

UFP INDUSTRIES

# Governance Report

Fiscal Year 2025

# ABOUT THIS REPORT

**This report covers the U.S. operations of UFP Industries, Inc. and its subsidiaries (sometimes referred to herein as "UFP Industries," "UFP," "company," "we," "us," or "our"), for the fiscal year ended December 27, 2025, and includes data from acquisitions unless otherwise noted. We have aligned our reporting this year with the Sustainable Accounting Standards Board (SASB) and the Task Force for Climate-Related Financial Disclosures (TCFD).**

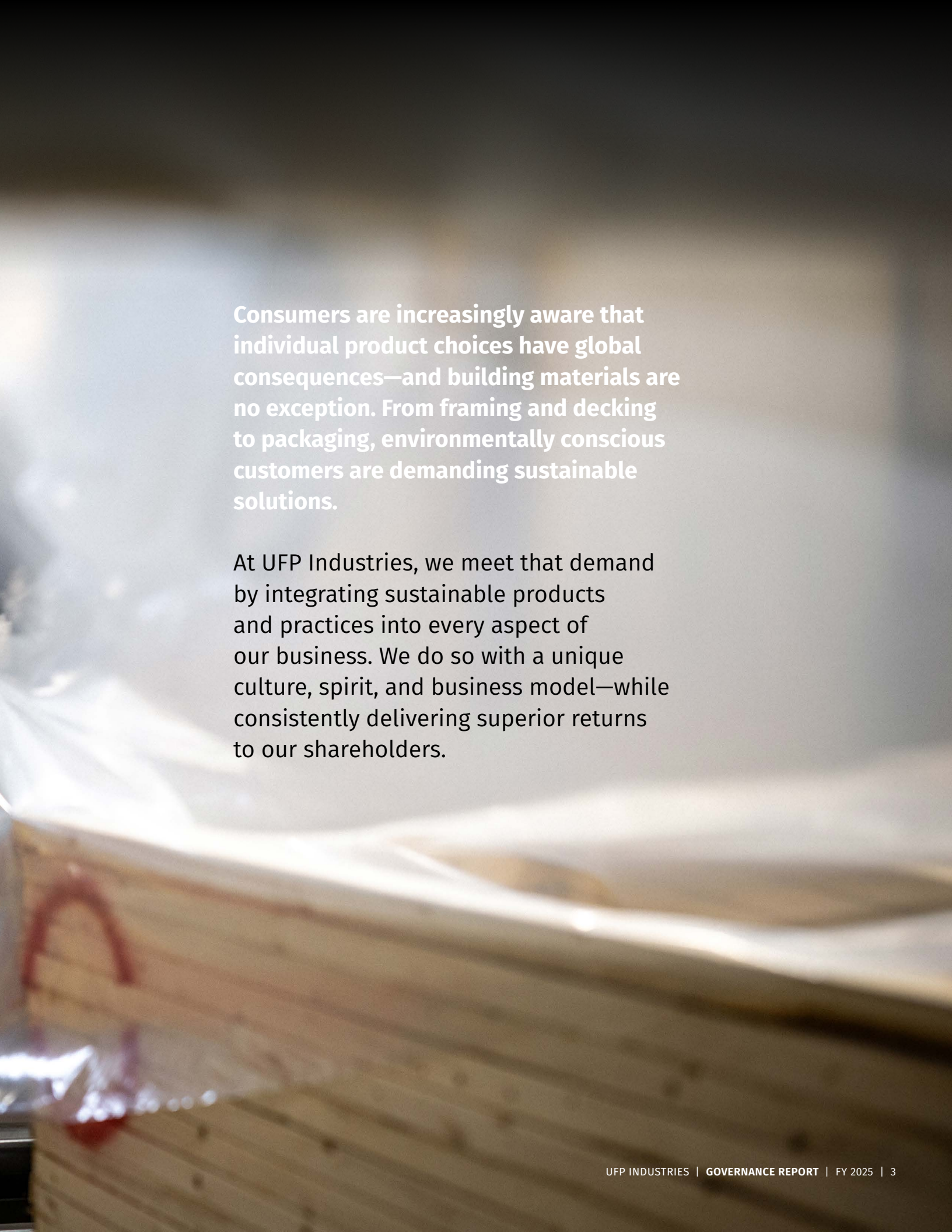
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Among the factors that could cause actual results to differ materially from forward-looking statements are the following: fluctuations in the price of lumber; adverse or unusual weather conditions; adverse conditions in the markets we serve; government regulations, particularly involving environmental and safety regulations; and our ability to make successful business acquisitions. Certain of these risk factors as well as other risk factors and additional information are included in the company's reports on Form 10-K and 10-Q on file with the U.S. Securities and Exchange Commission.

**Non-GAAP Financial Information:** This report includes certain financial information not prepared in accordance with U.S. GAAP. Because not all companies calculate non-GAAP financial information identically (or at all), the information herein may not be comparable to other similarly titled measures used by other companies. Management uses adjusted EBITDA, a non-GAAP financial measure, in order to evaluate historical and ongoing operations. Management believes that this non-GAAP financial measure is useful in order to enable investors to perform meaningful comparisons of historical and current performance. This non-GAAP financial measure is intended to supplement and should be read together with the financial results. This non-GAAP financial measure should not be considered an alternative or substitute for, and should not be considered superior to, the reported financial results. Accordingly, users of this financial information should not place undue reliance on the non-GAAP financial measure.

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**Consumers are increasingly aware that individual product choices have global consequences—and building materials are no exception. From framing and decking to packaging, environmentally conscious customers are demanding sustainable solutions.**

At UFP Industries, we meet that demand by integrating sustainable products and practices into every aspect of our business. We do so with a unique culture, spirit, and business model—while consistently delivering superior returns to our shareholders.

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# MESSAGE FROM OUR CEO

**A homegrown company delivering what the world is built on—that's who we are at UFP.**

For 71 years, we've demonstrated that profitability and doing the right thing are not competing priorities, but complementary ones.

Headquartered in Grand Rapids, Michigan, UFP Industries is a multibillion-dollar public company with 196 facilities worldwide. Powered by approximately 14,000 teammates and hundreds of affiliates, we are united by a shared drive to succeed—and a commitment to do what's right for our customers, our people, and the future.

At UFP, we believe where you come from should never limit where you can go. That belief shapes our company philosophy, our approach to leadership, and our investment in training and education. It also underpins our commitment to continuous improvement and lean manufacturing—efforts that reduce waste, increase efficiency, and strengthen the communities we serve. In this report, we share how we take our responsibilities seriously and why we believe success is earned through hard work, accountability, and opportunity. We train leaders to recognize potential, support growth, and reward achievement—encouraging teammates to go as far as their drive will take them.

What we do is essential. We manufacture and distribute materials found everywhere—from backyards and highways to packaging lines and retail shelves. If something is being built, shipped, stocked, or protected, chances are we played a role. Your world is our business, and being entrusted with it is a responsibility we do not take lightly. That's why we are committed to being good stewards of both the resources we use and the people who make our work possible.

Thousands of teammates have chosen to build their careers with UFP. Our goal is simple: hire and develop the best people, because great people create the highest-value solutions for our customers—and our customers ultimately define our success.

At the end of the day, our results are about more than dollars and cents. They represent careers built, college funds started, homes purchased, and legacies created. That's why we keep our focus firmly on the future and remain committed to the principles that drive long-term success.



