

Performance at a Glance



Canfor is committed to continuous improvement. We're publishing this report while we continue to refine and define our sustainability ambitions. In 2020, we launched our new sustainability strategy with a focus on the material topic areas of Safety, Health and Wellness; Inclusion and Diversity; Indigenous Relations; and

Sustainable Forestry. In 2021, we have further defined our goal for Residuals Management and set targets for Air Quality, Waste Management and Water Management.

In April 2022, we announced our Climate Change goal and targets, and we are including them in this reporting period.

We are in the process of defining targets for the remaining topics and will report these targets in future reporting periods.



● Achieved
 ◐ On Track
 ! ○ Monitoring
 ○ Data Collection in Progress

Material Topic & Goal	Metric	Target	2021 Results	Status
Safety, Health & Wellness Goal: We are committed to a zero-incident workplace and supporting the health and wellness of our people.	Total recordable incident frequency (TRIF) ^a	10% improvement on our three-year rolling average	1.42	! ○
	Medical recovery time standards set by MDG or DSM-5 Guidelines ^b	Meet by 2023	Data collection in progress	○
Inclusion & Diversity Goal: We will foster a more inclusive and equitable culture and increase the diversity in our workforce.	Under-represented ^c groups in executive leadership positions	30% by 2030	17%	◐
	Under-represented groups in all other senior leadership positions	30% by 2025	19%	◐
	Under-represented groups for new hires annually	33% by 2025; 50% by 2030	24%	◐
	Availability of gender-specific personal protective equipment (PPE) at operations in North America	100% by 2023	Implementation in progress	◐
	Completion of Inclusion & Diversity (I&D) awareness training for salaried employees across North America	100% by 2021	94% ^e	●
	Participation in Indigenous Cultural Awareness and Understanding (ICAU) training for Canadian salaried employees ^d	100% by 2021	97% ^e	●
Launch inclusive leadership training, tools and resources for supervisors and managers across North America	100% by 2022	Resources launched in Q4 2021	●	

^a For the calculation methodology for TRIF, Canfor defines recordable incidents based on Manufacturing Advisory Group guidelines and uses 200,000 hours worked and the incidents include work-related injuries.

^b Recovery Time Standards as defined by Medical Disability Guidelines (MDG) and the Diagnostic and Statistical Manual of Mental Disorders (DSM-5).

^c Under-represented groups include women, non-binary people, Indigenous Peoples, visible minorities, people living with disabilities, LGBTQ2S+ individuals, and veterans. Individuals who identify in multiple groups are only counted once.

^d This target and metric also applies to our Indigenous Relations material topic, but only appears once in this table for clarity.

^e We have evaluated this target to be achieved as those who have not yet completed is likely impacted by timing of facilitated course offerings. We are tracking ongoing completion of this training and going forward will maintain our target of 100% completion of the training by focusing on our new hires and hourly employees.

