

Memphis, Tennessee

July 23, 2024

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## 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, as well as 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. Forward-looking statements include statements regarding matters that are not historical facts and 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," "should," "potential," "continue," "likely," "future," 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: (i) risks with respect to climate change and global, regional, and local weather conditions, as well as risks related to our ability to meet targets, goals, and commitments with respect to climate change and the emission of greenhouse gases (GHG) and other ESG matters; and (ii) the emergence and implementation of mandatory climate reporting standards and the continued development of voluntary standards and frameworks that may result in definitional or other changes, including those that may alter how our GHG emissions are calculated and reported both historically and prospectively 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, the matters discussed in the "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" sections of our most recently filed annual report on Form 10-K and 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.

## 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 applicable 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 Task Force on Climate-related Financial Disclosures (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 currently necessary to be, incorporated into our required disclosures with the SEC.

