

WEYERHAEUSER'S GREENHOUSE GAS INVENTORY PRINCIPLES

We believe that clear and transparent communication of an accurate greenhouse gas (GHG) inventory is a foundation of corporate climate accountability. GHG inventories are the starting point for setting targets and tracking progress toward net-zero, and these principles outline a science-based, implementable approach to account for the full carbon impact of forests and forest products. More detailed information about how we apply these principles to develop our GHG inventory are shared in our publicly available methodology (also known as the [B-Side to our Carbon Record](#)).

PRINCIPLE 1: PROVIDE DISCRETE AND COMPLETE REPORTING

We transparently report emissions, removals and product storage across land and non-land sources and sinks, and between fossil and biogenic categories of greenhouse gases. While netting or combining categories may be useful for target-setting, in our inventory we differentiate and disclose them separately.

- **We measure biogenic land emissions, or removals, to reflect our forest land's cumulative impact on the atmospheric concentration of carbon dioxide.** To do this, we use a stock-change methodology across a consistent spatial footprint of our entire ownership, which we classify as managed lands. Stock-change is equivalent to forest carbon sequestration minus carbon losses from mortality and harvest and measures the net-change in carbon storage on our land, inclusive of land use decisions, forest management, growth conditions and natural disturbances.
- **We use a consistent spatial boundary within each annual inventory.** For the land portion of our inventory, that means we adjust the boundary annually to account for acquisitions and divestitures. Where structural changes are made to our business or land ownership, we adjust our baseline measurement to enable accurate comparisons over time.
- **We use an equity-share approach to develop our GHG inventory.** This means we account for emissions and removals according to our share of equity in an asset. We believe this best reflects our influence over GHG sources and sinks, compared to the alternatives of operational control or financial control.
- **We remove any carbon credits we issue from the Scope 1 biogenic land portion of our GHG inventory to ensure we do not double count between our GHG inventory and the carbon credits we issue.** We also aim to not double count between our Scope 3 GHG inventory and the carbon credits issued by others, and intend to work collaboratively with partners to help establish the infrastructure to do this.

PRINCIPLE 2: INCLUDE THE FULL VALUE CHAIN

We include the indirect emissions, removals and product storage that are a consequence of our activities but occur at sources or sinks we do not own (this is also known as Scope 3).

- **We calculate Scope 3 fossil emissions either by using direct supplier- or customer-specific data, or the best available industry average.** For fossil emissions, we aim to increase use of direct data and decrease reliance on industry averages.

- **We calculate Scope 3 biogenic emissions and removals by including only our allocation of the net change in our wood sourcing regions**, based on forest inventory data from these sourcing regions and the proportion of fiber we source from each region.
- **We calculate the Scope 3 product storage of the wood products we produce, or are produced by our customers**, using statistical data about the lifespan and end-of-life treatment of wood products.

PRINCIPLE 3: DIFFERENTIATE FROM INTERVENTION ACCOUNTING

We believe intervention accounting — measuring actual emissions or removals against a hypothetical or counterfactual scenario — can be a useful method to calculate the avoided emissions or increased removals of specific projects. **However, intervention accounting should never be the basis for creating a GHG inventory and should only be used to communicate the impact of activities separate from a GHG inventory.** A few examples of the appropriate use of intervention accounting are:

- **For forest carbon**, changes in forest management scenarios such as no-harvest, extended rotation ages, or conversion to a different land use could change forest carbon stocks compared to business as usual. For example, see our Carbon Credit Principles which describe our approach to developing carbon credits.
- **For forest products**, the displacement effect of wood products may be counted as an avoided emission if comparing scenarios where wood products are used in place of a material with higher embodied carbon, such as steel, concrete or plastic.
- **For land use decisions**, actions to reduce emissions or increase removals within a GHG inventory may cause changes in emissions and removals outside of an inventory; this is sometimes referred to as the leakage effect.

Taken together, our principles lead to the following GHG reporting template

GHG Inventory		Land	Non-land
Emissions (Scope 1, 2 and 3)	Fossil	In-forest harvest machinery, fertilizer	Manufacturing processes, transportation, purchased energy
	Biogenic	Net change in forest carbon stocks (if losses exceed gains)	Biomass combustion for energy (reported separately from the Scopes for transparency, but included on the land)
Removals (Scope 1 and 3)	Fossil	Enhanced weathering	Carbon captured and stored for geologic timescales
	Biogenic	Net change in forest carbon stocks (if gains exceed losses)	Not applicable
Product Storage (Scope 3)	Fossil	Not applicable	Products made with technologically removed carbon
	Biogenic	Not applicable	Carbon stored in manufactured wood products or biochar

Intervention Accounting	Illustrative Examples
Forest carbon project	Additional carbon stored due to extending rotation ages in a managed forest
Displacement effect	Reduced emissions from construction due to building with wood instead of concrete
Land use impacts	Increased demand for woody biomass as an energy source could lead to upstream changes in forest area and type, resulting in changes to forest carbon stocks