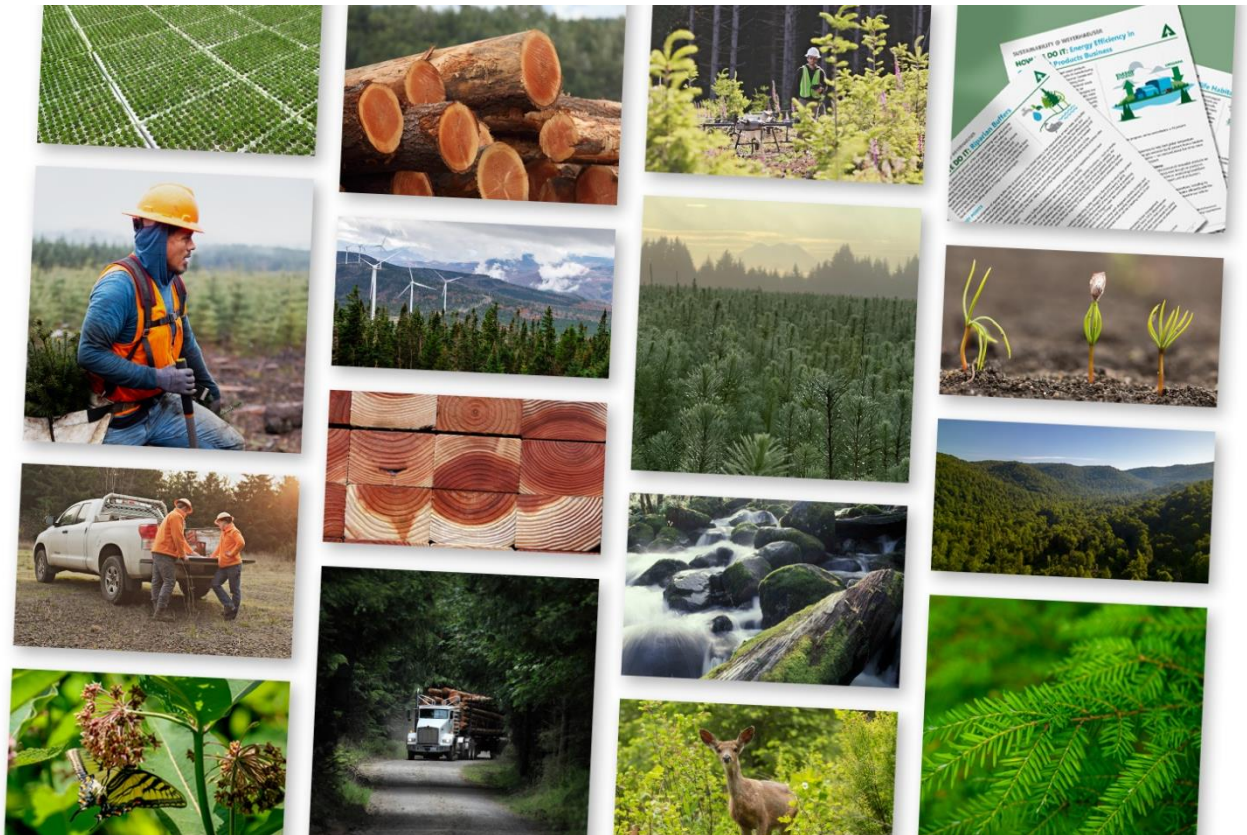




WEYERHAEUSER'S NATURE PERSPECTIVE

White Paper

Version 1 | December 2024



INTRODUCTION

At Weyerhaeuser, we are deeply connected to the communities and ecosystems where we operate and as a company dedicated to the practices of sustainable forestry and responsible manufacturing, we welcome the growing call for corporations to recognize nature as a core sustainability issue. From the United Nations to global investors to our local communities, stakeholders are asking companies for more urgency in addressing nature loss. We are proud to share how we are responding.