William Schwartz,
Chief Executive Officer



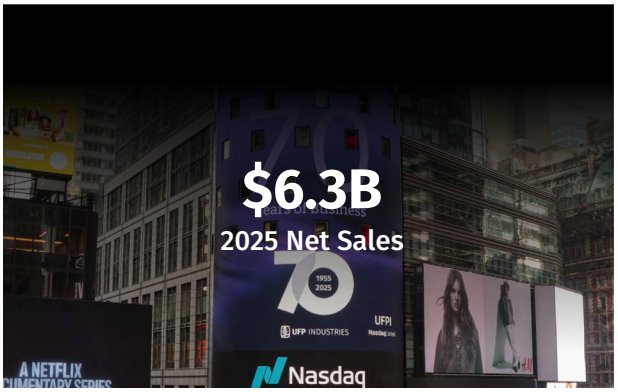
# UFP INDUSTRIES AT A GLANCE









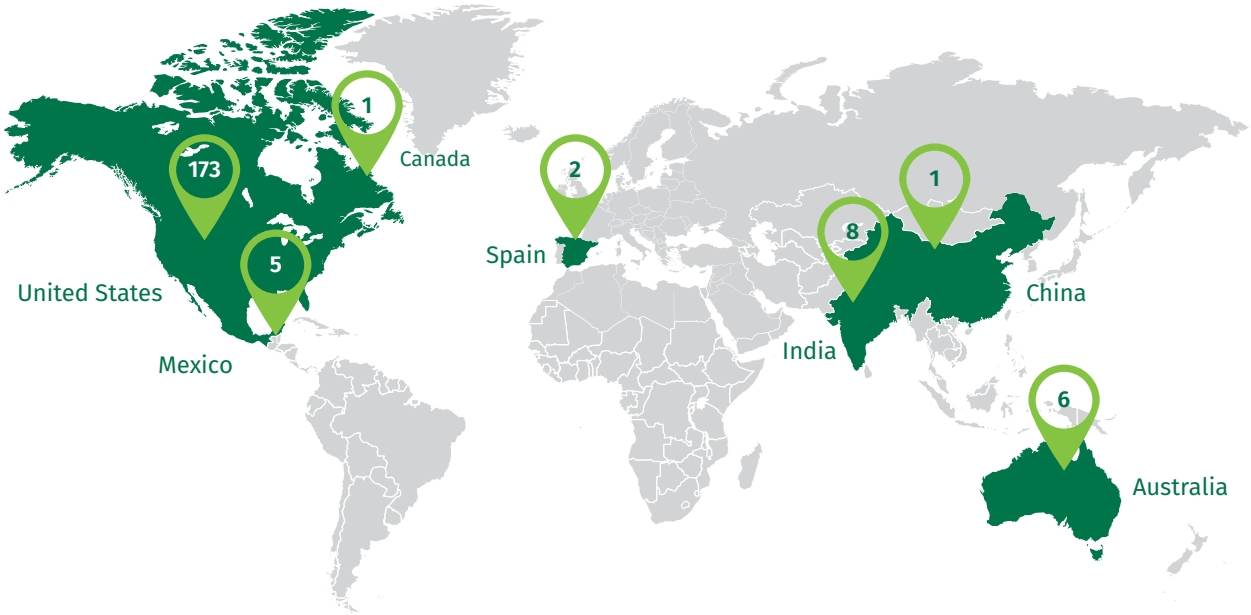





# WHERE WE ARE

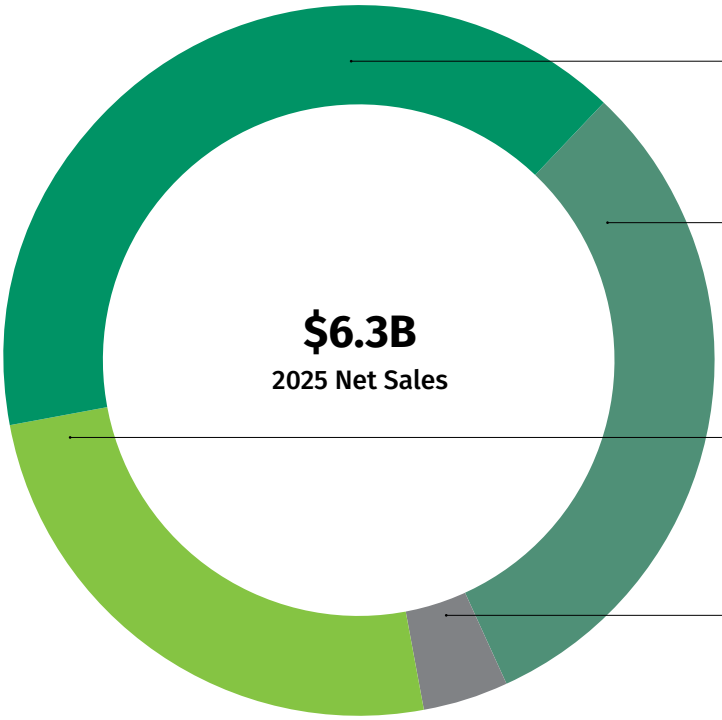
7 Countries | 196 Facilities Worldwide

**Our proximity to both raw materials and the markets we serve reduces the distance our products must travel, thereby lowering fuel use and transportation demand for delivering finished goods to customers.**






# BUSINESS SEGMENTS AND MARKETS




## Retail Solutions 39%

**$2.4B**

Big box, independents, buying co-ops

## Construction 32%

**$2.0B**

Single- and multi-family builders, commercial builders, concrete formers, factory-built housing (mobile & modular homes), RVs

## Packaging 25%

**$1.6B**

Industrial manufacturers, OEMs, agricultural, logistics

## International 4%

**$0.2B**

Overseas trading, manufacturing, and design assets offering packaging solutions in seven countries



# OUR BUSINESS PHILOSOPHY

**Our business philosophy is simple: Take care of your customers, your employees, and your communities, and profits will follow.**

We have lived this attitude for decades, long before the term "stakeholder capitalism" was coined, but have not heavily publicized it. This philosophy, which guides and controls the manner in which we operate, reflects not only the right things to do, but also the results that benefit all of our stakeholders.

**Profitability**
Operate a profitable, ROI-driven company that provides solutions for the unmet needs of our customers and consumers alike.

**Community**
Take care of our employees and be active in improving the communities in which we live and work. Inspire our people to be great citizens by providing opportunities to volunteer.

**Sustainability**
Support responsible stewardship of forestlands and other natural resources by using sustainable practices, promoting clean air, water, and land while innovating to do more with less.

**Opportunity**
Create a path for those less fortunate to achieve greater success with us through recruiting, training, incentives, and mentoring.

**Our Priorities**
- Successful employee outcomes
- Customer satisfaction
- Consistent shareholder return



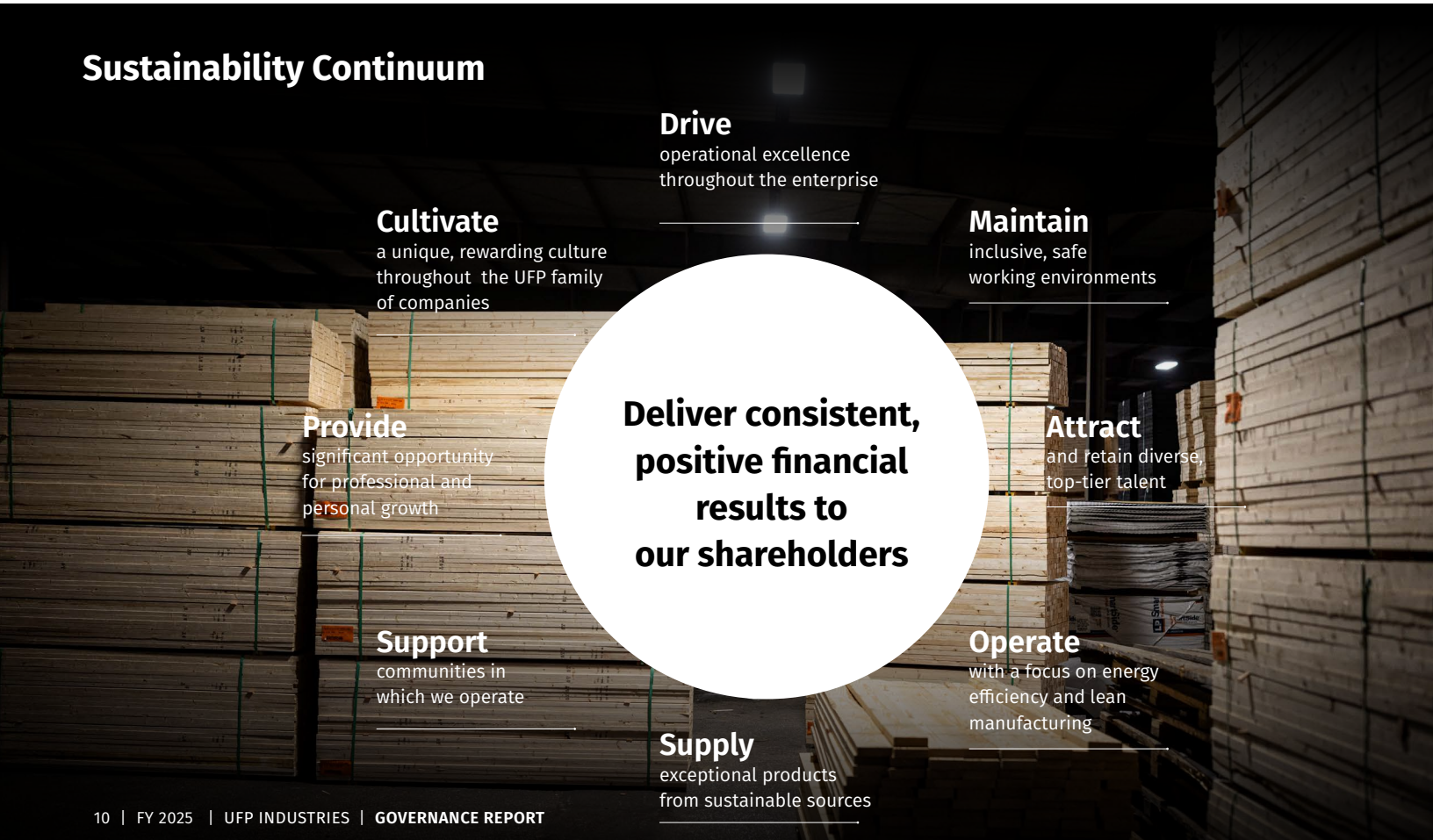
# OUR SUSTAINABILITY PHILOSOPHY

For UFP Industries, doing right doesn't require departments and titles, but is simply part of who we've been and who we continue to be. And that's how we like it—fewer committees, higher standards, and increased financial and social rewards for employees, customers, and communities.

**We empower our employees to embed sustainability in all business decisions to manage risks, reduce costs, and ensure long-term performance.**

We have always believed profitability and asset values are optimized by acting responsibly. Sustainability for us means more than using and selling renewable materials—it serves our ultimate goal of creating and sustaining value for shareholders.

## Sustainability Continuum



# OUR HISTORY

## 1955

**The early years as a supplier to manufactured housing.**




**1955** Universal Forest Products incorporates with William F. Grant as major stockholder and only salesman. The company's sole market is factory-built housing.

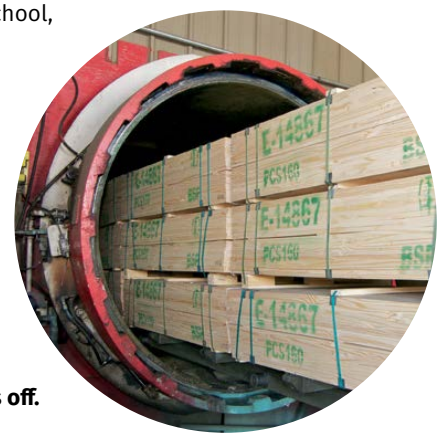
**1962** Peter F. Secchia joins the company. Secchia would lead the company's early growth and remain as an employee for 40 years, retiring as Chairman in 2002.

## 1970

**The growth years begin. By strategically locating component yards close to customers, the company pioneers "just-in-time" methods long before the term entered the American business lexicon. The company ends the decade with an important new customer.**

**1971** The company has sales of $12 million. Then Vice President of Sales Peter Secchia purchases control of the company. William G. (Bill) Currie, who would become CEO and then Chairman, joins the company as a salesman.

**1978** Current Chairman and former CEO Matthew J. (Matt) Missad joins Universal's maintenance crew, staying on through high school, college, and law school. After graduating Matt is hired as Universal's Director of Legal Compliance.



**1978** The company's Auburndale, Florida plant produces Universal's first charge of treated lumber. Today, UFP is the world's largest lumber pressure-treater.

**1979** Universal ships the first load of treated lumber to a brand-new company, The Home Depot.

## 1980

**Increased growth and leadership changes. Retail segment takes off.**

**1986** Universal expands its reach to the West Coast, acquiring Far West Fir Company, headquartered in Huntington Beach, California.

**1989** Peter Secchia is appointed United States Ambassador to Italy by President George H.W. Bush. Bill Currie succeeds Peter Secchia as CEO.

# OUR HISTORY

## 1990

**UFP becomes a national player in the construction market, ending the decade as the nation's largest residential truss manufacturer.**

**1993** Universal Forest Products goes public, issuing 5.7 million shares at $7 each. Sales are $644 million. The company is named to the Fortune 500.

**1997** Universal enters the site-built construction market with acquisitions in Pennsylvania, Texas, and Colorado, sparking new and significant growth for the company.

**1998** With the acquisition of Shoffner Industries, the company becomes the nation's largest site-built residential truss manufacturer.

