

The LP logo consists of the letters 'LP' in a bold, white, sans-serif font, with a registered trademark symbol (®) to the right of the 'P'. The logo is set against a dark blue rectangular background.

LP®

BUILDING SOLUTIONS

2021 **SUSTAINABILITY** REPORT

A scenic view of a forested lake. The background is a dense forest of green trees, with a prominent tall, thin tree in the center. The foreground is a calm body of water reflecting the trees and sky. A large, solid orange rectangle is centered over the image, containing white text.

**DOING THE
RIGHT THING
TODAY TO
BUILD A
BRIGHTER
FUTURE.**

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LP

BUILDING SOLUTIONS

A MESSAGE FROM OUR CEO



On behalf of the entire LP Building Solutions team, I would like to share with you how energized and excited we are to build on LP's 50-year legacy of sustainability.

The world has changed dramatically since the founding of LP in 1972. We are facing challenges that few could have imagined 50 years ago, including a changing climate, extreme weather patterns, a global pandemic, and a widespread societal movement for diversity, equity, and inclusion in the workplace.

We are now moving forward in a world where environmental, social, and governance (ESG) factors are at the core of what we do as we embrace sustainability together. At LP, we define sustainability as doing the right thing today so that we can build a brighter future for the generations to come.

Our work to support a successful future is inextricably linked to protecting the environment, minimizing waste, manufacturing sustainable products, developing our employees, diversifying our workplace, supporting our communities, and promoting economic prosperity. With a strong track record of sustainability across these areas, LP continues to improve so that we can build a stronger tomorrow.

This starts with living up to our core value: "Do the Right Thing Always." We never stop thinking about progress, and we are never satisfied with being "good enough."

We are managing risks and capitalizing on opportunities to establish new leadership standards on ESG matters. Every aspect of this work improves our ability to develop and manufacture sustainable, high-performance building solutions that provide shelter and prosperity for our global community.

I am incredibly proud of this company. I believe future generations will look back on our ESG efforts and recognize us as responsible, forward-thinking environmental stewards and celebrate our innovative, sustainable products that are helping reduce the carbon footprint of homes.

At LP, we are Building a Better World™.

A handwritten signature in black ink, appearing to read "BSouthern", with a long horizontal flourish extending to the right.

BRAD SOUTHERN
Chair and Chief Executive Officer

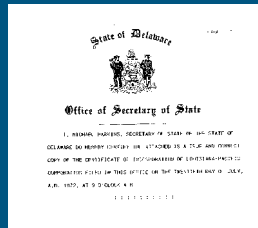


LP'S HISTORY OF SUSTAINABILITY AND INNOVATION

Since its founding in 1972, Louisiana-Pacific Corporation (known today as LP Building Solutions) has grown from a wood products subsidiary with \$273 million in annual sales to a multibillion-dollar international corporation that is the world leader in strand-based exterior siding and structural panels for new construction, repair and remodeling, and shed applications.

1970s

- Louisiana-Pacific (LP) was incorporated on July 20, 1972, as a wholly owned subsidiary of Georgia-Pacific Corporation (GP). After GP made several acquisitions, the Federal Trade Commission ordered the company to transfer 20% of its assets to a new independent corporation—LP.
- After its official spinoff from GP on January 5, 1973, LP became a significant forest products company with assets stretching from Louisiana to the Pacific Ocean.
- In 1973, eight months after the company was founded, the **LP Foundation** was established as LP's 501(c)(3) philanthropic organization.
- The company started with 45 plants and mills operating in Alaska, California, Idaho, Louisiana, Ohio, Oregon, Texas, and Washington. Total sales in 1973 were \$417 million. In 1978, sales topped \$1 billion for the first time.
- LP pioneered the production of oriented strand board (OSB) in North America and opened the country's first OSB mill in Hayward, Wisconsin in 1979. OSB would eventually revolutionize the home building industry in America, which had historically relied on plywood and solid wood.



1980s

- OSB grew rapidly and was more than 25% of LP's sales within five years of its introduction.
- After introducing OSB sheathing, LP soon followed with OSB-based products, including I-joists and subflooring, and further enhanced the technology to launch exterior siding.

1990s

- In a few short years, LP began turning out value-added versions of its OSB sheathing—first TopNotch® subflooring and later I-joists and trim. Laminated veneer lumber was added to the LP product line in 1990. By the company's 20th anniversary in 1992, OSB products accounted for more than half of profits.
- LP also invented LP® SmartSide® Trim & Siding during this time and has since grown it to a billion-dollar business. SmartSide is an innovative engineered wood siding that is one of the fastest-growing brands in the U.S.
- In 1998, LP produced the industry's first commercially viable radiant barrier sheathing, LP® TechShield®, which blocks up to 97% of radiant heat in roof panels and can lower attic temperatures by up to 30°F, according to research conducted by the Florida Solar Energy Research Center and Oak Ridge National Laboratory.



2000s

- In 2000, LP was certified to sustainable forestry standards by the Sustainable Forestry Initiative® (SFI®) and the Programme for the Endorsement of Forest Certification (PEFC®).
- In June 2001, LP expanded into South America with the opening of its OSB mill in Panguipulli, Chile. At the time, only about 4% of housing used timber frame construction in Chile, and no building codes supported this type of construction. This would change dramatically over the next two decades as LP worked with the Chilean government to establish building codes for timber frame construction.
- In 2002, LP sold off its vast timberlands and plywood and lumber operations to focus on its core strand technology business.
- In 2007, LP was recognized as the industry's leader in safety with its inclusion in *EHS Today* magazine's prestigious America's Safest Companies listing.
- LP's OSB and Engineered Wood Products (EWP) mill in Golden, British Columbia became the first LP mill to work more than one million staff hours without a recordable injury in 2006. Many other mills followed suit, with LP Panguipulli becoming the first mill to reach the two-million-hour safety milestone.



2010 to today

- In 2010, an earthquake in Chile significantly damaged nearly 400,000 homes. LP worked with the Chilean government to advance the adoption of sustainable timber frame construction. Today, 80% of rebuilt houses in Chile contain LP materials.



- LP has awarded more than \$2 million in scholarships to more than 400 children of employees since 2001.

- The economic recovery came slowly to the housing industry, but LP continued to find a way to grow through innovative new products, such as LP® FlameBlock® fire-rated sheathing.