Over the past two years, we worked with staff and leaders from across the company to develop our *Nature Perspective*, a comprehensive assessment of our nature-related dependencies, impacts, risks and opportunities that creates a baseline for our business operations and sustainability-related disclosures beginning in 2024. Our *Nature Perspective* provides structure, guidance and vision to strengthen the way our teams consider and manage nature as a core component of our work. It also provides us ways to identify, communicate and disclose our nature-related performance and goals. In 2024, the *Nature Perspective* received support from our senior management team, CEO and Board of Directors.

Although we are introducing our *Nature Perspective* this year, we've been managing nature for a very long time. Weyerhaeuser has been a leader in sustainable forest management and wood product manufacturing for 125 years — a reputation we've earned by managing our forests sustainably and by being a responsible wood products manufacturer. We have a long track record of working in our operations and with communities, partners and scientists to study and conserve vulnerable species, safeguard clean rivers and streams, and establish vibrant forest landscapes.

We developed our perspective on nature to provide greater transparency into how we lead and operate. Nature is crucial to the longevity of our business and our bottom line, creating both risks and opportunities now and in the future.

OUR WORK SO FAR

To develop our *Nature Perspective* and confirm our baseline understanding of our company's relationship with nature, we conducted two internal workshops with dozens of employees representing our three business lines and corporate functions. During these workshops we utilized the LEAP¹ (Locate, Evaluate, Assess, Prepare) approach developed by the Taskforce on Nature-related Financial Disclosures (TNFD). This approach provided a comprehensive way to identify and assess our nature-related dependencies, impacts, risks and opportunities. The outcomes were reviewed and refined through discussions with subject matter experts and more than 20 business leaders across our company. The results form the foundation of our *Nature Perspective*.

¹ Taskforce on Nature-related Financial Disclosure: Guidance on the identification and assessment of nature-related issues: the LEAP approach: <https://tnfd.global/publication/additional-guidance-on-assessment-of-nature-related-issues-the-leap-approach/>

SCOPE OF OUR LEAP ASSESSMENT

Our operations are spread across different regions of North America. To determine which operations were in scope, we aligned the approach of our LEAP assessment with the approach we took in establishing our TCFD-aligned² greenhouse gas emissions inventory and preparing our climate disclosures. This means we applied the *ownership approach* and focused our assessment on areas of operations with the largest interface with nature.

Our assessment concluded that two segments of our operations were out-of-scope: nurseries, seed orchards and distribution centers, which all have a relatively minor interface with nature; and licensed timberlands on public land in Canada, where we have a unique co-management structure with the Canadian government and other stakeholders with rights to those lands. In future years, we may bring these operations into our assessment.

For the operational areas we assessed as being in scope, we evaluated the status of nature at a macro level to determine whether we needed to identify any focus areas within our operational footprint. This evaluation considered forest loss patterns³, water risk⁴, biodiversity risk⁵ and presence of imperiled and critically imperiled species on our lands and procurement areas⁶. Our findings demonstrated that nature risk and sensitivity level are homogenous across our operating locations; specifically, no areas were identified to be of high water risk, and areas with high levels of biodiversity concern did not overlap with our ownership or our sourcing practices. Thus, we applied an equal focus to nature across all operations as in scope instead of identifying priority areas.

NATURE DEPENDENCIES

We identified a range of ways our business depends on nature and could be negatively affected if nature were degraded — what TNFD calls *dependencies*. To identify relevant dependencies, we started with the World Business Council for Sustainable Development (WBCSD)'s *Forest Sector Nature-Positive Roadmap*⁷ and then reviewed ENCORE's⁸ nature tool, as well as internal data on wood fiber procurement, water use, harvest rates and ecosystem services. Our internal workshops helped us refine the *Forest Sector Nature-Positive Roadmap*'s initial list to more accurately reflect the full scope of our company's operations and dependencies.