## 2000

**Growing bigger faster. The third leg of the stool, industrial sales, is added and becomes Universal's fastest-growing segment. The company branches out into composite decking. Its balanced business model allows it to weather the housing bust successfully. National business publications take notice.**



**2002** Universal acquires a composite decking facility from Quality Wood Treating, Co., Inc. in Prairie du Chien, Wisconsin, with a goal to become a leader in the wood-alternative decking and railing space.

**2005** Universal celebrates 50 years as a company. The company is named to Forbes Magazine's "Platinum 400," an annual listing of America's best big companies for the seventh time in eight years. Annual sales are $2.7 billion.



**2005** Universal acquires the inventor and marketer of the first metal rail baluster, Deckorators, a brand the company would expand into the industry's most innovative composite decking and railing line.

**2006** Michael B. (Mike) Glenn is appointed CEO and Bill Currie is appointed Executive Chairman of the Board.

**2007** Osmose's MicroPro™—which Universal affiliates use to treat wood—is named the first, and only, wood preservative technology to earn the esteemed Green Cross recognition, which marks it as an Environmentally Preferable Product. (UFP's ProWood® is treated with MicroPro™.)

**2007** Universal adds concrete forming products to its growing portfolio.

**2008** Universal is named one of Fortune magazine's Most Admired Companies.

**2008** The company battles through the Great Recession by right-sizing the operations and headcount, while improving efficiencies, gaining market share, and paying down debt. Despite the macroeconomic headwinds, Universal continues its streak of profitability and emerges from the downturn debt-free.

# OUR HISTORY

## 2010

**Universal fortifies its strength in its three markets. New leadership embarks on new paths of opportunity.**

2011 Having successfully steered the company through the Great Recession, CEO Mike Glenn retires. Matt Missad is appointed the company's fifth CEO. Universal announces strategies for growth that include adding new products and new markets, and opening doors to offshore opportunities.

2011 Universal begins a transformation into a value-added solutions provider by adding talent, new business units and products, such as our mineral-based composite decking; new research and development capabilities; and manufacturing technology, including automation.



2016 Forbes magazine names Universal as the best-performing company in Michigan, based on total returns.

2017 Universal stock splits 3 for 1. Annual sales reach $3.9 billion.



## 2020

**A new structure to focus on business segments rather than geography drives better execution and transformative financial performance.**

2020 Universal Forest Products changes its name to UFP Industries and reorganizes, dropping geographic management in favor of management by market. Three business segments are announced: UFP Construction, UFP Retail Solutions, and UFP Industrial (now UFP Packaging).

2021 The company acquires PalletOne, the leading manufacturer of new pallets in the U.S., and its Sunbelt Forest Products pressure-treating affiliate.

2021 UFP's Sunbelt Forest Products acquires Spartanburg Forest Products, making UFP Industries the largest pressure-treater in the world.

2022 UFP re-enters the Fortune 500 at #401. Matt Missad is named by Fortune as one of 10 CEOs that are the "Best Bang For The Buck."

2022 The company is ranked #10 out of 100 companies in Forbes' list of "America's Best Mid-Sized Companies," and #149 on the Industry Week 500, a list of the U.S.'s largest publicly traded manufacturing companies.



# OUR HISTORY

**2020**

2022 Annual revenue climbs to $9.6 billion with record EBITDA and return on capital.

2023 Matt Missad is appointed Chairman of UFP's Board of Directors while remaining CEO. Bill Currie to serve out his term as Director through 2025.

2023 UFP is named to Forbes Magazine's "America's Best Mid-Sized Companies" for the second consecutive year.

2024 For the third consecutive year, UFP is named to the prestigious FORTUNE 500 list of largest U.S. companies based on sales.

2024 Will Schwartz is appointed as the sixth CEO in company history. Matt Missad moves into the role of Executive Chairman of the Board.








# Product Stewardship

# Wood Facts



**In the United States alone, forests, wood products, and urban trees collectively offset annual $CO_2$ emissions by roughly 10–15 percent.[1]**

Carbon stocks in managed forests are stable and growing due in no small part to the forest products industry and market incentives. Forest products store significant amounts of carbon in both short- and long-term storage and are a low-carbon alternative to high-carbon intensity building products (i.e. cement and steel) in many applications. We support responsible forest stewardship, including purchasing certified content and working with industry associations to promote sustainable forest management in the markets where we operate.

According to The State of America's Forests report, less than two percent of the standing tree inventory in the U.S. is harvested each year.[2] In Canada, where much of UFP's lumber is sourced, less than one half of one percent of the managed forest is harvested annually.[3] In both countries, responsible forest management has resulted in more than 50 consecutive years of forest growth that exceeds annual harvest. As a result of these trends, in recent decades forests in both countries have sequestered high levels of carbon. **From a total embodied energy perspective, wood is a clear winner over competing building materials.**

1 https://research.fs.usda.gov/sites/default/files/2022-04/hot-topic-carbon-status.pdf

2 https://usaforests.org/wp-content/uploads/2017/11/soafsmall.pdf

3 https://natural-resources.canada.ca/sites/nrcan/files/forest/sof2023/NRCAN_SofForest_Annual_2023_EN_accessible-vf(1).pdf

## Wood Facts




**Life Cycle Assessment (LCA) is an internationally recognized method for measuring the environmental impacts of materials, assemblies, or whole buildings over their lives—from extraction or harvest of raw materials through manufacturing, transportation, installation, use, maintenance, and disposal or recycling.**

LCA highlights several environmental benefits of wood in the design and construction of buildings. When viewed over its life cycle, an inherent advantage of wood is that it is renewable and sustainable and requires less energy to manufacture into products than steel or concrete. Wood buildings also are responsible for fewer carbon emissions, less air and water pollution, and have less embodied energy than buildings made from other materials.

In addition to greenhouse gas emissions avoided by not using energy-intensive materials, wood lowers a building's carbon footprint because it continues to store carbon absorbed during the tree's growing cycle, keeping it out of the atmosphere for the lifetime of the building—longer if the wood is reclaimed and used to manufacture other products.

All building materials have some environmental impact. Greater use of LCA will allow building designers to specify a combination of materials that balances the desire to minimize environmental impacts with the need to meet functionality and cost requirements. Wood plays an important role in achieving these objectives.

# Product Sustainability and Waste Reduction



**Our commitment to continuous improvement and lean manufacturing requires that we maintain a steady focus on eliminating waste in all areas of our operations and administration.**

As a leading manufacturer of engineered wood components, we enhance the sustainability and use of wood while using less material to create a stronger, more durable building product. In the construction market, we design, engineer, and manufacture roof trusses, floor trusses, and wall panels. Each of these products saves time and reduces waste on the job site, provides better, more consistent product performance, and speeds construction. We also design, manufacture, and distribute engineered floor systems, which use wood by-products as key components of their manufacturing process.

Our wall panels, roof and floor trusses, finger-jointed lumber, and floor systems are made from fast-growing species cultivated in managed forests. They're manufactured with less waste and carry greater loads over longer spans than their counterparts built on site. Our factory-assembled components also have less embodied energy than competing, non-wood products. Sawdust is recycled or reused.



# Advancing Packaging, OEM Components, and Transport Systems

**UFP Packaging provides engineered packaging, industrial OEM components, and reusable transport systems across wood, corrugated fiber, and steel—helping customers improve supply chain performance and support circular material use.**

**CIRCULAR WOOD PACKAGING (PALLETONE)**
PalletOne (a division of UFP Packaging) is the nation's largest new pallet manufacturer and operates pallet recovery and recycling programs designed to keep wood fiber in productive use.

**MAXIMIZING WOOD FIBER UTILIZATION**
Wood by-products generated during pallet and wood packaging operations are repurposed into:

- Biofuel for renewable energy
- Mulch for landscaping
- Animal bedding for agriculture
- Reusable pallet components and repair materials

**SUSTAINABLE FIBER PACKAGING**
UFP Packaging's corrugated operations include FSC® and SFI® Chain-of-Custody certified facilities producing stock and custom corrugated solutions, including retail displays and e-commerce formats. FSC and SFI-certified corrugated board grades are also available.

**REUSABLE TRANSPORT SYSTEMS**
UFP Packaging manufactures reusable metal transport solutions—including steel racks, crates, reels, and fabricated parts. The Newnan, Georgia metal packaging operation is ISO 9001:2015 certified.

**ENGINEERING & STANDARDS**
UFP Packaging's ISTA-, ASTM-, and ISO-certified design and development laboratory supports packaging design and test validation for reliable protection, cost efficiency, and reduced material waste. Additional services include unit load design and engineering support for transport systems and OEM components, including laminated panels, wooden reels, and custom components used in cabinets, doors, windows, and spas.

**SCALE (FY2025)**
UFP Packaging processed 11.2B board feet of U.S. softwood consumed by end markets in FY2025.

# PRODUCT STEWARDSHIP

## Product Sustainability and Waste Reduction



**Our Deckorators composite decking and railing are manufactured within a sustainability framework meeting the following criteria:**

- **No formaldehyde or VOCs**
- Engineered with **up to 95%** reclaimed and recycled materials
- **60 million pounds** of wood and plastic waste used annually that would have otherwise been diverted to landfills
- **100% of the wood fiber used** is reclaimed post-industrial waste
- **50% of the plastic** comes from post-consumer and post-industrial recycled sources
- **Up to 73% of raw materials** used are sourced within 500 miles of the manufacturing plant
- Our wood-plastic composite is backed by an industry-leading **25-year structural, stain & fade, removal & replacement limited warranty**. Our mineral-based composite is backed by a **50-year structural limited warranty**
- **100% fully recyclable**
- **100% of the manufacturing waste** is reused, recycled, or repurposed
- **95% of extrusion scrap** is recycled back into our processes

# PRODUCT STEWARDSHIP

## Product Sustainability and Waste Reduction



**The company has invested heavily in operational efficiency and energy conservation in its composite decking operations.**

In addition to upgrades in equipment that have dramatically reduced the energy needed to make our decking, our operations use:

- **Six Sigma principles** and Lean Manufacturing best practices
- **Closed-loop water management systems** that reuse 100% of process water
- **Programmable controlled cooling system**, converting high energy consumption cooling to atmospheric air cooling during colder months
- **Redesigned plant air system** with larger capacity piping, drastically reducing air compressor delivery restrictions
- **Variable speed drives** on air compressors that help reduce wasted air
- **Redirected heat** from air compressors directed back into the plant during winter months
- **Low-E LED lighting** throughout the plants
- **No harmful chemicals** are used in our manufacturing processes
- **Bulk shipping** is maximized via rail
- **Compliance** with all state and local emission standards
- **Air quality** is analyzed to ensure the safest working environment for our employees
- **Noise is monitored** to ensure we meet community standards

**The goal for Deckorators is to continue to increase the amount of post-consumer and post-industrial recycled material into its finished products without sacrificing product quality. We continue to make a substantial investment in achieving this goal.**

# Certification Programs



**UFP Industries and many of its facilities and suppliers maintain a broad set of third-party sustainability and product-stewardship certifications that verify responsible forest management, fiber sourcing, and environmentally preferable manufacturing practices.**

Several UFP facilities and vendors hold Forest Stewardship Council® (FSC®) Chain of Custody certifications, including FSC-C004179 and FSC-C221284, which ensure that wood products originate from responsibly managed forests and remain traceable throughout the supply chain.

In addition to FSC, UFP Packaging's corrugated division also maintains Sustainable Forestry Initiative® (SFI®) Chain of Custody and Corporate Policies certifications, including code SFI-03837, further demonstrating adherence to rigorous standards for sustainable fiber sourcing. These certifications validate responsible forest management and accurate tracking of certified materials from harvest to finished product.

UFP Industries also uses vendors that carry certifications from other internationally recognized programs such as the Programme for the Endorsement of Forest Certification (PEFC) and the Canadian Standards Association (CSA Group), which similarly evaluate sustainable forestry practices and supply-chain integrity.

Together, these certifications support UFP's commitment to sustainable sourcing, waste reduction, and responsible manufacturing. Certified wood and fiber products can also contribute toward earning points in green-building rating systems, including the NAHB Model Green Home Building Guidelines as well as various state and local green-building programs.

# Sustainable Supply Chain



**As one of the largest purchasers of sawn timber in North America, we have a vested interest in our suppliers' practice of sustainable forestry. We source lumber from around the world and review vendors' operations through regular dialogue and on-site visits.**

**SUSTAINABLE SUPPLY CHAIN BUSINESS PRACTICES**
Our Supplier Code of Conduct requires UFP vendors to comply with local laws and regulations, adhere to civil employment practices, and maintain fair business practices.

Our mill vendors have a practice of planting more trees each year than they harvest, which is important to us and drives our sourcing decisions. Our expectations of suppliers, with whom we have many long-standing relationships, extend to their practices in waste management, health and safety, labor rights, conflict minerals, and human rights. We operate with the highest standard of integrity and sustainability and expect our suppliers to do the same. UFP expects suppliers to eliminate waste and to continuously improve their energy efficiency in their supply chain, production processes, and delivery to our sites. They are expected to minimize or eliminate the use of hazardous materials in the products we buy. We encourage customers to follow our sustainability practices by offering free pallet audits and training classes on systems-based design.

**HEALTH, SAFETY AND ENVIRONMENT**
UFP expects suppliers to apply robust health, safety, and environment policies and practices that comply with international and national standards, laws, and regulations. We expect suppliers to address the possibility of disasters and other emergencies by enacting and using business continuity plans and response procedures.

**ETHICS**
Vendors are prohibited from offering bribes or engaging in any other corrupt practices to advance their interests with UFP.

**CONFLICT MINERALS**
UFP expects all suppliers to provide appropriate information and conduct proper due diligence to enable our compliance with conflict minerals laws.

# PRODUCT STEWARDSHIP

## Sustainable Supply Chain



### LABOR PRACTICES

UFP suppliers are not permitted to use involuntary labor, including child labor, prison labor, indentured labor, or forced labor. No person employed by a supplier may be below the minimum legal age for employment. Suppliers must comply with all applicable labor and wage-and-hour laws and regulations, including, but not limited to, those relating to minimum wage, overtime, piece rates, and other elements of compensation, and legally mandated benefits. Suppliers' employees should understand their employment conditions, including payment terms and benefits.

### HUMAN RIGHTS

We support a cooperative commitment to human rights. UFP expects suppliers to treat all employees with respect and dignity. Physical abuse, threats of violence, corporal punishment, or other forms of physical coercion, harassment, or intimidation are not tolerated. Suppliers may not discriminate with regard to employment, wage, and benefits practices.

### ENVIRONMENTAL RISK MITIGATION

We mitigate environmental risk through a variety of processes, including environmental risk assessments and monitoring, testing, and reviewing raw materials incorporated in the products we produce.

### RISK MITIGATION POLICIES

At UFP, we conduct our business through adherence to a strict set of standards and policies, which are intended to create a safe, sustainable, respectful, and healthy work environment. Our employees have access to the following policies through our company intranet:

- Anti-Corruption
- Employment of Minors
- Code of Business Conduct and Ethics
- Conflict Minerals
- Data Privacy
- Environmental Health and Safety
- Prohibition of Sexual and Other Workplace Harassment
- Open Door/Whistleblower
- Equal Employment Opportunity



# Environmental Sustainability

# Energy Management

**We are committed to being responsible stewards of our environmental resources and continually seek opportunities to reduce our water, energy, and waste footprints while improving operational efficiency.**

We measure, monitor, and report key environmental metrics—including Scope 1 and Scope 2 greenhouse gas (GHG) emissions, water and waste management, and energy consumption—to ensure transparency and progress.

As we strengthen our environmental management practices, we remain focused on identifying opportunities to incorporate clean technologies and renewable energy where feasible.

Our Environmental Policy, formalized in 2023, outlines UFP's commitments and the guiding principles that support our environmental management and reporting efforts. Oversight of this policy is led by UFP's Chief Compliance Officer, who reports directly to the Chief Executive Officer.

**Our environmental sustainability priorities include:**

- **Energy and Climate Management**
- **Waste Management**
- **Water Management**



# ENVIRONMENTAL SUSTAINABILITY

## Energy Management

**Our 2025 greenhouse gas (GHG) inventory is prepared in alignment with the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) through the GHG Protocol Corporate Accounting and Reporting Standard, the globally recognized framework for corporate emissions measurement and disclosure.**

To define our organizational boundary, UFP applies the financial control approach, as outlined in the GHG Protocol. Under this approach, we include all operations where UFP has financial control—meaning we have authority over financial and operating policies, including responsibility for energy purchasing and related emissions. This boundary determines which Scope 1 and Scope 2 emissions sources are included in our inventory.

Our 2025 inventory incorporates emissions data across all relevant operations within our financial control, including:

- Stationary combustion (e.g., natural gas, propane)
- Mobile combustion (e.g., diesel, gasoline)
- Purchased electricity for facility operations.

Where applicable, we also include renewable electricity purchases from select sites as part of our Scope 2 accounting, consistent with GHG Protocol market-based reporting guidance.



For parts of our operations where data availability is still maturing—including recently acquired facilities—we applied reasonable and conservative assumptions to ensure complete reporting for all Scope 1 and 2 sources. This approach aligns with GHG Protocol guidance emphasizing completeness and transparency while organizations scale up data systems.

We remain committed to continuous improvement in data quality and reporting accuracy. As we strengthen our internal systems, expand data collection, and integrate new operations, we will continue enhancing our ability to manage and reduce our corporate emissions in support of UFP's long-term sustainability efforts.

**SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS METHODOLOGY**

Continuous improvement, with an emphasis on environmental stewardship through efficiency, is a key focus in our operations planning. Our energy management team has made strides in energy reduction by upgrading electrical equipment, including motors, lighting, and panels. This team is responsible for continuously seeking opportunities to make our operations more sustainable. Recently, we expanded our energy–sustainability portfolio and have two renewable energy (solar) installations in the United States.

## 2025 EMISSIONS BY SCOPE

| **Scope** | **Primary (Market-Based)** mtons CO2e | **Secondary (Location-Based)** mtons CO2e |
|---|---|---|
| Scope 1 | 99,207 | 99,207 |
| Scope 2 | 89,058 | 85,466 |
| **Total Scope 1+2** | **188,265** | **184,673** |

Figures represent U.S. domestic facilities only and do not include international operations.

## COMPARISON OF EMISSIONS BY SOURCE

| **Source** | **2024 Primary (Market-Based)** mtons CO2e | **2025 Primary (Market-Based)** mtons CO2e |
|---|---|---|
| Natural Gas | 32,730 | 35,213 |
| Propane | 11,204 | 10,392 |
| Electric Power | 84,371 | 89,058 |
| Corporate Aviation | 843 | 1,236 |
| Diesel–Forklift | 22,314 | 21,422 |
| Diesel–Fleet (Fuel) | 50,297 | 30,944 |
| **Total** | **201,759** | **188,265** |

Figures represent U.S. domestic facilities only and do not include international operations.

# Waste Management

**Our wood dust is recycled in quantities exceeding 25,000 tons per year.**

We prevent waste through our unique sourcing model, which promotes the use of as much of a canted log as possible in our products. Parts are utilized by one or more of our three business segments, depending on the appearance, the engineering characteristics, and the utility for particular applications. What can't be used in our products is converted to material that is recycled or up-cycled by other industries.

**APPEARANCE GRADE** (Retail)
Interior and exterior applications like moulding and fencing

**STRONGER TENSILE GRADE** (Construction)
Engineered components

**INDUSTRIAL GRADE** (Packaging)
Downfall from other operations for packaging components

We have also focused on enhancing our recycling efforts to include landfill avoidance and more recycled content in our products, as well as expanding end-use categories for recyclable items.

## 2025 DISPOSED WASTE IN TONS

| | |
|---|---|
| Non-Hazardous Waste | 67,739 |
| Hazardous Waste | 0 |

Figures represent U.S. domestic facilities only and do not include international operations.



# Water Management

**UFP Retail Solutions is one of North America's leading manufacturers and distributors of pressure-treated wood products. Our wood preservation technologies use environmentally safe protective solutions that extend the useful life of lumber by up to five times by shielding it from decay, fungal damage, and termite infestation, helping conserve natural resources.**

Our pressure-treating facilities operate using closed-loop systems that recapture, reuse, and carefully manage treatment solutions. These systems are designed for zero wastewater discharge, ensuring that water is responsibly used and recycled throughout the treating process.

We operate our pressure-treating facilities to comply with applicable environmental and safety regulations. The treating operations are overseen by a team of wood scientists, production experts, and regulatory specialists who ensure that our processes remain safe, efficient, and environmentally protective.