- LP has won more than 70 safety awards, including nine APA – The Engineered Wood Association Safest Company Awards, since 2010. During this time, LP also won the National Safety Council’s Occupational Excellence Achievement Award.



- Since its inception in 2014, the [LP Cares Fund](#) has supported more than 500 employees and their families during times of need.

- LP donated more than \$1 million in products and financial aid in the wake of 2017’s Hurricane Harvey, which caused catastrophic flooding in Houston, Texas; 2018’s Hurricane Florence that devastated Wilmington, North Carolina; and 2020’s deadly tornados that ripped through Middle Tennessee.

- In 2020, LP and Ducks Unlimited Canada signed a landmark conservation agreement to support 6.2 million acres in Manitoba’s boreal forest.

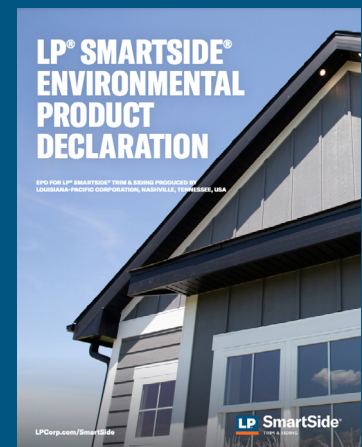


- By 2020, 45% of new homes in Chile used timber frame construction following LP’s introduction to the market (up from 4% in 2000).

- In 2020, the number of LP employees hit 4,500 across 25 manufacturing facilities and six administrative and sales offices.

- Formalization of ESG Board oversight was established through LP’s Governance and Corporate Responsibility Committee in 2020.

- The first environmental product declaration for LP® SmartSide® Trim & Siding was released in 2021. The results helped show that SmartSide products store more carbon than is released from the production and distribution of the product.



- In 2021, LP launched a new [ESG-focused section](#) of its website.

OUR CULTURE

At LP, our mission, vision, values, and leadership behaviors all support our company purpose: **Building a Better World™**. With our sustainable forestry and manufacturing practices, our approach to protect the health and safety of our people, and our high-quality products, we work to ensure our company contributes to better building and, therefore, a better world for all of us.

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 make a difference, help our people get involved in their communities, and ensure our processes remain sustainable for the environment.

VISION

Our vision is to be a 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 many—we want to lead with authority in the building products industry.

MISSION

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

VALUES

LP is guided by a simple statement: "Do the Right Thing Always." This phrase represents our value system, which includes:

- Trust in each other
- Respect for each other, from roles and accountability to decision rights
- Urgency in decision-making and actions
- Transparency in goals, priorities, and performance
- Honesty in active dialogue instead of silent dissent

LEADERSHIP BEHAVIORS

LP's high-performance culture encourages employees to "Think and Act Like Owners" to maximize value and deliver results through empowerment and accountability. The following eight leadership behaviors guide us.




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.

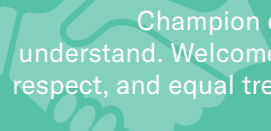


BE CURIOUS

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.

OPERATIONS OVERVIEW

■ SIDING

Dawson Creek, BC
Granite City, IL
Green Bay, WI
Hayward, WI
Newberry, MI
Roaring River, NC
Swan Valley, MB
Tomahawk, WI
Two Harbors, MN

■ ORIENTED STRAND BOARD (OSB)

Carthage, TX
Clarke County, AL
Hanceville, AL
Jasper, TX
Maniwaki, QC
Peace Valley, BC
Roxboro, NC
Sagola, MI
Watkins, MN

■ ENGINEERED WOOD PRODUCTS (EWP)

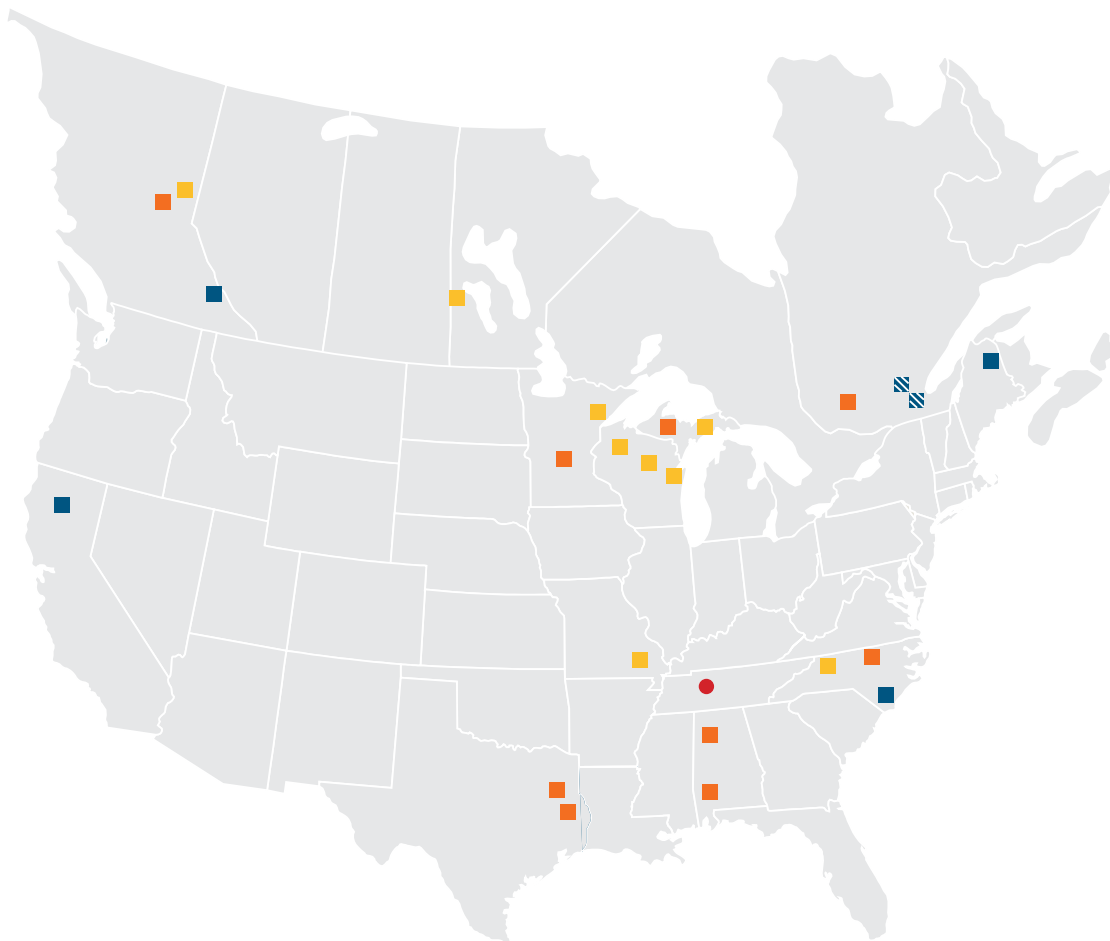
Golden, BC
Houlton, ME
Red Bluff, CA
Wilmington, NC