● Achieved
 ◐ On Track
 ! ◐ Monitoring
 ○ Data Collection in Progress

Material Topic & Goal	Metric	Target	2021 Results	Status
Indigenous Relations Goal: We aspire to be a partner of choice for Indigenous Peoples, a privilege afforded by fostering strong relationships and by deeply respecting Indigenous histories, cultures, values and beliefs.	Operating area covered by agreements with willing Nations	100% by 2030	41%	◐
	Total spend for Canadian wood products operations with Indigenous vendors	5% by 2025	3.4%	◐
Sustainable Forestry Goal: We are committed to practicing world-class sustainable forestry that will result in resilient, productive and biodiverse forests. We commit to building collaborative partnerships and developing innovative solutions to contribute positively to forest health and climate change mitigation.	Canada			
	Certification to Sustainable Forestry Initiative® (SFI) or Forest Stewardship Council® (FSC) Forest Management Standards for Canfor-managed forests	Maintain 100%	100%	●
	United States			
	Certification to the SFI Fibre Sourcing Standard for all sourced wood	Achieve 100%	100%	●
	Land and woodlot owners certified to SFI Forest Management Standards or American Tree Farm System® (ATFS) Standards [†]	50% by 2030	12%	◐
	Canadian Woodlands Operations			
	Reforest 100% harvested areas within four years of harvest start and 100% of reforested areas to be monitored and tended until the stand has achieved a specified state of health and growth	Enhance the climate change resilience and future productivity of our forests by implementing credible, science-based sustainable forest management practices	On track	◐
	Less than 5% (three-year rolling average basis) of land is occupied by permanent roads		Data collection in progress	○
	North American Woodlands Operations[‡]			
	Develop and implement wildlife habitat features management program across all tenured woodlands	Maintain biodiversity and habitat for wildlife by employing ecosystem-based management and collaborative partnerships, with special consideration for species-at-risk	On track for completion targeted for 2023.	
Establish and implement a species-at-risk management program for key species across all tenured woodlands				
Erosion and sediment control training delivered at each operation at least every three years for all tenured woodlands	Conserve water quality and fish habitat by implementing best management practices to minimize erosion and sedimentation	Data collection in progress	○	
Climate Change Goal: We will become a net-zero carbon company by 2050 through advancing climate-positive forest management, producing sustainable forest products and developing impactful partnerships.	Scope 1 and 2 GHG emissions	Reduce absolute scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 baseline year	In Spring 2022, we set science-based targets and a road map to decarbonization. We will report on progress in future reports. We also committed to Science Based Targets initiative and will undergo validation within two years.	
	Scope 3 GHG emissions	Measure our scope 3 emissions and establish a science-based reduction target by 2024	Initial estimate of scope 3 performed; further refinement to calculation in progress	

[†] The American Tree Farm System® is a program of the American Forest Foundation.

[‡] Metrics are only applicable to Canfor's Canadian Woodlands operations. Canfor is currently developing metrics for these targets related to our U.S. operations.

In 2021, we collaborated across our business to set new targets for air quality, water management and waste management. We will report on metrics and status of these targets in future reports.

Material Topic & Goal	Target
<p>Air Quality</p> <p>Goal: We are committed to minimizing air emissions that impact people and communities by utilizing leading technology and processes. We will go beyond compliance to preserve air quality by reducing emissions of particulates, sulphur and other gases.</p>	<p>Wood Products Operations</p> <p>Pave 50% of unpaved high-frequency-use wood products operations roads and yards to reduce fugitive dust generation by 2030.</p> <p>Improve key business processes to reduce particulate matter across wood products operations.</p> <p>Pulp Operations</p> <p>Reduce the total loading of particulate to the airshed by 10% by 2030.</p> <p>Achieve Pulp and Paper Air Emissions Code of Practice for SO_x discharge while reducing TRS emissions by 20% by 2030.</p> <p>Reduce the loss of ozone-depleting substances from refrigeration units by 50% by 2030.</p>
<p>Water Management</p> <p>Goal: We are committed to reducing water consumption and protecting water quality through optimized production processes, leading management systems and innovative technologies.</p>	<p>Wood Products Operations</p> <p>Reduce water usage by 10% by 2030.</p> <p>Pulp Operations</p> <p>Reduce the water intensity of pulp and paper production by 10% by 2030.</p> <p>Reduce the reduction of biological loading intensity of pulp and paper production by 25% by 2030.</p>
<p>Waste Management</p> <p>Goal: We are committed to reducing waste throughout Canfor's operations by identifying beneficial uses of materials.</p>	<p>Wood Products Operations</p> <p>Reduce the volume of log yard debris generated by 15% by 2030.</p> <p>Recover 40% of Canadian wood products operations' ash and log yard debris through beneficial use programs by 2030.</p> <p>Support and promote waste reduction and recycling programs to reduce domestic waste to landfill.</p> <p>Pulp Operations</p> <p>Create beneficial use projects for process wastes that reduce the volume to landfill by 10%.</p> <p>Eliminate the landfilling of wood waste, pulp and paper generated at the facilities.</p>