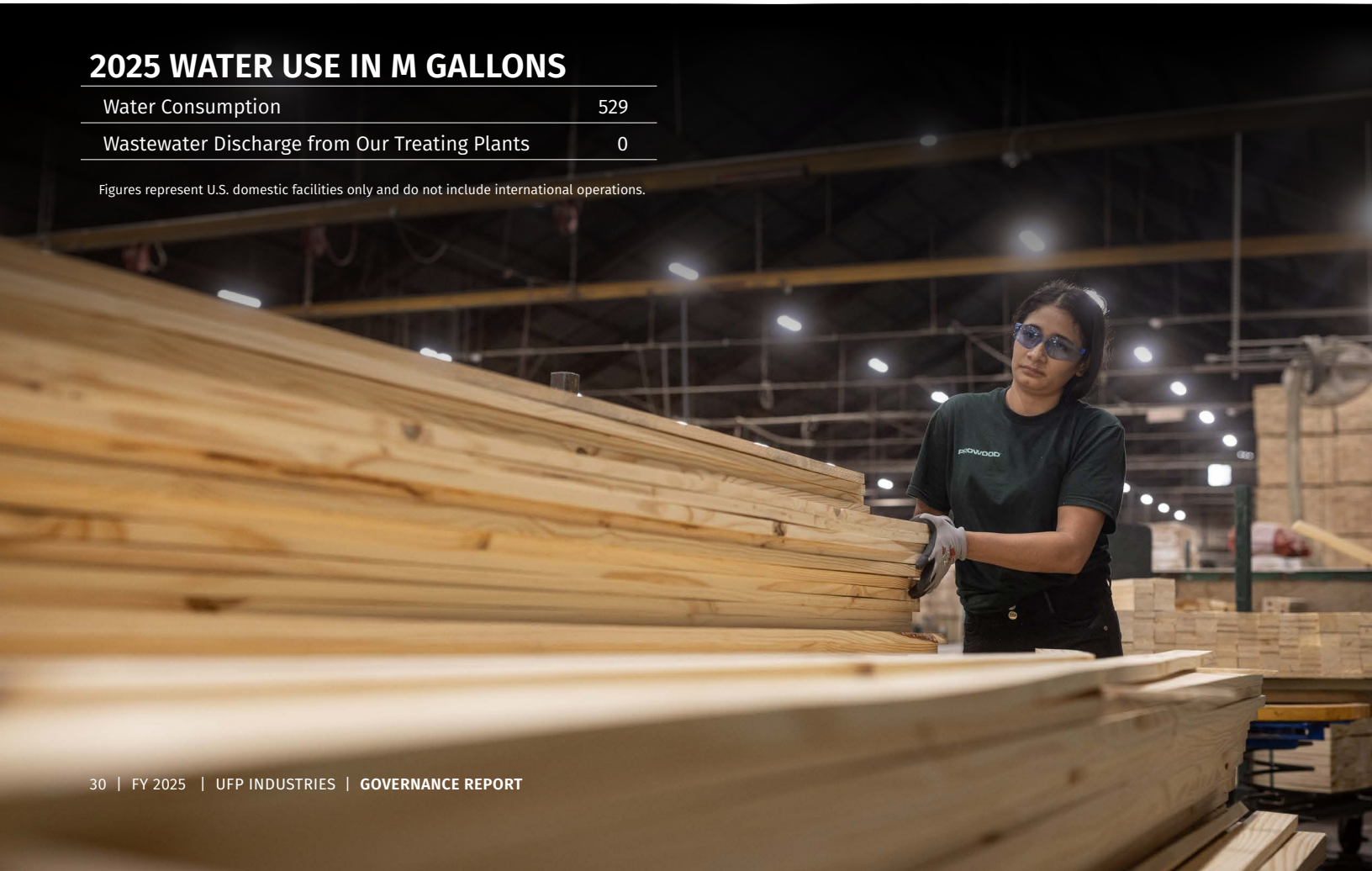
Our ProWood® line of MCA treated lumber is produced using treatment technology that was the first in the world to receive Environmentally Preferable Product (EPP) certification from Scientific Certification Systems (now SCS Global Services). This recognition highlights reduced environmental impact and safer handling characteristics compared to traditional preservatives.

UFP Retail Solutions remains committed to sustainable innovation, responsible resource management, and delivering high-performance wood products designed to last in real-world conditions.

## 2025 WATER USE IN M GALLONS

| | |
|---|---|
| Water Consumption | 529 |
| Wastewater Discharge from Our Treating Plants | 0 |

Figures represent U.S. domestic facilities only and do not include international operations.






# Culture

# Human Capital Management



**At UFP, the strength of our business hinges upon the success and advancement of our employees.**

We invest significant resources in our employees' professional development and wellbeing. We treat our people honestly and fairly, creating career paths and training opportunities to develop and expand their scope of responsibilities and financial rewards. We are driven by operational excellence throughout the enterprise and by cultivating a unique culture that provides significant opportunity for professional and personal growth. In managing our human capital, we have focused our efforts on employee health and safety, equal opportunity for all, and learning and development.

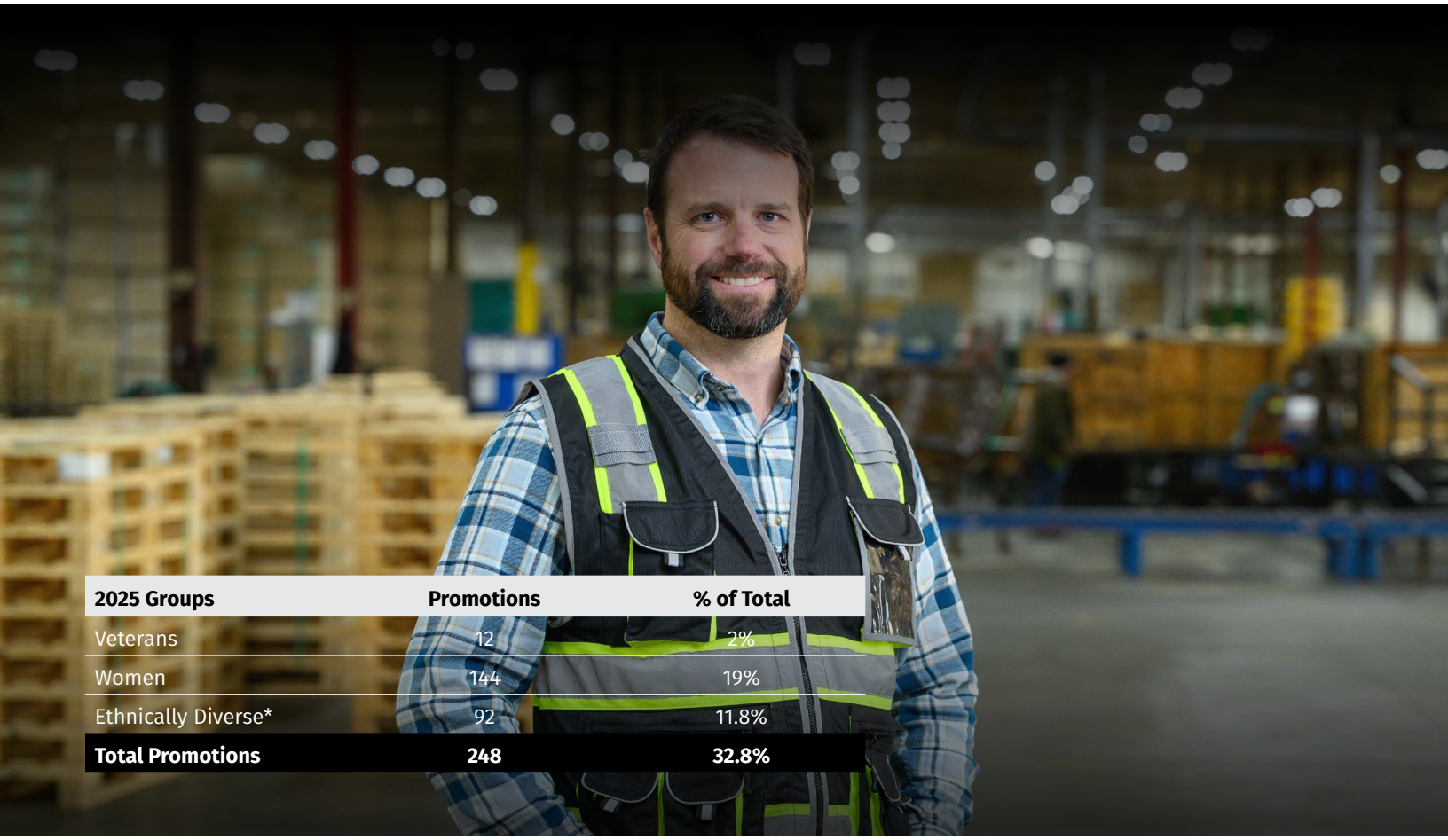
For 71 years, the success of our company has rested on the skill, motivation, and performance of our employees. This approach to human capital, which is embedded in the company's culture, has fostered an environment where our employees often commit entire careers to UFP Industries.

**Our human capital management priorities are as follows:**

- **Talent Retention and Recruitment**
- **Training**
- **Employee Engagement**
- **Employee Health and Safety**
- **Community Engagement**
- **Employee Growth and Opportunity**

# CULTURE

## Human Capital Management



| 2025 Groups | Promotions | % of Total |
|---|---|---|
| Veterans | 12 | 2% |
| Women | 144 | 19% |
| Ethnically Diverse* | 92 | 11.8% |
| **Total Promotions** | **248** | **32.8%** |

**At UFP, the strength of our business hinges upon the success and advancement of our employees.**

**TALENT RETENTION AND RECRUITMENT**

Notices of advancement opportunities are transparent and easily accessible to all employees. We work hard to encourage people in whom we see talent and drive, so they may build competencies and realize their full potential for personal and professional growth. We provide mentoring and opportunities for up-skilling and training at all levels of the organization.

We believe success builds on success. We create a supportive social fabric by investing in the success of our teammates, who, in turn, give back to the communities in which they work and live, and spread additional opportunity to all who wish to embrace it. As a leading employer in many of the small communities where our facilities are located, our goal is to engage locally and be the employer of choice.

UFP has cultivated a strong hire-from-within culture built on employee development, opportunity, and recognition—and it works. Many of our managers have advanced through the organization from entry-level positions. We continue to leverage these practices to further diversify our management team.

**The average years of service for our 64 most senior executives is 22.56 years.**

Our managers are compensated based on pre-bonus operating profit and ROI, and have significant stock ownership requirements that increase with position and responsibility. We offer a 401(k) plan with a company match, educational reimbursement, wellness programs, and stock purchase discounts. These help drive engagement, accountability, retention, and motivation.

* We define racial and ethnic diversity with adherence to the U.S. Office of Management and Budget standards on race and ethnicity. The ethnically diverse group consists of employees who self-identified as Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, or more than one race.



**TALENT RETENTION AND RECRUITMENT** *continued*

**We provide a competitive employee benefits package to attract and retain top talent. All full-time team members are eligible* for the following:**

- Health, dental, and vision insurance
- 401(k) profit sharing retirement programs
- Paid time off
- Educational reimbursement
- Children's scholarship programs through UFP Education Foundation
- Stock purchase discounts
- Rethink Care Parental Success Solutions
- Employee Assistance Program
  - Health Advocate—help with medical claims and bill negotiation
  - Licensed professional counselors to help with personal, work, family, and relationships issues
  - Free legal consultations and financial management

Levels of education and training vary greatly among our teammates. Many have not had the opportunity to pursue a post-secondary education. To address this, we instituted several changes to support diverse and low-income job candidates, including eliminating the requirement that sales and management aspirants have a four-year college degree. **Experience with UFP counts and removes the formal education hurdle that might have been a barrier to advancement.**

By promoting from within, we have created a strong bench of talent. Many motivated individuals who began their careers with us in entry-level roles have gone on to become company leaders—reflecting the culture we value and actively nurture. We continue to take meaningful steps to ensure that opportunities are available to all deserving teammates in a manner that is fair and transparent, while also ensuring that all current and prospective employees feel that they have an equal chance of succeeding. These steps include internal job postings, both online and on bulletin boards, and the implementation of software that allows employees to become aware of postings based on their preferences.

* Certain benefits may not be immediately available at recently acquired locations that elect to maintain their own programs.

## Human Capital Management



**In 2025, the company's employees underwent a cumulative 24,468 training hours, which were in addition to compliance-related and safety courses.**

### TRAINING

#### The UFP Business School

The UFP Business School—our internal training and up-skilling entity—offers hundreds of training courses for new hires and existing employees to hone and acquire skills to prepare them for advancement. Most of the courses are available online, which provides flexibility. We also have two 12-month training programs that support our employees' professional career growth path.

#### Sales Trainee Program

Our Sales Trainee Program prepares future sales professionals by providing on-the-job and classroom training and mentoring. Our sales professionals receive a dedicated mentor throughout the program and sales incentive compensation.

#### Production Management Trainee Program

Our Production Management Trainee Program provides extensive on-the-job training in a variety of operations positions, courses in the many facets of management, and self-study assignments. This program has excellent long-term retention rates for graduates and opportunities for advancement within management positions throughout UFP Industries.

#### Leadership Development

Our Leadership Development Program was designed to cultivate exceptional leaders at every level and evolved to meet the increasing complexity of our business. In 2025, we launched the program with three distinct tiers. The first tier, available to all employees, provides foundational training on core leadership competencies. The second tier, which requires a competitive application process, offers more specialized courses and includes a capstone project that participants develop and present.

The third tier introduces targeted, personalized mentoring for executive leaders, informed by individual talent assessments. Together, these three tiers create a comprehensive structure that supports our long tradition of developing strong, capable leaders who will guide our company's success into the future.



**EMPLOYEE ENGAGEMENT**

We use several methods to measure employee engagement and the effectiveness of the strategies we implement to create better and safer workplaces, ensure an inclusive culture, and build stronger customer relationships.

**Plant Review** – The leadership team and representatives from HR make visits to our facilities to hold open-door meetings with employees, review operational and safety practices, and ensure policy compliance. A key component of these reviews are meetings conducted with representative samples of new and seasoned employees to gauge the health of their workplace and culture.

**Employee Relations Evaluation** – This tool allows each plant to conduct an internal audit of the strengths and weaknesses of their current HR management practices. The evaluation focuses on assessing areas covered by the company's HR policies and practices. We encourage management and frontline employees to answer questions on the plant's practices regarding employment, communication, management and supervisory attitude, employee involvement, compensation, recognition, and working conditions. It is designed to help plants identify areas of improvement and then take steps to address them.

**All-Employee Survey** – The company conducted an anonymous, company-wide employee survey through a third-party provider in 2023 and repeated the survey internally in 2025. Both surveys asked employees to rate statements related to camaraderie, credibility, fairness, pride, respect, and communication, and also provided an opportunity for employees to share ideas for improving the company.

Reflecting the strength of our "open door" culture, participation was high in both survey cycles, with more than 7,000 employees responding in 2023 and more than 9,000 employees participating in 2025. Across both surveys, our highest—and most positive—scores were associated with respect and appreciation for employees, opportunities for growth and advancement, strong leadership and teamwork, and an overall positive work culture. When comparing results from 2023 to 2025, there is evidence of progress in several identified areas for improvement. The company is actively using the most recent survey results to guide continued action planning at both the local and company-wide levels, with the goal of driving further improvements to the employee experience.

## Human Capital Management




**One of our human capital goals is to expand our pool of job candidates, aiming to add more team members who have the desire and ability to be promoted to leadership positions. Our process is based on providing opportunities with outcomes determined by the individual.**

In 2016, we added a revolutionary degree program to the UFP Business School for students both outside and inside the organization. It has grown into a nationally recognized program that allows students to earn the equivalent of a four-year degree in business administration in as little as two years. Although open to all, it targets low-income and diverse candidates. Enrollees receive a scholarship for tuition and participate in paid internships while they study. Graduates are given preference for job openings for which they are qualified—a risk-free way to join a strong company with built-in work experience. And they have the opportunity to take advanced education courses that target technical skills and programming across business functions such as purchasing, sales, manufacturing, accounting, finance, leadership development, and operations management.

For our own employees, the degree program offers a quicker path to promotion, as well as a preference for new job openings for which they are qualified. By removing the education and training barriers, we believe this degree program also will help diverse candidates advance within the company.

UFP Business School

# Health and Safety




**At UFP Industries, we invest heavily in a comprehensive health and safety program designed to protect our team members and strengthen a culture of safety across all operations.**

Our approach emphasizes industry-leading training, regular compliance audits, and full adherence to all applicable local, state, and federal regulations.

Every employee plays an essential role in maintaining a safe workplace. All team members are required to follow UFP safety guidelines to protect themselves and help reduce the risk of injuries across our facilities. To support our diverse workforce, safety training is offered in multiple accessible formats for both employees and contractors. We also promote practical health and wellness initiatives, including safety contests and engagement activities, to make healthy habits and safe behavior part of everyday work life.

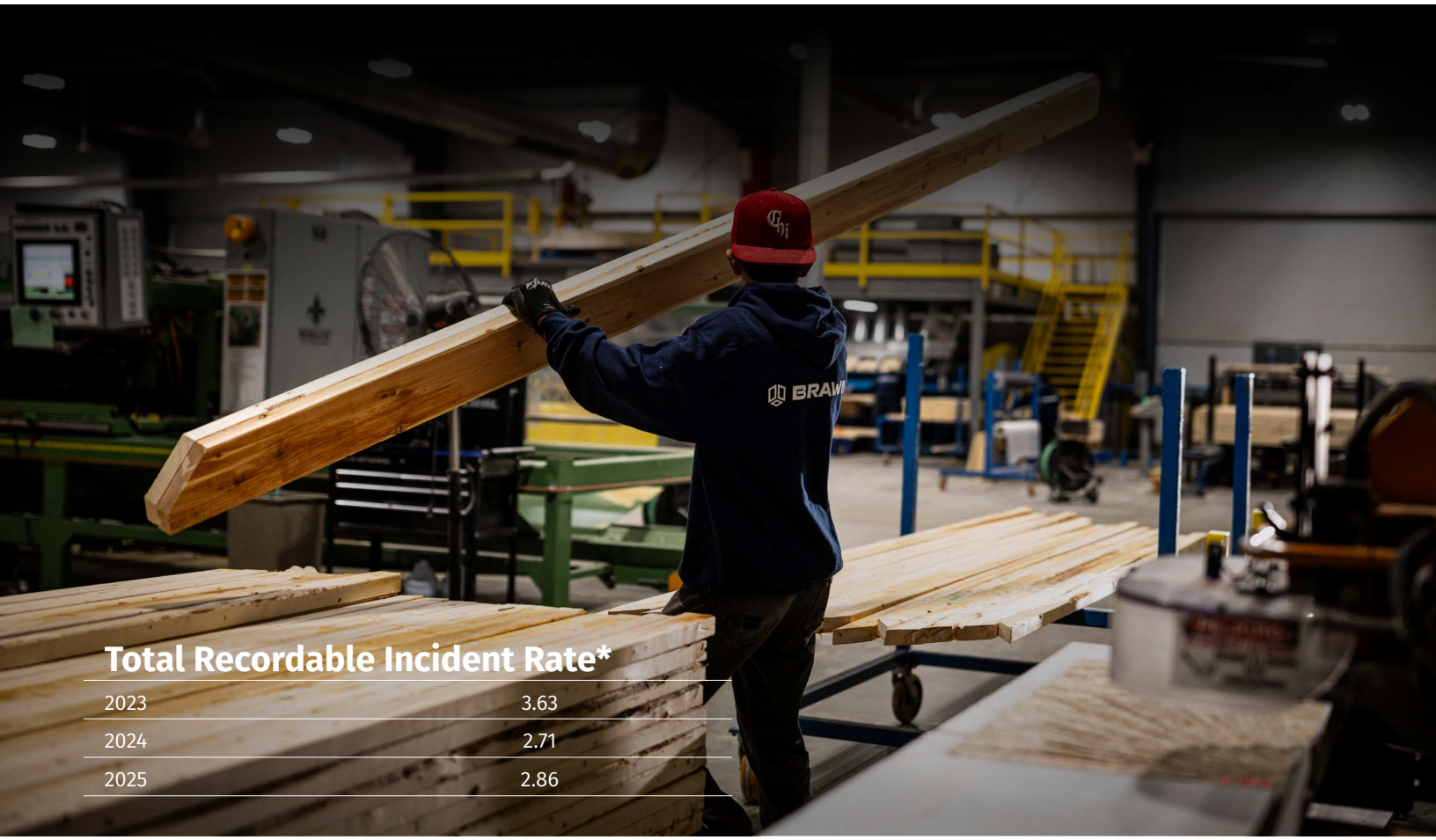
Our Health and Safety policies encourage employees to promptly report hazards and share suggestions for improvement. We also expect our suppliers to uphold strong health, safety, and environmental standards that comply with national and international regulations, including preparedness for emergencies through sound business continuity and response procedures.

Oversight of our safety program is led by UFP's Vice President of Safety and the Executive Vice President of Human Capital, who reports directly to our Chief Executive Officer. This structure ensures strong governance and alignment with organizational goals. UFP's safety leadership, including segment and regional safety directors, drives key initiatives focused on injury reduction, employee training, and consistency across safety programs.

We continue to increase capital investments to advance automation, engineering controls, and ergonomic improvements throughout our manufacturing operations. These enhancements follow recognized best practices for reducing musculoskeletal disorder risks, such as redesigning tools, modifying workstations, and integrating lifting assist devices.

To support continuous improvement, UFP maintains a Corporate Safety Committee composed of safety leaders, directors, and dedicated facility-level safety personnel. Primary goals of this committee are to ensure employees are properly trained, that safety programs remain effective, and that all UFP facilities meet or exceed regulatory and internal safety requirements.

## Health and Safety



### Total Recordable Incident Rate*

| | |
|---|---|
| 2023 | 3.63 |
| 2024 | 2.71 |
| 2025 | 2.86 |

Each of our operations has a safety committee made up of front-line workers and management. We have a Safety Career Path in which we encourage people to move into safety roles. Regional Safety Summits are held periodically to keep our people aware of the latest advances in safety methods and practices, while our yearly Safety Week puts an organizational emphasis on our safety programs. We celebrate individual and plant safety-related achievements, such as records for consecutive days of accident-free operation. We ensure proper monitoring practices and our plant management and safety committee members perform periodic worksite inspections to identify and address any unsafe work practices or safety hazards. We have implemented a software platform to gather and evaluate health and safety performance, including injuries and occupational hazards, on a quarterly basis. Our current process collects data in our domestic operations and we will continue to monitor and expand to international regions as feasible.**

**Our safety investments and practices are as follows:**

- Ergonomic equipment to reduce strains and sprains
- Automated processes
- New material handling equipment to reduce the number of “touches” for each team member
- Development and implementation of industry-leading training and safety programs

The results of our efforts are a low, industry-leading accident frequency rate that has seen a sustained reduction since these programs were implemented many years ago.

The Total Recordable Incident Rate (TIR) reflects a consolidation of our separate entities’ recordable incident rates as recorded on their OSHA 300 reports. International operations are excluded from this U.S.-based metric, but their safety policies and programs are based on local regulations. Newly acquired operations are included in our TIR calculations in the year following the first full calendar year that they become a part of the UFP family of companies.

* The rate is calculated for U.S.-based plants only and does not include some newly acquired operations.

** Regular evaluations and audits are conducted in U.S. and Canadian plants where company HR and Safety policies and practices are implemented.

# Community Engagement




**The UFP Industries Foundation reflects the values that define our company—hard work, an entrepreneurial spirit, and an unwavering commitment to integrity. Guided by these principles, we focus on doing what's right for the communities we call home.**

Our giving strategy is centered on addressing root causes, strengthening communities from within, and supporting long-term solutions. We partner with nonprofits that help individuals build confidence, dignity, and resilience by equipping them with the skills and support needed to overcome challenges and reach their full potential.

We proudly champion efforts that advance skilled trades education, promote sound economic policy, encourage community-based problem solving, protect the environment, support disaster recovery, and improve the lives of U.S. veterans.

At the heart of both our company and our Foundation is a belief in helping people grow. We are honored to support our employees in the many ways they give back—through volunteerism, service, and leadership in the communities they care about most.



**Foundation Stories**

In 2024, Hurricanes Helene and Milton caused widespread devastation across the Southeast, leaving many communities facing years of recovery. The UFP Industries Foundation responded quickly, donating more than $200,000 to support hurricane relief efforts and help families begin rebuilding their lives. In 2025, the Foundation continued to stand alongside affected communities, directing an additional $50,000 toward recovery and flood-relief initiatives in Texas as part of its ongoing commitment to disaster response.

Through our *Strong Communities* initiative, the UFP Industries Foundation empowers locally led giving in the communities where we live and work. Each year, UFP facilities identify nonprofits making a meaningful impact in their regions—ranging from disaster recovery and community rebuilding to skilled trades education, economic stability, and support for veterans. Employees often volunteer with these organizations personally, and the Foundation amplifies their efforts by contributing financially to the charities and causes they engage with.

During the holiday season and throughout the year, employees across UFP Industries generously give their time to local nonprofits focused on strengthening communities. The Foundation proudly supports this engagement—reinforcing our belief that strong communities are built when businesses and people work together toward long-term resilience, recovery, and opportunity.

Rooted in the company's values of hard work, integrity, and entrepreneurial spirit, the UFP Industries Foundation remains committed to helping communities overcome challenges, rebuild stronger, and achieve lasting stability.

# Growth and Opportunity



**At UFP Industries, everyone is welcome in our workplace family, and each team member plays an important role in our shared success.**

We set high expectations for performance because we believe in the potential of our people—and we know that trust, responsibility, and opportunity are earned through integrity, dedication, and consistent results. These values are deeply rooted in our culture of hard work, accountability, and mutual support.

As our company continues to grow, we are committed to reaching wider and more diverse groups of candidates who may not yet be familiar with UFP Industries or the opportunities we offer. To broaden our talent pipeline, we actively partner with local organizations that assist individuals seeking employment and economic stability. We share job opportunities broadly—including through community groups, unemployment agencies, and outreach in under-served areas—to help ensure our open positions are accessible to all.

We also build relationships with veterans' organizations, women's support groups, and other partners who help people pursue independence and meaningful career paths. These connections reinforce our belief that diverse experiences and perspectives strengthen our teams and drive better results.

Looking ahead, we remain focused on growing a workforce that reflects the communities we serve—while continuing to be a destination workplace for people who bring determination, curiosity, and a desire to build a long-term career. We are proud of the culture we've built and excited to keep expanding the opportunities available to those who want to grow with us.



# Governance

# Corporate

**UFP is committed to sound and effective corporate governance practices. The UFP Board of Directors has documented those practices in our Corporate Governance Principles.**

These Principles address director qualifications, director responsibilities, periodic performance evaluations, stock ownership guidelines, and a variety of other corporate governance matters. The Principles also require the Board to have an Audit Committee, a Nominating and Governance Committee, and a Personnel and Compensation Committee. The Principles, along with the charters of each of these committees, are available for review on our website. We have a strong shareholder engagement process and shareholder proxy access. We also have long-standing requirements for executive and director stock ownership, as well as a proscription against hedging or pledging company stock without prior approval by the Board of Directors.

In addition to corporate governance, the Nominating and Governance Committee has oversight for policies and disclosures related to environmental and social matters. The Personnel and Compensation Committee has oversight for human capital and employment practices and policies. The Audit Committee has oversight for policies and disclosures related to legal and ethical compliance, accounting, financial reporting, risk management, and cybersecurity.

We maintain robust governance practices both at the Board and executive leadership levels as well as across our business units. We consider governance to be an important factor in responsible business practices. Our efforts are led by our leadership team and reviewed by our Executive Committee.



# Corporate Governance Responsibilities

**BOARD OF DIRECTORS**

**Nominating and Corporate Governance Committee:**

Each member of the Nominating and Corporate Governance Committee is "independent" under the NASDAQ Stock Market Rules (the "NASDAQ Standard"). The Committee considers and proposes nominees for election to the Board by our shareholders, selects candidates to fill Board vacancies as they may occur, makes recommendations to the Board regarding Board committee memberships, monitors our corporate governance system, and performs any other functions or duties deemed appropriate by our Board of Directors.

The Nominating and Governance Committee also assists the Board in (a) overseeing the company's environmental, social, and governance policies and practices that are not delegated to other Board committees, including overseeing compliance with related disclosure obligations, and (b) reviewing management's assessment of the company's governance risks and opportunities.

**Audit Committee:**

Each member of the Audit Committee is "independent" under the NASDAQ Standard as well as the applicable rules of the SEC for audit committee membership. In general, the primary purpose of the Committee is to assist the Board in overseeing management's conduct of our financial reporting processes and system of internal controls regarding finance, accounting, legal compliance, and ethics.

The Audit Committee also assists the Board in overseeing (a) the company's risk management framework and mitigation efforts and (b) the company's strategy to mitigate data protection and cybersecurity risks.

**Personnel and Compensation Committee:**

Each member of the Personnel and Compensation Committee is "independent" under the NASDAQ Standard. The Committee is responsible for reviewing and recommending to the Board the timing and amount of compensation for named executive officers, including salaries, bonuses, and other benefits, as well as director compensation. The Committee is also responsible for reviewing succession planning for our Chief Executive Officer, as well as administering our equity-based incentive plans and reviewing compensation plans and awards as they relate to key employees. The Committee has the ultimate authority to determine matters of executive compensation; however, it may rely upon recommendations of our Chief Executive Officer for matters of compensation for our other named executive officers.

The Personnel and Compensation Committee also supports the Board's governance duties for human capital, such as (a) reviewing the company's stock-based and other incentive compensation plans and recommending changes as needed and (b) reviewing the company's policies and practices with respect to human capital and employee health and safety.

**EXECUTIVE LEADERSHIP**

The Executive Committee consists of our CEO, CFO, Executive Chairman, and the Presidents of each of our three operating segments. This Committee is responsible for identifying and assessing risks, developing the company's business strategy, and approving policies and practices to implement those strategies. These policies and practices include those related to the environment, ethics, social and community, cybersecurity, and creating opportunities for team members to grow the organization.

Executive leadership from UFP's Communications, Legal, Compliance, Human Capital, Engineering, and Finance groups recommends governance initiatives, including monitoring and disclosure.

**EMPLOYEES**

Our teammates are encouraged to suggest and implement better practices and innovation to help drive our business. We encourage each of our teammates to look for efficiencies to reduce energy consumption, to create a welcoming work environment, and to build upon a culture where all teammates have an opportunity to succeed.

# Director Qualifications and Requirements

**Our Board has adopted a Policy Governing Director Qualifications and Nominations (the "Policy"). The Policy includes minimum qualification standards, Board composition standards, and additional qualification criteria.**

The minimum qualification standard requires that the Nominating and Corporate Governance Committee be satisfied that each recommended nominee for election to our Board meets the following qualifications:

**INTEGRITY**
The candidate must exhibit high standards of personal integrity and ethical character.

**ABSENCE OF CONFLICTS OF INTEREST**
The candidate must not have any interests that would impair his or her ability to (a) exercise independent judgment, or (b) otherwise discharge the fiduciary duties owed as a director to our company and its shareholders.

**FAIR AND EQUAL REPRESENTATION**
The candidate must be able to represent fairly and equally all shareholders of our company, without favoring or advancing any particular shareholder.

**EXPERIENCE**
The candidate must have experience at a strategic, policy-making, or senior management level in a business, government, nonprofit, or academic organization of high standing.

**BUSINESS UNDERSTANDING**
The candidate must have a general appreciation regarding major issues facing public companies of a size and operational scope similar to our company, including contemporary governance concerns, regulatory obligations of a public issuer, strategic business planning, and basic concepts of corporate finance.