In total, we identified 15 separate nature-related dependencies, with the following as most important across our business and operations:

- Wood fiber supply
- Soil productivity and health
- Slope and soil stability
- Water quality, including temperature
- Forest resilience to disease and pests
- Plant genetic diversity
- Water quantity of both ground and surface water sources
- Sand and gravel resources

² [Weyerhaeuser's TCFD Framework Alignment document](#)

³ National Council of Air and Stream Improvement Member Memo: Estimating Forest Area Decline at Multiple Scales Using Forest Inventory and Analysis Data Relative to the SFI 2022 Fiber Sourcing Standard, Objective 11, Requirements, July 2022

⁴ WRI Aqueduct Tool: <https://www.wri.org/applications/aqueduct/water-risk-atlas/>

⁵ WWF Biodiversity Risk Filter: <https://riskfilter.org/>

⁶ Nature Serve data – G1/G2 species: <https://explorer.natureserve.org/pro/>

⁷ WBCSD Forest Sector Nature-Positive Roadmap: <https://www.wbcd.org/resources/forest-sector-nature-positive-roadmap/>

⁸ Encore's Exploring Natural Capital Opportunities, Risks and Exposure: <https://www.encorenature.org/en>

NATURE IMPACTS

We are uniquely positioned to have both negative and positive impacts on nature because we manage and source raw materials directly from forests. We identified a range of ways our company's operations potentially affect nature, both positively and negatively — what TNFD calls *impacts*. As with our dependencies, the WBCSD's *Forest Sector Nature-Positive Roadmap* was our starting point for identifying potential nature-related impacts. After identifying potential impacts, we evaluated the level of each impact after considering mitigation activities already incorporated into our operations.

Our analysis identified a handful of potential negative impacts. None of them, however, were assessed at the "large impact" level due to the well-established mitigation activities deployed across our operations. These include a rigorous environmental regulatory and legal compliance program, our robust management and wood fiber procurement certification programs⁹, and strong internal Environmental Management System (EMS) programs. The few potential "medium impacts" we identified included:

- Degrading plant and animal habitat and ecological diversity
- Degrading soil health
- Degrading water quality
- Degrading water quantity
- Conversion of forests to other land uses

As noted, all these potential impacts have strong mitigation measures in place, including state forest practice rules and best management practices, strong environmental management programs, decades-long forest management and wood procurement certification programs, internal policies, and effective regulatory, legal and reputational risk management.

Ultimately, most of the impacts we identified were potentially positive. Those with the largest potential positive impact were:

- Reducing GHG concentrations in the atmosphere through carbon sequestration in forests, carbon storage in forests and wood products and facilitating renewable energy generation
- Maintaining and improving biodiversity and ecological diversity
- Maintaining and creating habitat
- Providing recreational access

NATURE RISKS

Using the LEAP process provided us with a nature-specific filter for risk identification, clearly highlighting the connections between enterprise risk factors and nature-related impacts and dependencies. Through the process, we identified a range of potential nature-related threats to Weyerhaeuser's operations — what TNFD calls *risks*. We considered physical risks from the degradation of nature; risks related to the operational challenge of protecting, restoring or reducing negative impacts on nature; and risks that could arise due to systemic nature-related decline or breakdown.

We started with nature-related risks already identified and tracked internally through our Enterprise Risk Management (ERM) system, our long-range companywide strategic planning efforts and our forest management

⁹ Weyerhaeuser's How We Do It: Forest Management and Wood Procurement Certification: [HWDI Forest Mgmt Wood Procurement FINAL 5.14.24.pdf](#)

and wood fiber procurement certification programs. We combined these risks with new risks we identified by taking a holistic look at our company through a nature-specific lens. Of the nature-related risks identified, some are shared between two or more of our three business lines (Wood Products, Timberlands and Corporate Development, Real Estate & Natural Resources) and some are unique to a single business line.

Some of the largest potential nature-related risks we identified are:

- Damage to Timberlands' and Wood Products' assets, facilities and/or operations during extreme weather events due to degradation of ecosystem and natural buffering capacity.
- Decreased ability to operate mills due to stricter air quality regulations aimed at protecting the atmosphere.
- Decreased harvestable acres in timberlands, decreased access to fiber in supply areas and/or challenges to siting new Natural Climate Solutions (NCS) projects due to new/expanded nature-focused laws and regulations.
- Decreased fiber supply and/or forest productivity due to changes in global or regional climatic conditions.
- Decreased fiber supply due to conversion of working forests to other uses.
- Increased demands on stormwater infrastructure and/or damage to assets due to changes in weather patterns.

