

# **2023** FACT BOOK

## Performance Highlights



# WEYERHAEUSER 2023 FACT BOOK

This publication provides information for security analysts, investors and others researching the financial performance of our company. The information presented here is accurate as of December 31, 2023, unless indicated otherwise, and is intended to be read in conjunction with our [2023 Annual Report and Form 10-K](#).

## SELECTED FINANCIAL DATA

DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER-SHARE FIGURES

	2023	2022	2021
Net sales	\$ 7,674	\$ 10,184	\$ 10,201
Adjusted EBITDA <sup>(1)</sup>	\$ 1,694	\$ 3,654	\$ 4,094
Net earnings	\$ 839	\$ 1,880	\$ 2,607
Basic earnings per share	\$ 1.15	\$ 2.53	\$ 3.48
Diluted earnings per share	\$ 1.15	\$ 2.53	\$ 3.47
Number of common shares outstanding at year-end (in thousands)	729,753	732,794	747,301
Net cash from operations	\$ 1,433	\$ 2,832	\$ 3,159
Capital expenditures	\$ 447	\$ 468	\$ 441
Adjusted funds available for distribution <sup>(2)</sup>	\$ 986	\$ 2,327	\$ 2,623
Total assets	\$ 16,983	\$ 17,340	\$ 17,652
Total long-term debt, including current portion, and borrowings on line of credit	\$ 5,069	\$ 5,053	\$ 5,099
Dividends paid per share	\$ 1.66	\$ 2.17	\$ 1.18
Number of employees	9,318	9,264	9,214

- (1) Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. A reconciliation of Adjusted EBITDA by segment to net earnings is on page 14.
- (2) Adjusted funds available for distribution (Adjusted FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. Our definition of Adjusted FAD and a reconciliation to GAAP are set forth on page 15.

### Adjusted EBITDA by Segment

DOLLAR AMOUNTS IN MILLIONS			
	2023	2022	2021
Timberlands	\$ 646	\$ 784	\$ 693
Real Estate, Energy & Natural Resources	320	329	296
Wood Products	905	2,737	3,357
Unallocated Items	(177)	(196)	(252)
<b>Total</b>	<b>\$ 1,694</b>	<b>\$ 3,654</b>	<b>\$ 4,094</b>

### Capital Spending by Segment

DOLLAR AMOUNTS IN MILLIONS			
	2023	2022	2021
Timberlands	\$ 111	\$ 113	\$ 114
Real Estate, Energy & Natural Resources	—	—	—
Wood Products	323	347	320
Unallocated Items	13	8	7
<b>Total<sup>(1)</sup></b>	<b>\$ 447</b>	<b>\$ 468</b>	<b>\$ 441</b>

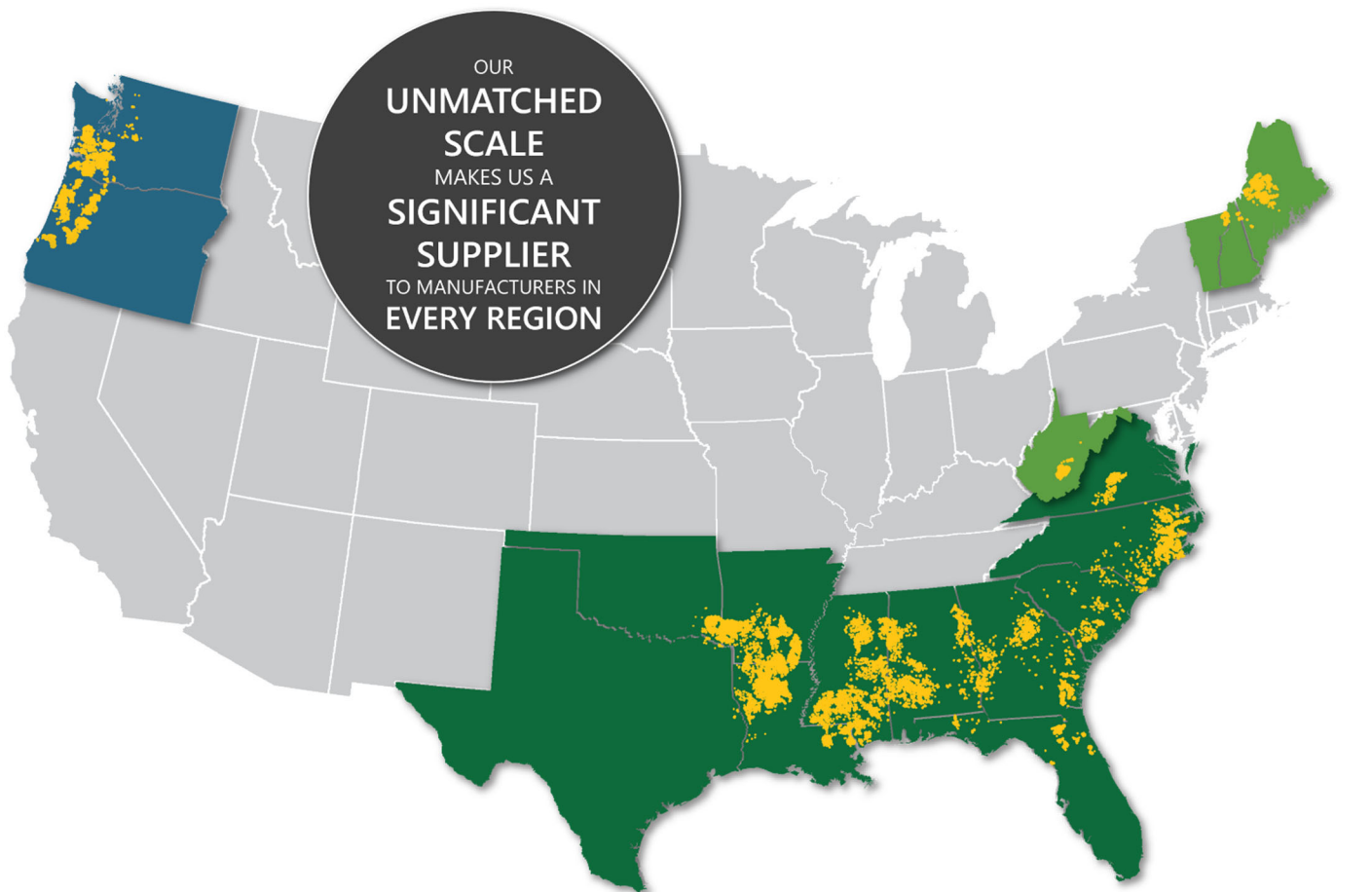
- (1) Includes capitalized interest

# TIMBERLANDS

## OUR TIMBERLANDS SEGMENT:

- grows and plants seedlings to reforest harvested areas using the most effective regeneration method for the site and species (natural regeneration is employed and managed in parts of Canada and the northern U.S.);
- manages our timberlands as the trees grow to maturity;
- harvests trees to be converted into wood products, such as lumber, oriented strand board, engineered wood products, pellets, pulp and paper;
- manages the health of our forests to sustainably maximize harvest volumes, minimize risks and protect unique environmental, cultural, historical and recreational value; and
- offers recreational access.

## OUR TIMBERLANDS PORTFOLIO<sup>(1)</sup>



**U.S. WEST**  
High-Value Douglas Fir  
**2.5 MILLION ACRES**

- Premium land west of Cascade mountains
- Sawlogs are ~90% of harvest
- Unique Japan export presence



**U.S. SOUTH**  
Premium Southern Yellow Pine  
**7 MILLION ACRES**

- Highly productive planted pine forests
- Balanced mix of grade & fiber logs
- Scale operations in every major region



**U.S. NORTH**  
Diverse Hardwoods and Softwoods  
**1 MILLION ACRES**

- Premium hardwood sawlogs
- Maximizing value with more than 300 product grades

(1) Approximate acreage as of December 31, 2023. We also have renewable, long-term licenses on 14.1 million acres of Canadian timberlands.

# OUR TIMBERLANDS LOCATIONS

## Summary of 2023 Timberland Ownership

GEOGRAPHIC AREA	THOUSANDS OF ACRES AT DECEMBER 31, 2023		
	FEE OWNERSHIP	LONG-TERM CONTRACTS	TOTAL ACRES <sup>(1)</sup>
U.S.:			
West			
Oregon	1,418	—	1,418
Washington	1,120	—	1,120
<b>Total West</b>	<b>2,538</b>	<b>—</b>	<b>2,538</b>
South			
Alabama	439	172	611
Arkansas	1,186	18	1,204
Florida	211	61	272
Georgia	579	46	625
Louisiana	1,005	354	1,359
Mississippi	1,152	36	1,188
North Carolina	665	—	665
Oklahoma	487	—	487
South Carolina	213	—	213
Texas	12	2	14
Virginia	118	—	118
<b>Total South</b>	<b>6,067</b>	<b>689</b>	<b>6,756</b>
North			
Maine	833	—	833
New Hampshire	24	—	24
Vermont	86	—	86
West Virginia	252	—	252
<b>Total North</b>	<b>1,195</b>	<b>—</b>	<b>1,195</b>
<b>Total Company</b>	<b>9,800</b>	<b>689</b>	<b>10,489</b>

## Canadian Licensed Timberlands

GEOGRAPHIC AREA	THOUSANDS OF ACRES AT DECEMBER 31, 2023
	TOTAL ACRES
Province:	
Alberta	5,399
British Columbia	1,147
Ontario <sup>(2)</sup>	2,574
Saskatchewan <sup>(2)</sup>	4,987
<b>Total Canada</b>	<b>14,107</b>

(1) Acres include all conservation and non-harvestable areas.

(2) License is managed by partnership.

# OUR TIMBERLANDS PRODUCTS

PRODUCTS	HOW THEY'RE USED
Delivered logs: <ul style="list-style-type: none"> <li>Grade logs</li> <li>Fiber logs</li> </ul>	Grade logs are made into lumber, plywood, veneer and other products used in residential homes, commercial structures, furniture, industrial and decorative applications. Fiber logs are sold to pulp, paper and oriented strand board mills to make products used for printing, writing, packaging, homebuilding and consumer products, as well as into renewable energy and pellets.
Timber	Standing timber is sold to third parties through stumpage sales.
Recreational leases	Timberlands are leased or permitted for recreational purposes.
Other products	Seeds and seedlings grown in the U.S. and wood chips.

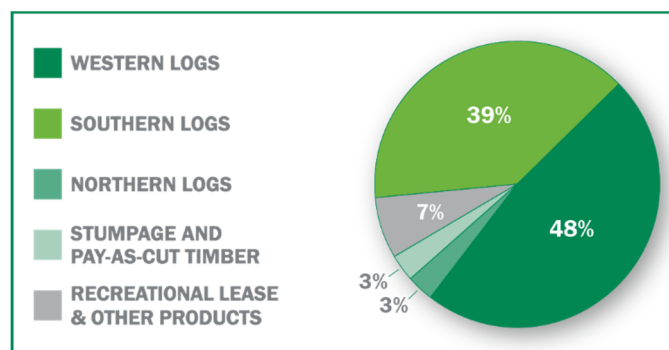
## Net Sales and Net Contribution to Earnings for Timberlands

DOLLAR AMOUNTS IN MILLIONS			
	2023	2022	2021
Net sales to unaffiliated customers:			
Delivered logs:			
West	\$ 794	\$ 1,004	\$ 869
South	643	645	589
North	48	56	52
<b>Total</b>	<b>1,485</b>	<b>1,705</b>	<b>1,510</b>
Stumpage and pay-as-cut timber	56	46	31
Recreational lease revenue	74	68	65
Other products <sup>(1)</sup>	39	39	30
<b>Subtotal net sales to unaffiliated customers</b>	<b>1,654</b>	<b>1,858</b>	<b>1,636</b>
Intersegment net sales	572	561	535
<b>Total net sales</b>	<b>\$ 2,226</b>	<b>\$ 2,419</b>	<b>\$ 2,171</b>
Costs of sales	1,746	1,796	1,650
<b>Gross margin</b>	<b>480</b>	<b>623</b>	<b>521</b>
Selling expenses	1	1	2
General and administrative expenses	100	98	92
Gain on sale of timberlands	(84)	—	(32)
Charges for integration and restructuring, closures and asset impairments	—	1	—
Other operating income, net	(25)	(5)	(5)
<b>Operating income and Net contribution to earnings</b>	<b>\$ 488</b>	<b>\$ 528</b>	<b>\$ 464</b>
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 646</b>	<b>\$ 784</b>	<b>\$ 693</b>

(1) Other products include sales of seeds and seedlings from our nursery operations and wood chips.

(2) Reconciliation of Adjusted EBITDA by segment to net earnings is on page 14.

## Percentage of 2023 Sales Dollars to Unaffiliated Customers



# TIMBERLANDS HARVEST VOLUMES AND PUBLISHED PRICES

Our fee harvest volumes are managed sustainably across all regions to ensure the preservation of long-term economic value of the timber and to capture maximum value from the markets. This is accomplished by ensuring annual harvest schedules target financially mature timber, and reforestation activities align with the growing of timber through its life cycle to financial maturity.

## Timberlands Fee Harvest Volumes

FEE HARVEST VOLUMES IN THOUSANDS OF TONS			
	2023	2022	2021
West <sup>(1)</sup>	8,753	7,858	8,084
South	25,177	24,329	23,304
North	942	974	1,085
<b>Total</b>	<b>34,872</b>	<b>33,161</b>	<b>32,473</b>

## Timberlands Fee Harvest Volumes Percentage of Grade & Fiber

PERCENTAGE OF GRADE AND FIBER				
		2023	2022	2021
West	Grade	91%	89%	92%
	Fiber	9%	11%	8%
South	Grade	47%	45%	49%
	Fiber	53%	55%	51%
North	Grade	35%	37%	51%
	Fiber	65%	63%	49%
<b>Total</b>	<b>Grade</b>	<b>58%</b>	<b>55%</b>	<b>62%</b>
	<b>Fiber</b>	<b>42%</b>	<b>45%</b>	<b>38%</b>

## Summary of Published Delivered Log Prices (Mill Basis)

SELECTED PRODUCT PRICES (\$/MBF)					
	2023		2022		2021
<b>Domestic logs — #2 Sawlog bark on<sup>(2)</sup>:</b>					
Douglas fir	\$	813	\$	945	\$ 822
Southern pine large	\$	344	\$	360	\$ 338
<b>Export logs — #2 Sawlog bark on<sup>(3)</sup>:</b>					
Coastal – Douglas fir – Longview	\$	1,008	\$	1,280	\$ 1,060
Coastal – Hemlock	\$	576	\$	654	\$ 613



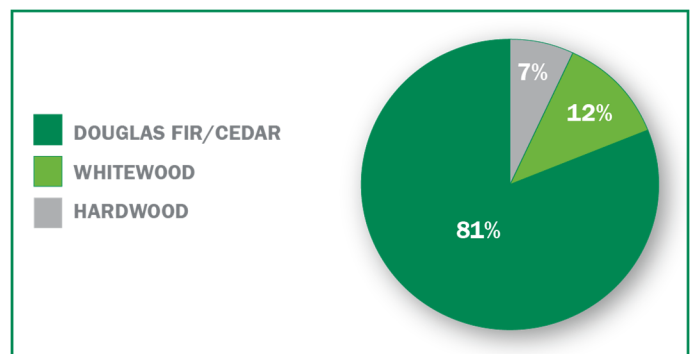
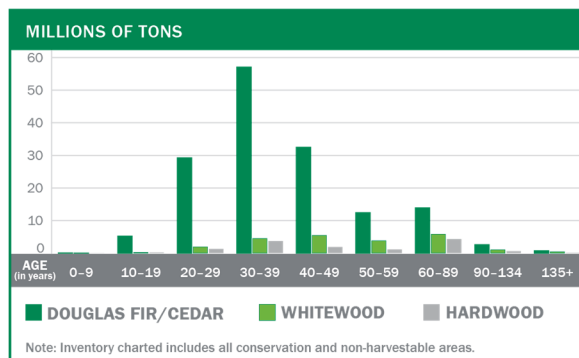
(1) Western logs are primarily transacted in thousand board feet (MBF) but are converted to ton equivalents for external reporting purposes.  
 (2) Source: Weyerhaeuser, Fastmarkets RISI Log Lines, Timber Mart-South - 7.5 MBF/Ton Conversion  
 (3) Source: Weyerhaeuser, Fastmarkets RISI Log Lines

# STANDING GROSS TIMBER INVENTORY INFORMATION

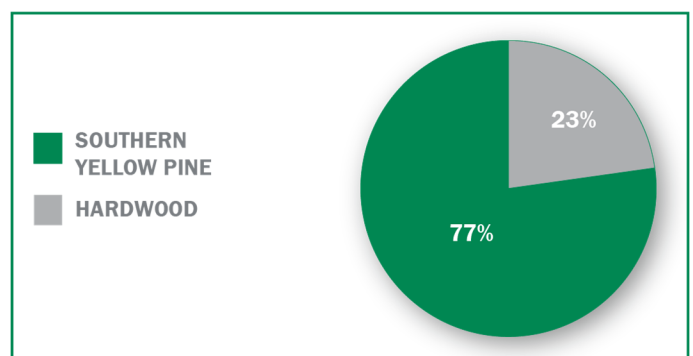
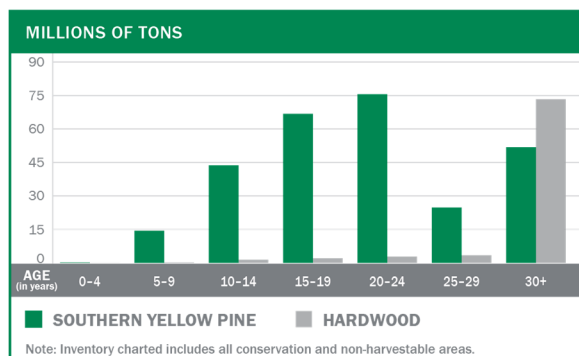
## United States

TOTAL INVENTORY AT DECEMBER 31, 2023 <sup>(1)</sup>		
GEOGRAPHIC AREA		MILLIONS OF TONS
West	Douglas fir/Cedar	154
	Whitewood	23
	Hardwood	13
South	Southern yellow pine	277
	Hardwood	83
North	Conifer	17
	Hardwood	27
<b>Total U.S.</b>		<b>594</b>

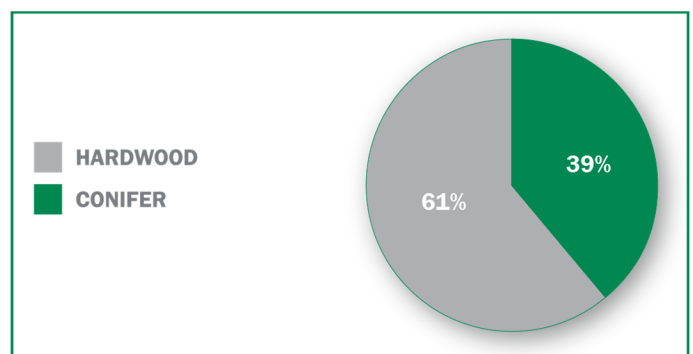
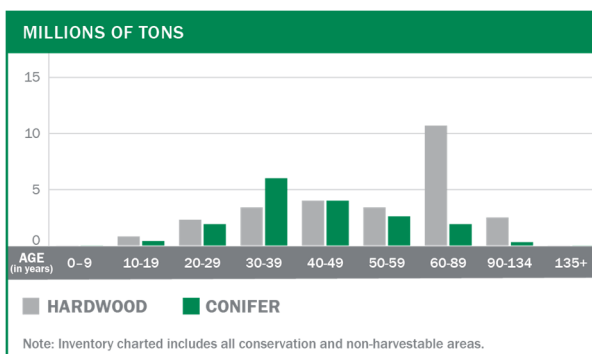
### 2023 Western U.S. Inventory: By Age and Species



### 2023 Southern U.S. Inventory: By Age and Species



### 2023 Northern U.S. Inventory: By Age and Species



(1) Inventory includes all conservation and non-harvestable areas.

# REAL ESTATE, ENERGY & NATURAL RESOURCES

## OUR REAL ESTATE, ENERGY & NATURAL RESOURCES SEGMENT:

- maximizes the value of our timberland ownership through application of our asset value optimization (AVO) process and captures the full value of surface and subsurface assets; and
- capitalizes on natural climate solutions opportunities, including conservation, mitigation banking, renewable energy, forest carbon and carbon capture and sequestration.

## SOURCES OF REVENUE

BUSINESS	SOURCES OF REVENUE
Real Estate	<ul style="list-style-type: none"> <li>▪ Select timberland tracts are sold for recreational, conservation, commercial or residential purposes.</li> <li>▪ Mitigation banking credits are generated and sold.</li> </ul>
Energy and Natural Resources	<ul style="list-style-type: none"> <li>▪ Rights are granted to explore for, extract and sell construction aggregates (rock, sand and gravel), industrial materials and natural gas.</li> <li>▪ Ground leases and easements are granted to wind and solar developers to generate renewable electricity.</li> <li>▪ Rights are granted to access and utilize timberland acreage for communications, pipeline, powerline and transportation rights of way.</li> <li>▪ Forest carbon credits are generated and sold.</li> <li>▪ Subsurface ownership is leased for carbon sequestration.</li> </ul>

## Net Sales and Net Contribution to Earnings for Real Estate, Energy & Natural Resources

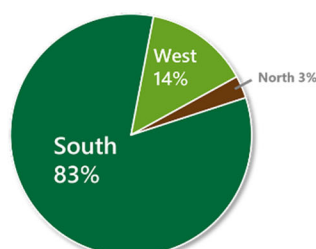
DOLLAR AMOUNTS IN MILLIONS				
	2023	2022	2021	
Net sales:				
Real estate	\$ 237	\$ 235	\$	246
Energy and natural resources	126	133		98
<b>Subtotal sales to unaffiliated buyers</b>	<b>363</b>	<b>368</b>		<b>344</b>
Intersegment sales	—	—		—
<b>Total segment net sales</b>	<b>\$ 363</b>	<b>\$ 368</b>	<b>\$</b>	<b>344</b>
Costs of sales	126	113		109
<b>Gross margin</b>	<b>237</b>	<b>255</b>		<b>210</b>
General and administrative expenses	26	27		25
Other operating costs, net	—	10		—
<b>Operating income</b>	<b>\$ 211</b>	<b>\$ 218</b>	<b>\$</b>	<b>210</b>
Interest income and other	—	—		—
<b>Net contribution to earnings</b>	<b>\$ 211</b>	<b>\$ 218</b>	<b>\$</b>	<b>210</b>
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 320</b>	<b>\$ 329</b>	<b>\$</b>	<b>296</b>

## Real Estate Statistics

FOR THE THREE-YEAR PERIOD ENDED DECEMBER 31, 2023				
	2023	2022	2021	
Acres sold	62,942	58,791		55,827
Average price per acre	\$ 3,494	\$ 3,714	\$	3,725

(1) Reconciliation of Adjusted EBITDA by segment to net earnings is on page 14.

### HBU Acreage by Region\*



**1.2**  
MILLION ACRES  
With HBU Attributes

**55-100+%**  
PREMIUM  
To Timber Value<sup>(2)</sup>

We Sell  
**<1%**  
OF OUR  
TIMBERLAND  
ACRES  
Annually

\* As of December 31, 2023.



# NATURAL CLIMATE SOLUTIONS

In 2021, we launched our Natural Climate Solutions business, through which we leverage our resources and expertise to help others meet their goals to reduce carbon emissions or mitigate environmental impacts. Part of our Real Estate, Energy and Natural Resources segment, this business involves an expansion of our established activities in the areas of conservation, mitigation banking and leasing land for renewable energy projects. Additionally, it involves advancing our participation in two emerging markets focused on the mitigation of carbon emissions: forest carbon and carbon capture and sequestration. As the largest private owner of timberlands in North America, the scale and geographic diversity of our assets create a unique opportunity for participation in each of these activities, all of which offer natural solutions for reducing carbon emissions and support climate change mitigation efforts.

We achieved an important milestone in 2023 with the approval of our first forest carbon project and monetization of our first credits. We have several additional carbon projects in the pipeline and are well-positioned for long-term growth in these emerging markets, including by leveraging our unique subsurface ownership in the U.S. South to meet growing demand and investments in carbon capture and sequestration. In addition, we continued to scale our renewable energy business in 2023. We currently have six active wind projects and more than 50 agreements in place for solar projects across our U.S. land base. Overall, we have increased Natural Climate Solutions Adjusted EBITDA<sup>(1)</sup> by 114 percent since its inception in 2020.

## Natural Climate Solution Activities

BUSINESS	ACTIVITIES
Renewable Energy Development	We lease our land to reputable developers who identify, evaluate, permit and build wind and solar projects.
Forest Carbon	We develop forest carbon projects on our land base, whereby we generate carbon credits through incremental carbon sequestration over a baseline and sell them on voluntary carbon markets to help companies and other organizations meet their climate commitments.
Carbon Capture & Sequestration	We lease surface and subsurface ownership to qualified developers who evaluate and develop projects to safely and permanently sequester transported carbon emissions from their source.
Conservation	We partner with government agencies and conservation groups to ensure positive conservation outcomes by identifying and preserving areas with exceptional historic, scenic, recreational, forestry or wildlife habitat attributes.
Mitigation Banking	We offer solutions to preserve, enhance or restore a wetland, stream or habitat area to make up for unavoidable impacts resulting from development by another entity in a similar nearby ecosystem.

### EXPANDING OUR BUSINESS MODEL



PARTICIPATING  
IN THE EMERGING  
CARBON CREDIT MARKET



LEASING SUBSURFACE  
FOR CARBON  
SEQUESTRATION



### GROWING OUR EXISTING BUSINESSES



LEASING LAND FOR  
WIND AND SOLAR  
PRODUCTION



PRESERVING  
VALUABLE  
ECOSYSTEMS

(1) Reconciliation of Adjusted EBITDA for Natural Climate Solutions to net earnings is on page 15.

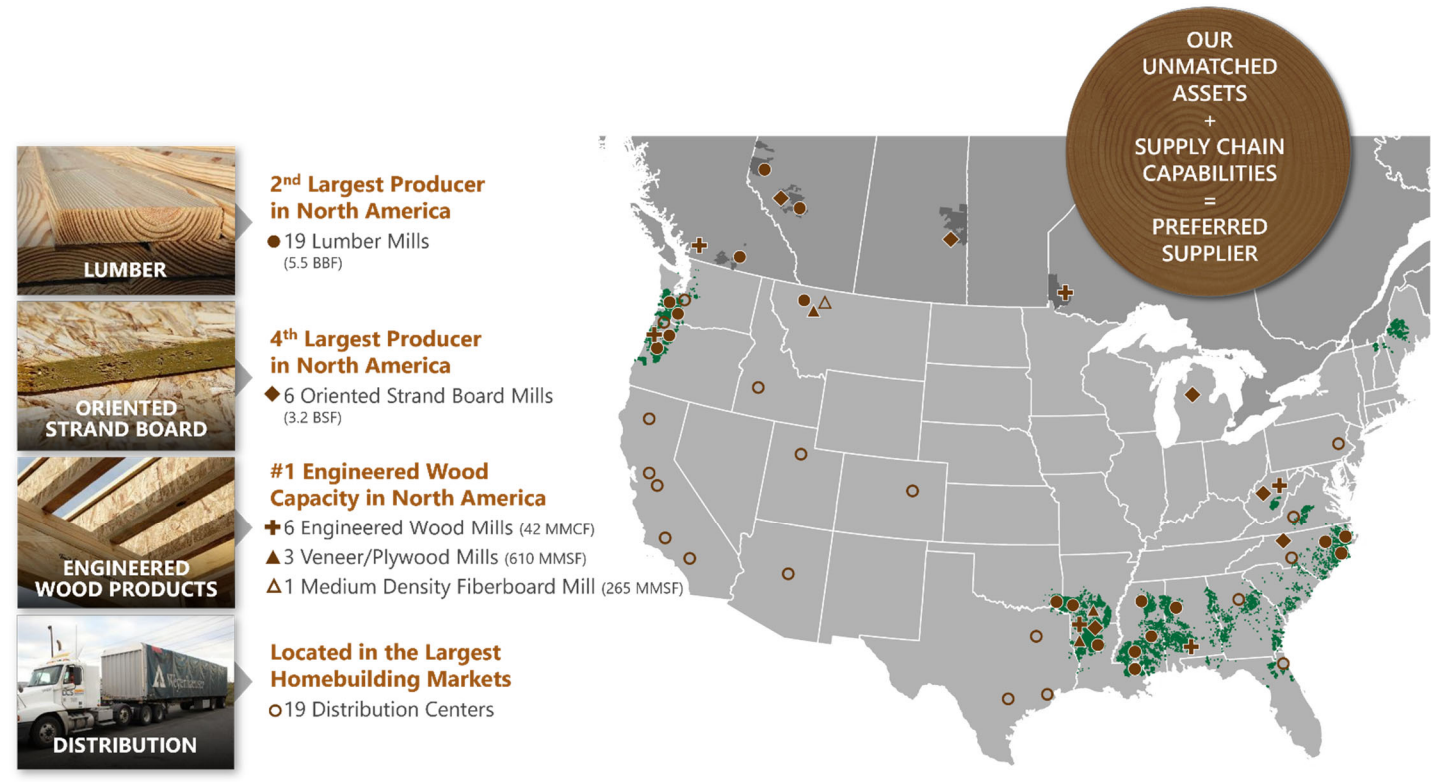
# WOOD PRODUCTS

## OUR WOOD PRODUCTS SEGMENT

- manufactures high-quality structural lumber, oriented strand board, engineered wood products and other specialty products for the residential, multi-family, industrial, light commercial and repair and remodel markets; and
- distributes our products as well as complementary building products that we purchase from other manufacturers.

## OUR WOOD PRODUCTS OPERATIONS

We operate 35 manufacturing facilities in the United States and Canada. We distribute through a combination of 19 Weyerhaeuser distribution centers and third-party distributors. Information about the locations, capacities and actual production of our manufacturing facilities is included below.



Weyerhaeuser's relative positioning based on full year 2023 production. Weyerhaeuser specific values represent capacity by product line as of December 31, 2023. Sources: Public filings, WY reports. Production capacity for engineered wood represents total solid section press capacity. Weyerhaeuser engineered solid section facilities also may produce engineered I-joists to meet market demand. In 2023, approximately 22 percent of Weyerhaeuser's total press production was converted into I-joists.

# WOOD PRODUCTS MILL LOCATION AND CAPACITIES

## Structural Lumber

Total capacity	5.5 billion board feet
Total facilities	19

### Western United States

BOARD FEET IN MILLIONS	
Santiam, OR	485
Longview, WA	460
Cottage Grove, OR	445
Raymond, WA	225
Kalispell, MT	120
<b>Total capacity</b>	<b>1,735</b>
<b>Total facilities</b>	<b>5</b>

### Southern United States

BOARD FEET IN MILLIONS	
Dierks, AR	390
Millport, AL	320
Bruce, MS	300
McComb, MS	300
Philadelphia, MS	275
Dodson, LA	260
Greenville, NC	260
Idabel, OK	250
Plymouth, NC	250
Holden, LA	180
New Bern, NC	100
<b>Total capacity</b>	<b>2,885</b>
<b>Total facilities</b>	<b>11</b>

### Canada

BOARD FEET IN MILLIONS	
Grande Prairie, AB	310
Drayton Valley, AB	300
Princeton, BC	300
<b>Total capacity</b>	<b>910</b>
<b>Total facilities</b>	<b>3</b>

## Engineered Wood Products

CUBIC FEET IN MILLIONS	
Kenora, ON <sup>(1)</sup>	11
Natchitoches, LA <sup>(2)</sup>	8
Buckhannon, WV <sup>(1)</sup>	7
Evergreen, AL <sup>(2)</sup>	7
Eugene, OR <sup>(2)</sup>	6
Vancouver, BC <sup>(1)</sup>	4
<b>Total capacity<sup>(3)</sup></b>	<b>42</b>
<b>Total facilities</b>	<b>6</b>

- (1) Buckhannon, WV; Kenora, ON and Vancouver, BC only produce solid section.  
 (2) Eugene, OR; Evergreen, AL and Natchitoches, LA produce solid section and engineered I-joists to meet market demand.  
 (3) This represents total press capacity. Our engineered solid section facilities also may produce engineered I-joists. In 2023, approximately 22 percent of the total press production was converted into 147 million lineal feet of I-joist.

## Panels

### Oriented Strand Board (OSB)

SQUARE FEET (3/8") IN MILLIONS	
Sutton, WV	675
Hudson Bay, SK	600
Grayling, MI	560
Edson, AB	460
Elkin, NC	430
Arcadia, LA	425
<b>Total capacity</b>	<b>3,150</b>
<b>Total facilities</b>	<b>6</b>

### Medium Density Fiberboard (MDF)

SQUARE FEET (3/4") IN MILLIONS	
Columbia Falls, MT	265
<b>Total capacity</b>	<b>265</b>
<b>Total facilities</b>	<b>1</b>

### Plywood

SQUARE FEET (3/8") IN MILLIONS	
Kalispell, MT	250
Emerson, AR	210
Zwolle, LA	150
<b>Total capacity</b>	<b>610</b>
<b>Total facilities<sup>(1)</sup></b>	<b>3</b>

- (1) All of our plywood facilities also produce veneer.

## Wood Products Production

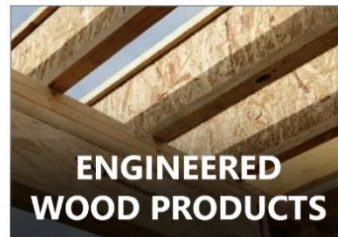
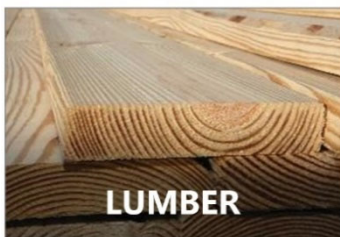
PRODUCTION IN MILLIONS	2023		
	2023	2022	2021
Structural lumber – board feet	4,572	4,513	4,815
Oriented strand board – square feet (3/8")	2,933	2,961	2,865
Engineered solid section – cubic feet <sup>(1)</sup>	21.9	23.6	24.0
Engineered I-joists – lineal feet <sup>(1)</sup>	147	172	190
Softwood plywood – square feet (3/8") <sup>(2)</sup>	310	259	263
Medium density fiberboard – square feet (3/4")	132	161	206

- (1) Weyerhaeuser engineered solid section facilities may also produce engineered I-joist.  
 (2) All of our plywood facilities also produce veneer.

Production capacities listed represent annual production volume under normal operating conditions and producing a normal product mix for each individual facility.

# OUR WOOD PRODUCTS

PRODUCTS	HOW THEY'RE USED
Structural lumber	Structural framing for new residential, repair and remodel, treated applications, industrial and commercial structures, as well as other lumber specialty products.
Engineered wood products	Structural elements for residential, multi-family and commercial structures such as floor and roof joists, headers, beams, subflooring and sheathing.
Solid section	<p><b>Laminated Veneer Lumber — Microllam®</b> Beams and headers, I-joint flanges, concrete forming, scaffold planks, signposts and light poles, custom applications and factory-built structures.</p> <p><b>Parallel Strand Lumber — Parallam®</b> Columns and posts, exposed applications, headers and beams, railroad ties and timbers, concrete forming, wood bridges, custom applications.</p> <p><b>Laminated Strand Lumber — TimberStrand®</b> Beams and columns, factory-built structures (window, door and garage door headers), rim board, wall studs and plates, furniture and millwork, concrete forming, truss chords, custom applications.</p>
I-joists	Engineered for dimensional stability, they are lightweight, come in long lengths and are used for framing purposes.
Structural panels	Structural sheathing, subflooring and stair tread for residential, multi-family and commercial structures.
Oriented strand board (OSB)	OSB uses wood strands that are oriented in a cross pattern and bonded together with adhesives under heat and pressure. Used in structural wall and roof sheathing, subflooring, stair treads, webstock and a variety of industrial applications.
Softwood plywood	Plywood is manufactured from thin sheets of cross-laminated veneer bonded together with adhesives using heat and pressure. Used in building and construction panels, as well as appearance panels.
Medium density fiberboard (MDF)	MDF is manufactured from wood fiber that is bonded together with adhesives using heat and pressure. Used in furniture and cabinet components, architectural moldings, doors, store fixtures, core material for hardwood plywood, face material for softwood plywood, commercial wall paneling and substrate for laminate flooring.
Other products	Wood chips and other byproducts.
Complementary building products	Complementary building products such as cedar, decking, siding, insulation and rebar sold in our distribution facilities.



# WOOD PRODUCTS SALES AND PUBLISHED PRICES

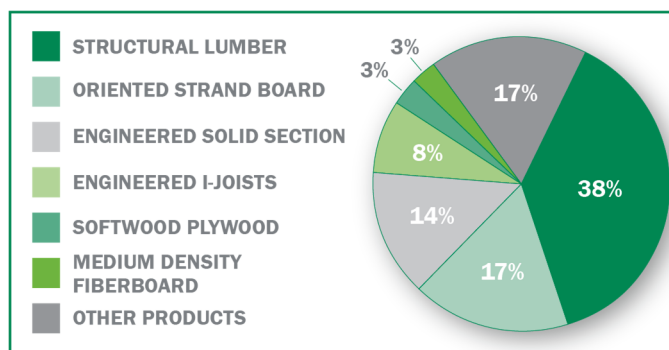
## Net Sales and Net Contribution to Earnings for Wood Products

DOLLAR AMOUNTS IN MILLIONS			
	2023	2022	2021
<b>Net sales:</b>			
Structural lumber	\$ 2,123	\$ 3,374	\$ 3,721
Oriented strand board	944	1,578	1,840
Engineered solid section	783	862	679
Engineered I-joists	447	573	447
Softwood plywood	166	193	210
Medium density fiberboard	155	192	186
Other products produced <sup>(1)</sup>	335	346	348
Complementary building products	704	840	790
<b>Total net sales</b>	<b>\$ 5,657</b>	<b>\$ 7,958</b>	<b>\$ 8,221</b>
Cost of sales	4,699	5,166	4,808
<b>Gross margin</b>	<b>958</b>	<b>2,792</b>	<b>3,413</b>
Selling expenses	84	86	84
General and administrative expenses	149	142	138
Product remediation recoveries, net	—	—	(37)
Other operating costs, net	16	28	17
<b>Operating income and Net contribution to earnings</b>	<b>\$ 709</b>	<b>\$ 2,536</b>	<b>\$ 3,211</b>
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 905</b>	<b>\$ 2,737</b>	<b>\$ 3,357</b>

(1) Other products produced sales include wood chips, other byproducts and third-party residual log sales from our Canadian Forestlands operations.

(2) Reconciliation of Adjusted EBITDA by segment to net earnings is on page 14.

## Percentage of 2023 Net Sales Dollars in Wood Products



## Published Lumber Prices

\$/MBF			
	2023	2022	2021
2x4 Douglas fir (kiln dried)	\$ 497	\$ 909	\$ 973
2x4 Douglas fir (green)	\$ 429	\$ 720	\$ 817
2x4 Southern yellow pine (kiln dried)	\$ 425	\$ 807	\$ 891
2x4 Spruce-pine-fir (mill)	\$ 391	\$ 776	\$ 870

Source: Random Lengths

## Published Oriented Strand Board Prices

\$/MSF			
	2023	2022	2021
OSB (7/16") North Central	\$ 358	\$ 616	\$ 806

Source: Random Lengths

OUR  
**WOOD  
PRODUCTS**  
**STORE CARBON**  
FOR THE  
**ENTIRE PRODUCT  
LIFECYCLE**

WE MEET  
MORE THAN  
**70%**  
OF OUR OWN  
ENERGY NEEDS USING  
**RENEWABLE  
BIOMASS**

ON AVERAGE, WE  
**REUSE OR  
REPURPOSE**  
**99%**  
OF WHAT COULD  
HAVE BEEN WASTE IN  
OUR OPERATIONS

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainability and citizenship are part of our core values. In addition to practicing sustainable forestry, we focus on increasing energy and resource efficiency, reducing greenhouse gas emissions, conserving natural resources and offering sustainable products that meet our customers' needs. We are also recognized for our leading performance in the areas of ethics, citizenship and gender equality.

## Environmental Stewardship

Everything we do in our forests and our manufacturing operations considers the long-term view. From a business perspective, we ensure our forests continue to provide a sustainable supply of wood fiber now and in the future, while also enhancing and protecting the many additional benefits they provide, such as clean water, clean air and critical areas for biodiversity. In our manufacturing operations, we focus on efficient use of raw materials and responsible environmental management of our sites. We are proud of our excellent performance in environmental stewardship and are firmly committed to ongoing scientific research and partnerships to find innovative, meaningful ways to improve our practices.

## Social Responsibility

We know that maintaining a talented and engaged workforce and strong relationships with the communities where we operate is critical to our long-term value creation. For us, this commitment to our people and our communities means creating a safe, diverse and inclusive work environment. It also means supporting the communities where we operate, so they can be vibrant, prosperous places to live and work. It's good for our business, and it's the right thing to do.

## Corporate Governance

Our corporate governance practices and policies promote the long-term interests of our shareholders, strengthen the accountability of our board of directors and management, and help build public trust in our company. Our governance framework is built on a foundation of written policies and guidelines, which we modify and enhance on a continuous basis to reflect best practices and feedback from our shareholders. Our Corporate Governance Guidelines and other key governance policies and documents are available on our website at [investor.weyerhaeuser.com/policies-documents](https://investor.weyerhaeuser.com/policies-documents).

## 2023 ACCOMPLISHMENTS

### We Enhanced Our Strong ESG Foundation and Leadership

- Received limited third-party assurance of our scope 1 and scope 2 greenhouse gas emissions
- Strengthened our DE&I roadmap and more than doubled companywide membership in employee resource groups
- Launched two signature programs to provide targeted support for our rural operating communities
- Included on the Dow Jones Sustainability Index North America - the only company included from our industry in 2023



## Adjusted EBITDA Reconciliation by Segment

The table below reconciles Adjusted EBITDA by segment to net earnings for the year ended 2023

DOLLAR AMOUNTS IN MILLIONS					
	TIMBERLANDS	REAL ESTATE & ENR	WOOD PRODUCTS	UNALLOCATED ITEMS	TOTAL
Net earnings					\$ 839
Interest expense, net of capitalized interest					280
Income taxes					98
<b>Net contribution (charge) to earnings</b>	<b>\$ 488</b>	<b>\$ 211</b>	<b>\$ 709</b>	<b>\$ (191)</b>	<b>\$ 1,217</b>
Non-operating pension and other post-employment benefit costs	—	—	—	45	45
Interest income and other	—	—	—	(76)	(76)
<b>Operating income (loss)</b>	<b>488</b>	<b>211</b>	<b>709</b>	<b>(222)</b>	<b>1,186</b>
Depreciation, depletion and amortization	267	16	210	7	500
Basis of real estate sold	—	93	—	—	93
Special items included in operating income (loss) <sup>(1)(2)(3)</sup>	(109)	—	(14)	38	(85)
<b>Adjusted EBITDA</b>	<b>\$ 646</b>	<b>\$ 320</b>	<b>\$ 905</b>	<b>\$ (177)</b>	<b>\$ 1,694</b>

- (1) Operating income (loss) for Timberlands includes pretax special items consisting of an \$84 million gain on the sale of timberlands and a \$25 million legal benefit.  
(2) Operating income (loss) for Wood Products includes a pretax special item consisting of a \$14 million insurance recovery.  
(3) Operating income (loss) for Unallocated Items includes pretax special items consisting of an \$11 million noncash environmental remediation charge and \$27 million of legal expense.

The table below reconciles Adjusted EBITDA by segment to net earnings for the year ended 2022

DOLLAR AMOUNTS IN MILLIONS					
	TIMBERLANDS	REAL ESTATE & ENR	WOOD PRODUCTS	UNALLOCATED ITEMS	TOTAL
Net earnings					\$ 1,880
Interest expense, net of capitalized interest					270
Loss on debt extinguishment <sup>(1)</sup>					276
Income taxes					425
<b>Net contribution (charge) to earnings</b>	<b>\$ 528</b>	<b>\$ 218</b>	<b>\$ 2,536</b>	<b>\$ (431)</b>	<b>\$ 2,851</b>
Non-operating pension and other post-employment benefit costs	—	—	—	254	254
Interest income and other	—	—	—	(25)	(25)
<b>Operating income (loss)</b>	<b>528</b>	<b>218</b>	<b>2,536</b>	<b>(202)</b>	<b>3,080</b>
Depreciation, depletion and amortization	256	17	201	6	480
Basis of real estate sold	—	84	—	—	84
Special items included in operating income (loss) <sup>(2)</sup>	—	10	—	—	10
<b>Adjusted EBITDA</b>	<b>\$ 784</b>	<b>\$ 329</b>	<b>\$ 2,737</b>	<b>\$ (196)</b>	<b>\$ 3,654</b>

- (1) Loss on debt extinguishment is a special item consisting of a pretax charge of \$276 million related to early debt retirement.  
(2) Operating income (loss) for Real Estate & ENR includes a pretax special item consisting of a \$10 million noncash impairment charge related to the planned divestiture of legacy coal assets.

The table below reconciles Adjusted EBITDA by segment to net earnings for the year ended 2021

DOLLAR AMOUNTS IN MILLIONS					
	TIMBERLANDS	REAL ESTATE & ENR	WOOD PRODUCTS	UNALLOCATED ITEMS	TOTAL
Net earnings					\$ 2,607
Interest expense, net of capitalized interest					313
Income taxes					709
<b>Net contribution (charge) to earnings</b>	<b>\$ 464</b>	<b>\$ 210</b>	<b>\$ 3,211</b>	<b>\$ (256)</b>	<b>\$ 3,629</b>
Non-operating pension and other post-employment benefit costs	—	—	—	19	19
Interest income and other	—	—	—	(5)	(5)
<b>Operating income (loss)</b>	<b>464</b>	<b>210</b>	<b>3,211</b>	<b>(242)</b>	<b>3,643</b>
Depreciation, depletion and amortization	261	15	196	5	477
Basis of real estate sold	—	71	—	—	71
Special items included in operating income (loss) <sup>(1)(2)(3)</sup>	(32)	—	(50)	(15)	(97)
<b>Adjusted EBITDA</b>	<b>\$ 693</b>	<b>\$ 296</b>	<b>\$ 3,357</b>	<b>\$ (252)</b>	<b>\$ 4,094</b>

- (1) Operating income (loss) for Timberlands includes a pretax special item consisting of a \$32 million gain on sale of timberlands.  
(2) Operating income (loss) for Wood Products includes pretax special items consisting of a \$37 million product remediation insurance recovery and a \$13 million insurance recovery.  
(3) Operating income (loss) for Unallocated Items includes a pretax special item consisting of a \$15 million noncash legal benefit.

**The table below reconciles Natural Climate Solutions Adjusted EBITDA to operating income**

DOLLAR AMOUNTS IN MILLIONS				
	2023	2022	2021	2020
<b>Total Natural Climate Solutions Adjusted EBITDA</b>	\$ 47	\$ 43	\$ 38	\$ 22
Depletion, depreciation & amortization	(1)	(1)	(1)	(1)
Basis of real estate sold	(11)	(10)	(10)	(9)
<b>Operating income</b>	<b>\$ 35</b>	<b>\$ 32</b>	<b>\$ 27</b>	<b>\$ 12</b>

**Adjusted Funds Available for Distribution (FAD) Reconciliation**

DOLLAR AMOUNTS IN MILLIONS				
	2023	2022	2021	2020
Net cash from operations	\$ 1,433	\$ 2,832	\$ 3,159	\$ 1,529
Capital expenditures	(447)	(468)	(441)	(281)
<b>Funds Available for Distribution<sup>(1)</sup></b>	<b>\$ 986</b>	<b>\$ 2,364</b>	<b>\$ 2,718</b>	<b>\$ 1,248</b>
Cash from product remediation insurance recoveries	—	(37)	—	(8)
Cash tax refund associated with contribution to our U.S. qualified pension plan	—	—	(95)	—
<b>Adjusted Funds Available for Distribution<sup>(2)</sup></b>	<b>\$ 986</b>	<b>\$ 2,327</b>	<b>\$ 2,623</b>	<b>\$ 1,240</b>

- (1) Funds available for distribution (FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. FAD, as we define it, is net cash from operations adjusted for capital expenditures. FAD measures cash generated during the period (net of capital expenditures) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
- (2) Adjusted funds available for distribution (Adjusted FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. Adjusted FAD, as we define it, is net cash from operations adjusted for capital expenditures and significant non-recurring items. Adjusted FAD measures cash generated during the period (net of capital expenditures and significant non-recurring items) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. Adjusted FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.





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TIMBER, LAND AND FOREST PRODUCTS COMPANY**

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