**AVAILABLE TIME**
The candidate must have, and be prepared to devote, adequate time to our Board and its committees.

In addition to these minimum qualification criteria, the Nominating and Corporate Governance Committee is required to recommend Board candidates to help ensure that a majority of our Board is independent, that each member of the Audit Committee, Personnel and Compensation Committee, and Nominating and Corporate Governance Committee is independent, and that at least one member of the Audit Committee qualifies as an audit committee financial expert. The Committee and our Board also consider diversity in their identification of director candidates. Diversity in business and professional experience, education, and background benefits our company by increasing the range of skills and perspectives available to our Board. Director nominees are selected without regard to race, gender, sexual orientation, religious belief, or national origin. Our Board believes that adherence to these principles will provide an environment and practices that will yield the best return for our shareholders.



# Affirmative Determination Regarding Director Independence and Other Matters

**For fiscal 2025, our Board determined that all directors, except our Executive Chairman Matt Missad and our CEO Will Schwartz, qualified as independent under the NASDAQ Standard. There are no family relationships between or among the directors and our executive officers.**

The effectiveness of each of our directors is monitored using an annual assessment. Our Board does not have a mandatory retirement age policy, although the Nominating and Corporate Governance Committee considers a director's tenure on the Board as a factor in nominating incumbent directors. We believe that the ability of a Board member to add value to our company is not dependent on age; rather, it is based on the director's actual performance. As a result, we expect that some directors will serve until a typical retirement age, while others may serve longer. In addition, we evaluate the tenure of individual directors, as well as the collective tenure of our Board. In connection with this evaluation, we strive to maintain a balanced composition of relatively new and meaningfully tenured directors, with the objective of fostering the input of new ideas and thoughts, while maintaining a strong historical perspective and deep understanding of our business and the markets we serve.

# Leadership Structure and The Board's Role in Risk Oversight

Our Board believes the roles of Chief Executive Officer and Chairperson should normally be separated. The Board holds sessions of its meetings that are exclusively attended by independent directors. The Board's Lead Director chairs these sessions of independent directors, communicates actions requested by the independent directors, and serves as a liaison between the independent directors, on the one hand, and our Chief Executive Officer and Chairperson, on the other. Our Board, through its three committees, has an advisory role in risk oversight for our company. Company management maintains primary responsibility for the risk management of our company. The current trends toward increased regulation, litigation, and political volatility make it extremely difficult to predict the type and magnitude of risks facing our company. Despite this unpredictability, our Board relies on the representations of management, periodic reports from our independent auditors, internal audit services performed by a third party, our systems of internal controls, our insurance advisors, and the historically conservative practices of our company, to provide comfort as to our ability to manage risks. Management's discussion of risk factors is set forth in the company's reports on Form 10-K and 10-Q on file with the U.S. Securities and Exchange Commission.

# Mitigating Governance Risks

We mitigate governance risks through the activities of our Audit Committee, Personnel and Compensation Committee, and Nominating and Corporate Governance Committee, each of which is comprised entirely of independent directors. These Committees review their charters annually and report to the full Board after each meeting. The skill and diverse experience of the Board enables it to oversee management's response to the increasingly complex nature of public company regulation and compliance requirements. The audit function is comprehensive and includes external audit services by a Big 4 firm and an internal audit function which includes substantial participation by a separate, U.S.-based international accounting firm.

# Ethical Business Practices

**We maintain a Code of Business Conduct and Ethics that applies to our employees, officers, and directors. We also maintain a Code of Ethics for Senior Financial Officers. Each Code is accessible on the Governance Documents page of our website.**

The company's Code of Business Conduct and Ethics covers a wide range of business practices and procedures. The Code addresses topics such as conflicts of interest, competition and fair dealing, proper use of company assets for cybersecurity risk management, and reporting any unethical behavior. It does not cover every issue that may arise, but it sets out basic principles to guide all directors, officers, and employees of UFP. All must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

**We also maintain a Supplier Code of Conduct and other relevant governance policies that are accessible on the Governance Documents page of our website.**



# Data Privacy and Cybersecurity

**UFP is dedicated to monitoring and advancing our data privacy and cybersecurity efforts. We have a Privacy Committee that includes senior leadership from HR, Legal, Compliance, and IT.**

The Committee meets periodically throughout the year to discuss employee training, cybersecurity risks, and ongoing infrastructure enhancement projects. We take the risks presented by social engineering scams seriously. We have increased our education and testing and implemented a number of disciplinary steps for those employees who fail phishing tests. We have established information security, cybersecurity, and risk management frameworks that serve as the foundation for our cybersecurity program, which aligns with internationally recognized frameworks, including the NIST CSF and ISO 27001, as well as risk management guidelines such as NIST SP 800-37 (RMF) and ISO 27005.

## GOVERNANCE POLICIES AND RESOURCES

**Bribery and Anti-Corruption Policy**
Available and applicable to all employees

**Cybersecurity**
Training required for all employees with system access

**Foreign Corrupt Practices Act (FCPA)**
Training required for specific employee groups and business units

**General Data Protection Regulation (GDPR)**
Training required for all office hourly, salaried, and executive employees in the U.S., Canada, and EU

**Phishing Awareness and Testing**
Available and applicable to all employees with system access

**Whistleblower Hotline**
Available and applicable to all employees*

**Workplace Ethics**
Training required for all salaried and executive employees**

* This was made available to international employees in 2023

** May not include all salaried employees at certain joint ventures and certain international locations.





# Data Tables

# SASB Index

## Consumer Goods – Building Products & Furnishings

| Topic | Accounting Metric | Category | Unit of Measure | Code | Disclosure |
|---|---|---|---|---|---|
| **Management of Chemicals in Products** | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | N/A | CG-BF-250a.1 | We ensure proper monitoring practices, and our plant management and safety committee members perform periodic worksite inspections to identify and address any unsafe work practices or safety hazards. |
| | Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards | Quantitative | Percentage (%) by revenue | CG-BF-250a.2 | We currently do not collect data for this topic and will consider disclosing next cycle. |
| **Product Lifecycle Environmental Impacts** | Description of efforts to manage product lifecycle impacts and meet demand for sustainable products | Discussion and Analysis | N/A | CG-BF-410a.1 | See Product Stewardship section on page 15. |
| | (1) Weight of end-of-life material recovered, (2) Percentage of recovered materials recycled | Quantitative | Metric tons (t), Percentage (%) by weight | CG-BF-410a.2 | See Waste Management section on page 29. |
| **Wood Supply Chain Management** | (1) Percentage from third-party certified forestlands, (2) Percentage by standard, (3) Percentage certified to other wood fiber standards, (4) Percentage by standard | Quantitative | Metric tons (t), Percentage (%) by weight | CG-BF-430a.1 | (1), (2), (3), (4) For the remainder of the metrics, we currently do not collect this data.<br>We will consider disclosing next cycle. |

| Activity Metric | Category | Unit of Measure | Code | Disclosure |
|---|---|---|---|---|
| Annual production | Quantitative | N/A | CG-BF-000.A | $6.3 billion |



# TCFD Index

| TCFD Recommendation | Disclosure | Link/Source | Description |
|---|---|---|---|
| **GOVERNANCE** | | | |
| **Disclose the organization's governance around climate-related risks and opportunities.** | a) Describe the board's oversight of climate-related risks and opportunities. | 2025 Governance Report, Governance Section, pp. [43-49] | The Nominating and Corporate Governance Committee is responsible for assisting the Board of Directors in (a) overseeing the company's governance strategy and policies, (b) providing guidance to the company's executive officers on governance efforts and overseeing compliance with related disclosure obligations, and (c) reviewing management's assessment of the company's governance risks and opportunities. |
| | b) Describe management's role in assessing and managing climate-related risks and opportunities. | 2025 Governance Report, Governance Section, pp. [43-49] | Executive leadership from our company's Communications, Legal, Compliance, Human Resources, Engineering, and Finance groups recommends governance initiatives related to climate-related risks and opportunities. |
| **Disclose the actual and potential impacts of climate- related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.** | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | 2025 Governance Report, Environmental Sustainability Section, pp. [25-30] | We recognize that climate change may alter productivity of forests. Climate-related risks are comprised of physical risks, which may include the increased likelihood of extreme weather events, changing temperature and precipitation patterns, changes in fire frequency and intensity, and desertification. We also identify regulatory risks, which may restrict forestry companies' access to land, disruptions in supply chain, and place barriers to market due to the political and regulatory changes. These longer-term impacts may have material implications across our broader business operations, manufacturing and distribution channels, customers, and markets. |
| | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | 2025 Governance Report, Environmental Sustainability Section, pp. [25-30] | The forestry sector is dependent on stable climatic conditions, which are already being impacted by climate change. We regularly evaluate ways to improve our operational efficiencies and recognize opportunities to identify direct and indirect environmental impacts on our manufacturing and processing throughout our facilities to ensure proper disposal and use of our products. |
| | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | | Our senior leadership team monitors changing regulatory requirements and other impacts to our business. We recognize that the effects of climate change will add greater impetus to addressing the world's environmental challenges. |
| **RISK MANAGEMENT** | | | |
| **Disclose how the organization identifies, assesses, and manages climate-related risks.** | a) Describe the organization's processes for identifying and assessing climate-related risks | | Our process for identifying and assessing climate-related risks are communicated through our 2025 Governance Report under the "Environmental Sustainability" section. We will continue to monitor and measure our impact and be transparent about what this will mean for our operations and business strategy. |
| | b) Describe the organization's processes for managing climate-related risks. | | Our Nominating and Governance Committee is responsible for overseeing the company's strategies and policies with respect to any climate-related risks. The Committee also provides guidance to, and reviews, management's assessment concerning any such risks. |
| | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | | As evidenced in our annual 10-K filing, climate change has been identified and assessed as a potential risk factor for our business. Climate-related risks are currently not integrated into our overall risk management process, although we will consider incorporating them in the future. |
| **Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.** | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | 2025 Governance Report, Environmental Sustainability Section, pp. [25-30] | We include metrics within our 2025 Governance Report under the "Environmental Sustainability" section. |
| | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | 2025 Governance Report, Environmental Sustainability Section, pp. [25-30] | Our Scope 1 and Scope 2 metrics are included in our 2025 Governance Report under the "Environmental Sustainability" section.<br>(1) Scope 1: 99,207 mtons CO2e* (market-based)<br>(2) Scope 2: 89,058 mtons CO2e* (market-based) |
| | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | | We do not currently set climate-related targets but will continue to monitor and measure our performance over time. |

*Figures represent U.S. domestic facilities only and do not include international operations.


OUR
WORD
IS
CONCRETE



UFP INDUSTRIES

UFP Industries, Inc., is a holding company whose subsidiaries supply three robust markets: retail, construction, and packaging. Founded in 1955, the Company is headquartered in Grand Rapids, MI, with affiliates throughout North America, Europe, Asia, and Australia.

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