▨ EWP JOINT VENTURES

Larouche, QC
St. Prime, QC

● HEADQUARTERS

Nashville, TN



\$2.8B

2020 NET
SALES



\$781M

2020 ADJUSTED
EBITDA*



\$4.31

2020 EARNINGS
PER SHARE

*This is a non-GAAP financial measure. See the footnote at the end of this document.

SIDING

Panguipulli, Chile

ORIENTED STRAND BOARD (OSB)

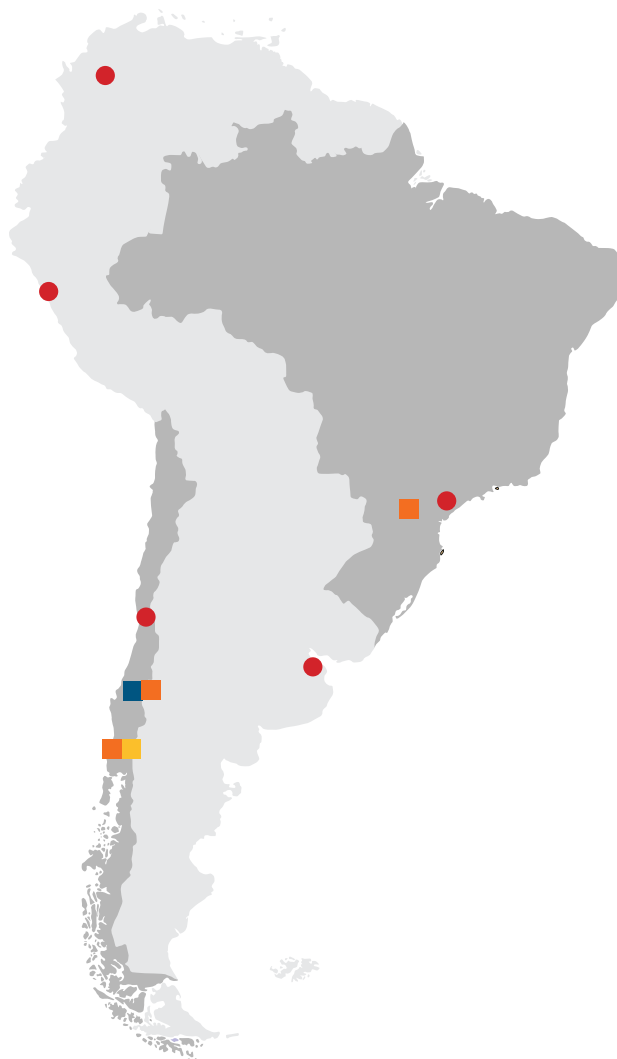
Lautaro, Chile
Panguipulli, Chile
Ponta Grossa, Brazil

ENGINEERED WOOD PRODUCTS (EWP)

Lautaro, Chile

ADMINISTRATIVE OFFICES

Bogotá, Colombia
Buenos Aires, Argentina
Lima, Peru
Santiago, Chile
São Paulo, Brazil



4,500

TOTAL
EMPLOYEES



25

MANUFACTURING
FACILITIES



100%

SUSTAINABLY
SOURCED FIBER

LP'S SUSTAINABILITY PILLARS

LP's five sustainability pillars represent the foundation of our sustainability work and our collective commitment to ESG principles.

GOVERNANCE

We lead with corporate governance practices that enhance our accountability, integrity, and transparency and promote the ethical and sustainable pursuit of long-term shareholder value.

With strongly shared values and ethics, we strive to maintain the highest standards in how we treat each other, run our operations, work with our customers, and contribute to our communities. Our dedicated people put [LP's Code of Business Conduct and Ethics](#) into action every day, representing LP's core principles of ethics and integrity. We further extend these expectations and standards across our supply chain through our [LP Supplier Code of Conduct](#).

The [LP Governance and Corporate Responsibility Committee](#) provides a board oversight framework for LP's ESG efforts. Combined with LP's ESG Executive Council and Task Force, the committee ensures that LP prioritizes its role as a responsible corporate citizen. [Learn more.](#)

PEOPLE

We ensure that the health, safety, and wellness of our people are paramount. LP's health and safety programs are governed by the LP Environmental, Health, and Safety (EHS) Protocol Standard.

Our leading-edge approach to safety relies on an advanced form of safety management that measures serious injury and fatality (SIF) potential to prevent incidents before they occur. We see safety as so fundamental to our operations that we use it as a metric to evaluate operational excellence. [Learn more.](#)

ENVIRONMENT

We are proud of our work to preserve and enhance our planet. We designed the [LP Policy on Environmental Stewardship](#) to protect and conserve our shared natural resources.

Our forest certification program, annually verified against independent standards from SFI® and PEFC®, highlights our commitment to environmental sustainability. The [LP Sustainable Fiber Sourcing Policy](#) further emphasizes our focus on sustainable forestry across all company operations. [Learn more.](#)



GOVERNANCE

We lead with corporate governance practices that enhance our accountability, integrity, and transparency and promote the ethical and sustainable pursuit of long-term shareholder value.

PEOPLE

We ensure that the health, safety, and wellness of our people are paramount.



ENVIRONMENT

We are proud to be advocates of preserving and enhancing our planet.

PRODUCTS

We commit to producing sustainable products from renewable resources with leading carbon-storage attributes and are guided by the highest environmental standards.



COMMUNITY

We strive to build strong relationships with the communities where we live and work.

PRODUCTS

We commit to producing sustainable products from renewable resources with leading carbon-storage attributes and are guided by the highest environmental standards. Our building solutions are durable and designed to offer solutions for energy efficiency, installation efficiency, and reduced material waste during construction.

We are an industry leader in developing durable and dependable specialty building products, such as exterior siding, structural panels, and much more. Our products, made from responsibly sourced wood fiber, are known for exceeding the performance expectations of our customers.

[Learn more.](#)

COMMUNITY

We strive to build strong relationships with the communities where we live and work. Our teams volunteer their time and expertise to support their communities in many ways. We help in times of need when extreme weather conditions and other natural disasters affect our communities by providing funding, donating products, and volunteering support to our neighbors.

We partner with Indigenous communities in North and South America, local and national community organizations, and business groups. Supporting

housing programs, environmental programs, children's public education, and programs that promote diversity, equity, and inclusion in communities near LP mills and offices are some of the many ways we engage at the community level.

The LP Foundation, established eight months after LP's founding, has donated more than \$20 million to deserving nonprofits and K-12 public schools in the communities where we operate. Today, the LP Foundation donates approximately \$500,000 annually through five programs:

- Grants and Sponsorships
- Community Mill Grants
- Employee Giving Match Program
- Employee Nonprofit Board Sponsorships
- Disaster Relief

LP is also committed to building positive relationships with Indigenous peoples and nations in countries where we operate. LP acknowledges that indigenous peoples and nations exercise rights protected by the 1982 Constitution Act in the areas in which LP operates in Canada. LP's efforts to build positive relationships with Indigenous peoples and nations are guided by relevant principles, including LP's core value to "Do the Right Thing Always."

[Learn more.](#)

We strive to build strong relationships with the communities where we live and work. Our teams volunteer their time and expertise to support their communities in many ways.



THE FUTURE OF SUSTAINABILITY AT LP

LEARNING FROM STAKEHOLDERS

Being a sustainability leader is a journey of continuous improvement—one that benefits greatly from collaboration. In 2021, to assess sustainability at LP and chart a path forward, we surveyed our employees, customers, investor community, and other stakeholders. Their feedback was integrated into our assessment of key ESG topics that will form the basis of our sustainability strategy going forward.

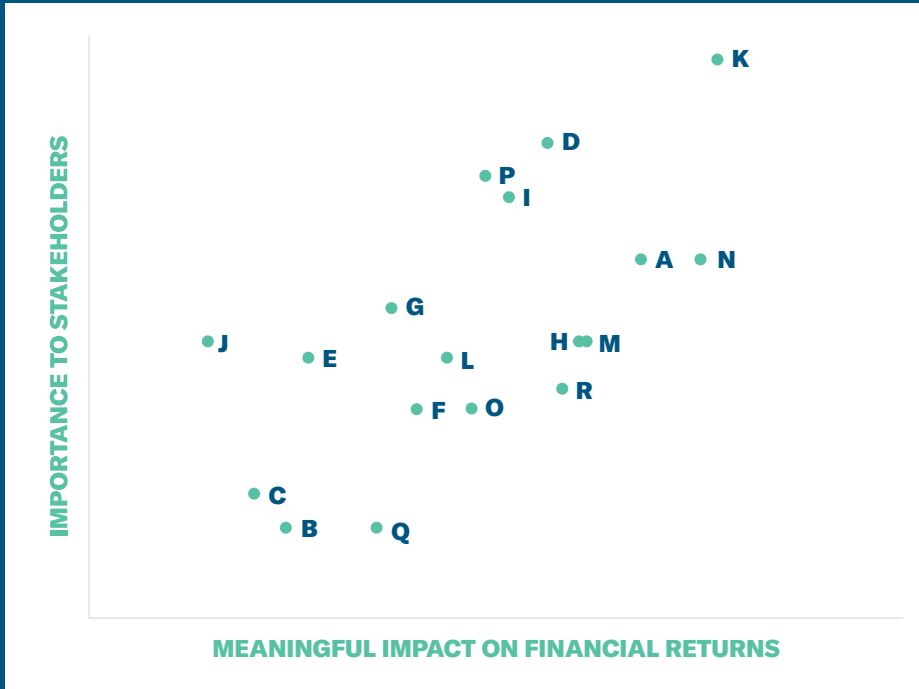
ESG PRIORITY ASSESSMENT

LP initiated an assessment of ESG priorities in 2021, engaging a broad group of stakeholders to identify the ESG topics most relevant to the long-term sustainability of our business. As part of this process, we initiated workshops that engaged internal subject matter experts across various business functions, including our ESG Task Force, Executive Leadership Team, Risk Management Council, and LP Board of Directors, to understand important risks and opportunities for the company.

We assessed 18 topic areas, scoring each element against six criteria:

- | | |
|---|---|
| 1 Meaningful impact on financial returns | 4 LP's ability to control, influence, and mitigate |
| 2 Reputational importance to LP | 5 Importance to stockholders |
| 3 Probability of negative outcome
(likelihood to happen if the company does not take steps to mitigate) | 6 Importance to non-owner stakeholders |

ESG PRIORITY ASSESSMENT



ESG TOPIC	
A	Sustainable Forest Management
B	Biodiversity
C	Conservation Initiatives
D	Direct Environmental Impact
E	Climate Change
F	Natural Climate Solutions Strategies
G	Diversity and Inclusion
H	Recruitment and Retention
I	Safety and Wellness
J	Community Impact
K	Customer Impacts
L	Supply Chain Responsibility
M	Employee Engagement
N	Economic Contribution
O	Governance and Accountability
P	Ethics and Compliance
Q	Public Advocacy and Governmental Relations
R	Risk Management

ESG TOPICS IN FOCUS

The assessment revealed the most critical sustainability topics for the company. For each topic, we are gathering information and working with internal and external subject matter experts to establish specific goals necessary to address the key risks and opportunities. Once goals are identified, we will develop action plans for each one to help us achieve those goals.

Three of our key sustainability ambitions are described on the following pages.

GOVERNANCE	PEOPLE	ENVIRONMENT	PRODUCTS	COMMUNITY
<ul style="list-style-type: none"> Ethics and Compliance Governance and Accountability Risk Management 	<ul style="list-style-type: none"> Safety and Wellness Recruitment and Retention Employee Engagement Diversity and Inclusion 	<ul style="list-style-type: none"> Direct Environmental Impacts Supply Chain Responsibility Climate Change, Energy, and Emissions Sustainable Forest Management 	<ul style="list-style-type: none"> Customer Impacts 	<ul style="list-style-type: none"> Economic Contribution

DIVERSITY, EQUITY, AND INCLUSION

In 2021, we released the **LP DEI Pledge for Action**, which prioritizes gender and racial diversity, equity, and inclusion as critical focus areas for the company. The ultimate goal of LP's DEI journey is to cultivate an inclusive work environment that attracts and retains a diverse and high-performing workforce to enable LP to best serve the needs of our rapidly diversifying markets and communities.

To help develop the Pledge for Action and associated action plans, LP established a DEI Task Force. It comprised a cross-functional group of employees across the U.S. and Canada with executive sponsorship from Chair and CEO Brad Southern and SVP, Chief HR and Transformation Officer Robin Everhart. The DEI Task Force researched best practices, held listening sessions to understand employee experiences and ideas, created advisory councils to gather feedback, and held multiday sessions with LP's 90-person Leadership Team.

The LP Pledge for Action

At LP, supporting diversity, equity, and inclusion is the right thing to do—it is right for our company and for the communities in which we work and live. Committing to diversity, equity, and inclusion is integral to achieving our vision of becoming a top-tier building solutions company and our purpose of building a better world.

We believe that a high-performance culture is one that embraces team members of every background, race, gender, sexual orientation, age, and ability. As our population and culture shift, LP's customers, vendors, talent pool, and communities are becoming more diverse. Building a more representative workforce and ensuring an inclusive work environment allows LP to better serve and win with our evolving stakeholders.

Moreover, we believe our efforts should not be limited solely to LP. Over the past few years, events and revelations have heightened awareness of the sexism, racism, and violence perpetrated against minority populations. A light has been shined on the

inequities and injustices that millions of people—including our LP coworkers, families, and fellow community members—live with every day.

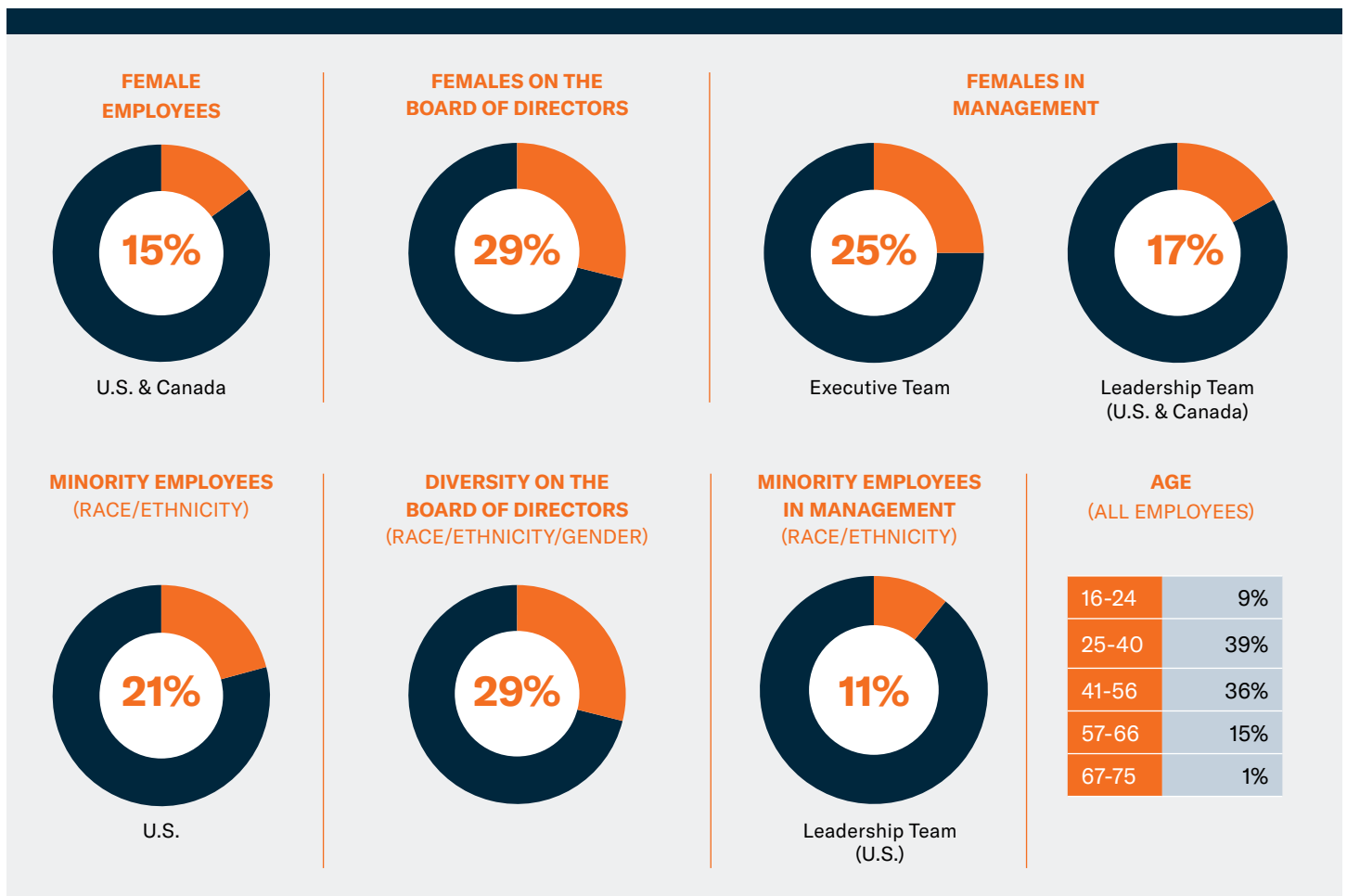
At LP, we all must play a role in addressing the hatred, bias, and marginalization of people. To achieve our vision and purpose, we will take meaningful actions to build a more inclusive workplace and support marginalized communities. We will be bold and intentional in bridging the racial and gender opportunity gaps and work to embed diversity, equity, and inclusion into the culture of LP.

LP is committed to executing our Pledge for Action by focusing within LP while also engaging with industry and community partners. To begin, we have created detailed action plans to address seven of the 12 elements in the Pledge.



- 1 Speak out and stand up for justice, equality, and opportunity for all by proactively initiating sustainable conversations within our LP family and the communities in which we live and work.
- 2 Make bridging the racial and gender opportunity gaps central to how we achieve our company vision and purpose.
- 3 Transform our workplaces into spaces where women, Black people, and people of color will be safe, heard, respected, and included.
- 4 Broaden our recruiting and hiring outreach efforts to include more women, Black people, and people of color, offering a positive employment value proposition to join LP.
- 5 Increase the representation of women, Black people, and people of color at all levels of LP by fostering a career development focus for all people, regardless of race or gender.
- 6 Expand the supply chain by cultivating relationships and opportunities to purchase goods and services from minority- and women-owned businesses.
- 7 Take proactive steps to ensure our advertising and media investments do not support organizations that promote racist or sexist views.

DEI DATA & GOALS



Data as of October 2021

Goals

- 1 Work to ensure our employee populations reflect the communities where we operate in terms of both race/ethnicity and gender.
- 2 Increase the representation of women and racial and ethnic minorities in leadership positions.
- 3 Ensure representation of women and racial and ethnic minorities on the Board of Directors.
- 4 Ensure pay equity for comparable work, experience, and performance, regardless of gender, race, religion, or age, through third-party reviews and internal analysis.
- 5 Build and maintain positive relationships with Indigenous peoples and nations through increased community involvement and outreach programs.
- 6 Amplify the important work needed to support underserved communities through philanthropy and volunteerism.
- 7 Strengthen the supply chain by expanding relationships and opportunities to purchase goods and services from minority- and women-owned businesses.

CLIMATE CHANGE: FORESTS ARE A NATURE-BASED SOLUTION

Climate change is a great challenge facing our planet, and sustainably managed forests can play an important role in the solution. As trees grow, they sequester carbon. Replanting trees and promoting natural regeneration after harvest helps increase carbon dioxide absorption from the atmosphere because as younger trees grow, they sequester carbon at higher rates than older, more mature trees.



Our SFI® certification program is also helping us advance climate-friendly practices. SFI is implementing a new climate-smart forestry objective that will require forest managers to demonstrate how forest management activities are working to help adapt and mitigate operational challenges associated with changes in climate.

Quantifying our carbon footprint

LP is working to quantify contributions to greenhouse gas (GHG) emissions related to product manufacturing (Scope 1 and 2) and contributions across our supply chain (Scope 3) using globally recognized protocols. Compared to 2019, our 2020 Scope 1 GHG emissions decreased by 19%, and our Scope 2 emissions decreased by 3%. This is primarily a result of declining natural gas usage and temporary production curtailments due to the COVID-19 pandemic. This information provides our initial baseline that we will use to establish measurable targets for reducing our carbon emissions going forward.

LP is also undertaking a climate change risk and opportunity assessment using the framework established by the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). This work will help ensure our business remains financially resilient and transparent through the global challenges presented by climate change and demonstrate the actions we plan to undertake in order to effectively transition to a low-carbon economy. We plan to publish LP's first TCFD report in 2022.



SUSTAINABLE PRODUCTS

We are an industry leader in developing durable and dependable specialty building products used as exterior siding, structural panels, and much more. We build our products, made from sustainably and ethically harvested wood fiber, to exceed the performance expectations of our customers. We build solutions.

Climate-friendly products

Our products, which are manufactured to last, store carbon over their lifetime. In fact, LP® SmartSide® Trim & Siding is a carbon-negative product.

In 2021, LP released an [Environmental Product Declaration \(EPD\)](#) for our LP® SmartSide® products that represents the cradle-to-gate energy, fuel, and materials required for producing SmartSide® Lap, Panel, and Trim (“Products”) in North America. The results helped show that SmartSide products store more carbon than is released from the production and distribution of the product. The EPD, along with a supplemental assessment, demonstrates that SmartSide products are carbon negative.

To read the EPDs on our commodity products, click [here](#).

Nothing is wasted

We use more than 99% of the fiber we harvest, either in products or as an alternative thermal energy source that significantly offsets fossil fuel consumption. Nearly 80% of the thermal energy LP uses comes from renewable energy, specifically the wood biomass residuals that are generated through our manufacturing process.

Green building certifications

Mass timber and other types of green buildings use forest products that sequester carbon. Green building certification programs, such as the U.S. Green Building Council’s LEED® (Leadership in Energy and Environmental Design) certification and the International WELL Building Institute’s WELL Building Standard®, are popular with architects and builders. LP innovates to produce [sustainable building materials](#), and through partnerships with the SFI®, our certified products can help builders gain points toward a specified green building rating.

LP BUILDING SOLUTIONS SASB INDEX

The Value Reporting Foundation's SASB Standards Board is an independent standards board that oversees the SASB Standards, an ESG guidance framework that sets standards for the disclosure of relevant and material sustainability information to investors. LP is aligned with SASB's Building Products and Furnishings and Forestry Management guidelines and intends to release an annual SASB index. To learn more, see the appendix on page 28.



BUILDING A BETTER WORLD™

At LP, we build better solutions because we all need a place to call home, one that stands up to storms, wind, heat, and the test of time.

We build better for a safe place where families can grow, create memories, and build their legacies.

We build better because our success is measured not only by the homes we help build, but also by the communities and lives we touch.

SUSTAINABILITY AND DOING THE RIGHT THING **ALWAYS**

LP employees around the world embody our leadership principle to “Think and Act Like Owners.” This makes everyone at LP accountable to our promise to “Do the Right Thing Always”—a core value at LP.

Together, we are continuously elevating LP’s 50-year sustainability journey. Each of us has a role to play in ensuring that LP is an environmentally, socially, and financially responsible company that delivers long-term value to our shareholders and customers.

Visit lpcorp.com/sustainability to learn more.



LP BUILDING SOLUTIONS

SASB INDEX



The Value Reporting Foundation's SASB Standards Board is an independent standards board that oversees the SASB Standards, an ESG guidance framework that sets standards for the disclosure of relevant and material sustainability information to investors.

LP is aligned with SASB's Building Products and Furnishings and Forestry Management standards. The following index describes our alignment with the material ESG topics and metrics relevant to our business and as identified within these two standards.

The information contained in this report represents data collected from 2019 and 2020. Some SASB material topics have been omitted based on their inapplicability to our business. In addition, some omissions are a result of lack of data available at this time, and we plan to address these omissions in our 2022 SASB disclosures.

More information is available on our website at lpcorp.com/sustainability.

SASB BUILDING PRODUCTS & FURNISHINGS STANDARD

MATERIAL TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Energy Management in Manufacturing	Total energy consumed, percentage grid electricity, percentage renewable	<p>For 2020: Total energy consumed was 29,533,324 gigajoules (GJ); percentage from grid electricity was 11% (3,103,572 GJ); percentage of renewable was 80% (23,626,185 GJ).</p> <p>For 2019: Total energy consumed was 33,701,984 GJ; percentage from grid electricity was 10% (3,401,269 GJ); percentage of renewable was 78% (26,418,823 GJ).</p>	CG-BF-130a.1	For more information, refer to the Leadership on Climate Change section of our website.
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	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. For instance, LP products undergo extensive testing to demonstrate compliance to ASTM and US Product Standards and are monitored for ongoing compliance by the APA - The Engineered Wood Association.	CG-BF-250a.1	For more information, refer to the Product Quality & Safety section of our website. APA's Product Technical Note on Formaldehyde and Engineered Wood Products
Management of Chemicals in Products	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	100% of LP engineered wood products meet VOC emissions and content standards.	CG-BF-250a.2	For more information, refer to the Product Quality & Safety section of our website. APA's Product Technical Note on Formaldehyde and Engineered Wood Products
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet the demand for sustainable products	LP has participated in the development of lifecycle assessments (LCA) and environmental product declarations (EPD) as it pertains to industry-standard engineered wood products (e.g., oriented strand board, laminated strand lumber) through our partnership with the American Wood Council.	CG-BF-410a.1	For more information, refer to the Our Products section of our website.

SASB BUILDING PRODUCTS & FURNISHINGS STANDARD

MATERIAL TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Product Lifecycle Environmental Impacts (continued)	Description of efforts to manage product lifecycle impacts and meet the demand for sustainable products	Recently, LP completed a product-specific LCA and EPD for SmartSide® Trim & Siding. This information combined with information from our list of industry standard EPDs will be used to help facilitate improvements to reduce our overall environmental footprint across our manufacturing operations while providing the construction industry with carbon-friendly building solutions.	CG-BF-410a.1	For more information, refer to the Our Products section of our website.
Product Lifecycle Environmental Impacts	Weight of end-of-life material recovered, percentage of recovered materials recycled	<p>While LP does not currently disclose this data, LP will be collecting information relative to ongoing recycling and recovery activities for end-of-life materials and will disclose future initiatives that we undertake along with relevant data.</p> <p>LP utilizes 99% of all wood fiber that enters our manufacturing facilities either in our products or as an alternative renewable energy source to help offset fossil fuel consumption.</p>	CG-BF-410a.2	For more information, refer to the Sustainable Manufacturing section of our website.
Wood Supply Chain Management	Total weight of wood fiber materials purchased, percentage from third-party certified forestlands, percentage by standard, and percentage certified to other wood fiber standards, percentage by standard	<p>Total weight of wood fiber purchased was 7,951,193 metric tons (t) in 2020 and 8,247,469 t in 2019 for North American operations.</p> <p>Percentage from third-party certified forestlands (by weight) was 59.6% in 2020 and 56.5% in 2019.</p> <p>In 2020, 59% of wood fiber was sourced from forestlands certified to the SFI® Forest Management Standard (FM), and 1% was sourced from forestlands certified to the American Tree Farm System (ATFS). In 2019, 55% of wood fiber was sourced from forestlands certified to the SFI® FM Standard and 2% from forestlands certified to ATFS.</p> <p>The total percentage of wood fiber purchased certified to other wood fiber standards (by weight) was 40.4% in 2020 and 43.5% in 2019.</p> <p>100% of wood purchased is certified to the SFI® Fiber Sourcing Standard.</p>	CG-BF-430a.1	For more information, refer to the Sustainable Forest Management and Fiber Sourcing section of our website.

SASB BUILDING PRODUCTS & FURNISHINGS STANDARD

MATERIAL TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
		<p>LP NORTH AMERICA PRODUCTION</p> <p>(OSB & Siding production in 3/8 basis million square feet (MSF); I-joist reported in million linear feet (MLF); EWP (LVL, LSL) production reported in million cubic feet (MCF).</p>		
Activity Metrics	Annual Production	<p>2020 OSB: 3,529,000 MSF Strand Siding: 1,543,000 MSF Fiber Siding: 62,000 MSF EWP: 10,100,000 MCF I-joist: 42,877,000 MLF</p> <p>2019 OSB: 3,852,000 MSF Strand Siding: 1,256,000 MSF Fiber Siding: 248,000 MSF EWP: 10,232,000 MCF I-joists: 37,212,000 MLF</p>	CG-BF-000.A	For more context, LP's 10-K Annual Report references total mill production capacity.
		<p>LP SOUTH AMERICA PRODUCTION (Production in m³/ year)</p>		
Activity Metrics	Annual Production	<p>2020 Structural: 236,876 m³/year Non-Structural: 322,021 m³/year Siding: 33,314 m³/year</p> <p>2019 Structural: 264,334 m³/year Non-Structural: 264,700 m³/year Siding: 25,869 m³/year</p>	CG-BF-000.A	For more context, LP's 10-K Annual Report references total mill production capacity.
Activity Metrics	Area of manufacturing facilities	Total area of manufacturing facilities was 6,225,884.45 m ² in both 2019 and 2020.	CG-BF-000.B	For more context on relative size of the operation, LP's 10-K Annual Report references total mill production capacity.

SASB FORESTRY MANAGEMENT STANDARD

TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Ecosystem Services & Impact	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 in South America.</p> <p>In 2020, 10,507,606 acres were certified to the SFI® FM Standard, representing 23% of the gross area (all productive and non-productive forestlands including water features) under license to LP.</p> <p>In 2019, 12,419,515 acres were certified to the SFI® FM Standard, representing 27% of the gross area (all productive and non-productive forestlands including water features) under license to LP.</p> <p>This year-over-year difference is attributed to Provincial Government analysis and revision to annual allowable harvest volumes.</p>	RR-FM-160a.1	For more information, refer to the Sustainable Forest Management and Fiber Sourcing section of our website.
		<p>Approximately 2,971,592 acres located within LP long-term forest management license areas in Canada have protected conservation status.</p>		
Ecosystem Services & Impact	Area of forestland with protected conservation status	<p>Under LP long-term forest management agreements, and in compliance with both federal and provincial legislation regarding endangered species, LP conducts forest management operations in a manner that protects and conserves habitat for at-risk species. The landscape and stand-level strategies that have been implemented to account for species at risk are typically disclosed within higher-level forest management and/or stewardship plans developed in accordance with provincial requirements and vetted through stakeholder consultation processes with rights-based holders and other interested groups.</p> <p>LP is working toward aggregating data to enable future disclosures of forestland in endangered species habitat.</p>	RR-FM-160a.2	<p>Shapefile data associated with protected areas in Canada has been taken from:</p> <p>WDPA_WDOECM_Aug2021_Public_Can_Shp downloaded from Protected Planet.net on Sept 13, 2021.</p>
Ecosystem Services & Impact	Area of forestland in endangered species habitat	<p>Under LP long-term forest management agreements, and in compliance with both federal and provincial legislation regarding endangered species, LP conducts forest management operations in a manner that protects and conserves habitat for at-risk species. The landscape and stand-level strategies that have been implemented to account for species at risk are typically disclosed within higher-level forest management and/or stewardship plans developed in accordance with provincial requirements and vetted through stakeholder consultation processes with rights-based holders and other interested groups.</p> <p>LP is working toward aggregating data to enable future disclosures of forestland in endangered species habitat.</p>	RR-FM-160a.3	For more information, refer to the Biodiversity and Habitat Conservation section and the Collaborating with Leading Environmental Organizations section of our website.

SASB FORESTRY MANAGEMENT STANDARD

TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Ecosystem Services & Impact	Description of approach to optimizing opportunities from ecosystem services provided by forestlands	<p>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 a number of conservation groups, Indigenous communities, and other interested stakeholder groups to sustain the biological, social, and economic value of forestlands.</p>	RR-FM-160a.4	For more information, refer to the Collaborating with Leading Environmental Organizations section of our website.
		<p>For example, LP has worked with Ducks Unlimited Canada (DUC) for over 18 years to conserve and promote the protection of wetland habitats within the Western Boreal Forest. Wetlands provide a myriad of benefits, from supporting Indigenous cultural and traditional values to the regulation and filtration of water flow through watershed systems to sequestering carbon in the atmosphere.</p> <p>LP has taken action with DUC to develop best practices to maintain the integrity of wetland systems that intersect with forest roads in order to protect and sustain the biological, social, and economic values these ecosystems provide.</p>		
Rights of Indigenous Peoples	Area of forestland in Indigenous land	<p>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 our 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.</p> <p>LP is aggregating data to enable future disclosures on area of forestland in Indigenous lands.</p>	RR-FM-210a.1	Data Reference: Open.Canada.ca Pre-1975 Treaties

SASB FORESTRY MANAGEMENT STANDARD

TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Rights of Indigenous Peoples	Description of engagement processes and due diligence practices with respects to human rights, Indigenous rights, and the local community	<p>LP engages with Indigenous communities relative to ongoing forest management operations across our license areas in Canada. We work to proactively establish mutually beneficial relationships to identify, discuss, and manage any risks and/or opportunities that arise as a result of our operations through our annual operating plan/cutting permits processes or during our long-term forest management planning processes.</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> <p>We are also committed to the highest level of legal and ethical standards with respect to human rights. We formalize this commitment through LP's Code of Business Conduct and Ethics.</p>	RR-FM-210a.2	For more information, refer to the Working with Indigenous Communities section of our website.
Climate Change Adaptation	Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change	<p>LP is undertaking a corporate climate risk and opportunity evaluation following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to understand both transitional and physical risks and opportunities material to our business. LP will provide a summary report aligned with TCFD recommendations in 2022.</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 be used to manage or mitigate the effects of our changing climate and in turn protect the long-term viability of timber production for our operations.</p>	RR-FM-450a.1	<p>For more information, refer to the Collaborating with Leading Environmental Organizations section of our website.</p> <p>Measuring the amount of carbon stored in boreal upland forests and wetlands</p> <p>Public release of Conservation Partnership Agreement between LP and Ducks Unlimited Canada</p> <p>Article published in Forestry Chronicle on Climate Vulnerability Assessment</p>

SASB FORESTRY MANAGEMENT STANDARD

TOPIC	ACCOUNTING METRIC	LP ASSESSMENT	CODE	REFERENCE
Activity Metrics	Area of forestland owned, leased, and/or managed by the entity	<p>LP is authorized by provincial governments of BC, Manitoba, and Quebec to conduct forest management activities in areas licensed to the company.</p> <p>The total gross reportable area managed/licensed by LP in both 2019 and 2020 was approximately 45,358,289 acres.</p>	RR-FM-000.A	For more information, refer to the Sustainable Forest Management and Fiber Sourcing section of our website.
Activity Metrics	Aggregate standing timber inventory	<p>LP does not currently report on aggregate standing inventory for our areas managed in Canada.</p> <p>LP is assessing the materiality of this metric to our operations in order to inform future reporting.</p>	RR-FM-000.B	
Activity Metrics	Timber harvest volume	<p>In 2020, total timber harvested was 11,976,772 m³.</p> <p>In 2019, total timber harvested was 12,553,364 m³.</p>	RR-FM-000.C	

**Adjusted EBITDA is a non-GAAP financial measure. See "Non-GAAP Financial Measures" in our 2020 Form 10-K filed with the Securities and Exchange Commission on February 18, 2021 for a reconciliation to its nearest GAAP measure. This and other non-GAAP financial measures should be considered only as a supplement to, and not as superior to, financial measures prepared in accordance with GAAP. It should be noted that other companies may present similarly titled measures differently, and therefore, this measure as presented by LP may not be comparable to similarly titled measures reported by other companies.*



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