The majority of the nature-related risks identified during the LEAP process are already included as part of our standard ERM processes and disclosed in our company's 10-K & Annual Report and other sustainability disclosures.

NATURE OPPORTUNITIES

We are proud to be a company that contributes positively to nature-related outcomes. In this step of the LEAP process, we considered activities related to mitigating negative nature impacts or creating nature benefits — what TNFD calls *opportunities*. We identified nature-related opportunities we are currently pursuing across our company, as well as areas we are positioned to take advantage of in the future.

Some of the opportunities we identified in our operations include:

- Increased investor interest in companies in the forest management and wood products sectors due to the climate and nature-related benefits generated by these businesses.
- Increased demand for wood products as a nature- and climate-friendly building material.
- Increased public recognition of established nature-related markets and increased spending by users of these markets.
- Increased demand from conservation-motivated buyers for land sales and purchases of conservation easements.
- Increased demand for alternative uses of fiber driven by interest in low-carbon solutions.
- Increased or stabilized timber inventory and forest lands due to more consistent use of sustainable forest management practices by other landowners.

WHAT'S NEXT

While we concluded our initial LEAP process, more work remains. Through our *Nature Perspective*, we identified ways to strengthen and build upon Weyerhaeuser's existing efforts and explore new opportunities to mitigate nature-related risks and take advantage of nature-related opportunities. Next steps include continuing to implement our strong SFI and EMS programs in our timberland and mill operations, growing the delivery of nature-based climate solutions into the market, expanding cooperative firefighting agreements and capacity across our timberlands, integrating new nature-related risks into our main enterprise risk management process, and evaluating future nature-related metrics, targets and goals for disclosure.

The outcomes of the LEAP process and implementation of identified nature action will be integrated into the solid ESG foundation and business alignment pillars of our companywide sustainability strategy. We will work closely with our business to ensure the actions we identified are represented in business plans and priorities, and progress will be monitored and shared regularly with our senior management team and the board of directors.

In addition to this *Nature Perspective*, we also provide a [TNFD-aligned nature disclosure](#) and comprehensive [nature metrics](#) on our website. Refreshed annually, these disclosures demonstrate that we measure and communicate our nature-related progress with the same integrity and transparency as the rest of our sustainability topics.

With so much at stake for our planet and our future, our relationship with nature is more important than ever. We believe strongly in the positive nature contributions of sustainably managed forests and forest products. Our intention is for this *Nature Perspective* to be one step towards holistically recognizing and valuing the nature benefits of managed forests and the essential products they provide. In the coming years, we look forward to sharing more about how our *Nature Perspective* inspires action across our company.

Acknowledgements

This *Nature Perspective* would not have been possible without the input, guidance, time and energy contributed by many employees throughout Weyerhaeuser. Their contributions, passion and care for nature are far more than what we can reflect in a single document.

Forward-looking statements

The foregoing is a discussion of our assessment of Weyerhaeuser Company's nature-related dependencies, impacts, risks and opportunities and the results of that assessment. Some of this information could constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including without limitation information relating to our sustainability strategy, ambitions and goals, as well as with respect to opportunities for our increased participation in certain business activities. These forward-looking statements are based on our current expectations and assumptions. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that are difficult to predict and often are beyond the company's control. These risks, uncertainties and other factors could cause one or more of our expectations to be unmet, one or more of our assumptions to be materially inaccurate or actual results to differ materially from those expressed or implied in our forward-looking statements, or all of the foregoing. These risks, uncertainties and other factors include without limitation those identified in our 2023 Annual Report on Form 10-K, those set forth from time to time in our other public statements and reports, including reports, registration statements, prospectuses, information statements and other filings with the SEC, and other factors not described therein because they are not currently known to us or because we currently judge them to be immaterial. There is no guarantee that any of the events anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on the company's business, results of operations, cash flows, financial condition and future prospects. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements.