

Green Diamond Resource Company

Social Impact Monitoring Report

(October 2020 – October 2021)

Green Diamond Resource Company collects input from community members on a continuous basis. When Company employees have interactions with community members, we ask that they fill out a Community Stakeholder Input spreadsheet and forward that to the Company's FSC coordinator. As this spreadsheet is updated, it is reviewed, and action is taken when necessary. The spreadsheet allows the Company to identify significant issues or trends of concern in the community.

Other input opportunities for the public are through the Company's main telephone number and using several e-mail addresses on the website including one on the FSC page set up to receive comments fsc@greendiamond.com. To the extent possible, we try to respond to all comments/concerns received. Most calls and e-mails can be resolved by company communication with the initiator.

Community Stakeholder Input is summarized by the FSC Coordinator in an Excel spreadsheet sorted by topic. This allows repeated issues of concern to be more easily identified. A summary of this is posted to the website in this Social Impact Monitoring Report. Also, we have integrated an aspect into our Stakeholder Outreach meeting to be able to track the top concerns each year so potential trends can be identified moving forward.

Green Diamond continues to engage with the different "public" and "stakeholders" at various levels. We monitor media for state, regional and local concerns. We also attend and present at state and regional and local meetings and workshops. However our most common direct involvement is with our neighbors or those in the vicinity of our operations.

While our even aged management is still a concern for some, we are hearing fewer complaints since we implemented our in-unit retention policy. A more common question is "why don't you grow your trees older?" There is a common misconception that we harvest all of our trees the day they turn 45. Through our outreach we try educating the interested stakeholders that our average harvest age for even aged units ranges between 55 and 60 years. We also use our outreach opportunities to educate stakeholders about our thinning program and our continuing evaluation of rotation age based on growth response and value increase in redwood due to heartwood content of larger trees.

At the local/neighbor level, the key areas of concern are:

Herbicide use

Traffic safety

Fuel hazard reduction and escape routes

Herbicide Use: Both the Yurok Tribe and Sproul Creek neighbors have expressed concerns about herbicide use. The Tribe is concerned about herbicide applications in or near areas where Tribal members may be gathering berries or basket-making materials. We are working with the Tribe to identify the key gathering areas and to develop buffers or alternative practices in these areas. We have Zoom calls to review vegetation management that includes discussion regarding reducing herbicide use and enhancing cultural gathering materials. We have also agreed to set up joint studies on Tribal and GDRCo lands to test alternatives to herbicides.

We will engage with the Sproul Creek neighbors to identify and map water intakes and development near the Sproul Creek property lines where we may plan to apply herbicides and have mapped all known water intakes. We have also reviewed the elevation of Glyphosate and Oxyfluorfen to the FSC “Highly Hazardous Pesticide” list and decided to stop using these chemicals as of this August 1, 2019. We are continuing to assess the potential future use of these chemicals on a very limited basis where exposure is limited. We will continue to follow all state and federal requirements for the application of herbicides and work with our neighbors to address their concerns. We have updated our herbicide policy to comply with the new FSC US guidelines that were effective December 31, 2020.

Traffic Safety: Over the last few years we have received complaints regarding our pickups or log trucks violating speed limits and school bus traffic codes. In all cases we acted immediately via broadcast emails that such actions are unacceptable and will not be tolerated. Regarding speeding in the school bus stop zone, we are worked with the North Fork Lumber Mill to develop solutions that included new radar-controlled signage that we co-sponsored at \$3,000 each. We are also sensitive to log truck traffic interacting with local traffic. The residents of the Sproul Creek area expressed concerns about using a narrow road with very sharp curves for log hauling. We will seek alternatives to this route. We also met with residents that live along our mainline access road to inform them that we planned 20- 30 loads a day for a period of 30- 45 days. We assured them that the truckers would be instructed to maintain slow speed both in and out of the road section. We received on complaint that may have been the other landowner that was also using the road. We will continue to monitor our company vehicles and contact truckers to ensure compliance with vehicle codes and safe driving practices and be responsive to site-specific traffic concerns.

Fuel hazard reduction and escape routes: Given the tragedies that have occurred over the last four years there is heightened awareness of the need to treat fuels and to identify escape routes. The Yurok Tribe expressed an interest in treating the fuels along the Bald Hills Road as both a fuel break and an escape route for the residents along the Klamath River. We are initiating a fuels treatment project on Oct 11 to treat an initial 3 miles on either side of Bald Hills Road. We have reached out to the Tribe to coordinate future projects. We have met also with Redwood National Park and reviewed potential fuel treatment projects. We have also engaged with Cal FIRE to identify key fuel treatment areas along our property borders and along roadways, including the Bald Hills Road and Gibson Ridge in Sproul Creek, and McKinleyville. We have also engaged with local fire departments to identify alternate escape routes through Green Diamond owned lands. We are also working with funding agencies for fuel treatments in the McKinleyville and Fieldbrook areas. We had two fires in the McKinleyville area this year and have discussed escape routes with residents in both McKinleyville and Westhaven (Trinidad).

We are continuing to focus on direct outreach through tours and community interaction. Unfortunately, the Redwood Coast legislator's tour was cancelled due to the COVID-19 pandemic. However, we were able to help organize and participate in the Mt Shasta tour that was sponsored by The Forest Foundation. This tour included 7 state legislators and representatives from 4 timberland owners. We are attempting to set up a tour in conjunction with HSU Professor Hunter Harrill of steep slope mechanized operations later this year for industry foresters.

We have also continued a close relationship with the Redwood Coast Mountain Bike Association through the continued use of the mountain bike course constructed on Green Diamond lands near Blue Lake. The relationship with RCMBA has created an interface with a very diverse all-aged group from throughout the community. The constant use of the RCMBA trails and events has been an added boost to the local Blue Lake economy. They are planning hold a 3-day "Enduro" on Oct 8- 10. We are also in discussions with horse riding organizations for additional access opportunities on the McKay and McKinleyville Tracts.

We have also developed a close relationship with the Mad River Alliance, a local grass-roots organization focused on the health of the Mad River. We have supported their past "Steelhead Days" program and fishing competition with cash donations, Green Diamond staff participation and allowing access for tours and fishing. We are currently reviewing projects for monetary support.

We also recognized the need to outreach to our youth to garner interest in seeking technical or professional level careers in forestry and natural resources. We continue to be active in the "Get Ready Humboldt" education outreach program and provide field trips and speakers at high school and college classes. We have also worked closely with College of the Redwoods, Farm Bureau and local truckers to develop log truck drivers training programs. We also participated in the "Boots on the Ground" program. Local high school kids that expressed an interest in working in the woods participated in hands-on field experience with our loggers and contactors. At the end of the program they were all given certificates to buy loggers boots.

On Oct 31, 2020, Green Diamond staff with their pickups participated in a cleanup around the Blue Lake and Korbel area. We filled a 40-yard dumpster and 5 pickups. We held another cleanup day in the McKinleyville area on June 19 and have a Blue Lake cleanup planned for Oct 31.

Green Diamond also continues to be active in the California Forest Carbon Coalition. This group was formed to support the forest carbon offset program through education and outreach. The landowners that are members include industrial, nonprofit, Tribal and ENGOs. This group has provided input to the CARB and its staff and met with key CARB staff in June to review the forest carbon offset program.

Green Diamond was also very active working with CFA in the implementation of the forestry legislative initiatives and modifications to the regulations at the Board of Forestry.

Green Diamond continues to be engaged with the Yurok Tribe, Redwood National Park and the US Fish and Wildlife Service for the reintroduction of the California condor in the Lower Klamath/Redwood Creek basins. We are party to the MOU for the project and the Environmental Assessment is nearly completed. They expect to start the reintroduction project in Spring of 2022. We worked with the Tribe to secure legislation that will harmonize state and federal regulations for the reintroduction project. CDFW is currently reviewing the federal rule for issuance of a Consistency Determination.

We are actively engaged with the Trinidad Coastal Land Trust and the Yurok Tribe regarding the permanent protection of Strawberry Rock. The Land Trust and Tribe are seeking funding for the purchase of a 45-acre conservation easement that would include the rock, the trail, and a 24-acre stand of mature redwoods. We have an option agreement with the Land Trust that has been extended through December of 2022. The Tribe has asked to be the sole holder of the conservation easement, and we are working with the land trust and the Trinidad Rancheria for a path forward.

We have been actively engaged with the North Coast Regional Water Quality Resources Board regarding Elk River for several years. Even though we have an Elk River Management Plan and WDR that was approved in 2006 and again in 2013, we were required to update the protection measures consistent with the TMDL that was approved 2017. Negotiations with staff have been ongoing for four years to develop additional protection measures consistent with the TMDL. In February of 2020 the North Coast Board voted 3-1 to accept the staff recommendations for the WDR that included wide watercourse buffers (300' on Class I and II, 150' on Class III). This will require shifting our ground-based yarding method from shovel yarding to conventional tractor yarding resulting in more ground disturbance. We have filed a lawsuit challenging the WDR. We plan to submit our first THPs under the new WDR in late 2021 or early 2022 and have reached out to Water Quality staff to clarify the protection measures.

In coordination with CFA, we attend numerous events with legislators. In 2020 and early 2021 these events were via Zoom. In late Spring of this year, we were able to meet face-to-face with legislators. The Zoom meetings are typically 30 minutes, but the face-to-face are usually over a meal or coffee and allow time to provide information regarding current issues regarding forestry.

Also, Green Diamond managers attend numerous meetings in the local area throughout the year. These meetings are both land use related (General Plan Update, Humboldt and Sacramento Farm Bureau, Buckeye) and general community/social meetings (local Chamber of Commerce, Democrat of the Year, Rotary, HSU Advancement Foundation, and State Cal Chamber). In 2020/2021 many of these events were cancelled or were conducted via Zoom. Comments regarding Green Diamond and general comments regarding forest management are relayed back to our staff and FSC coordinator.

Miscellaneous:

Protests near Strawberry Rock: Tree sitters continue to occupy two to three trees in a THP unit north of Strawberry Rock in that area that where we harvested in the summer of 2020. In June protesters entered an active shovel yarding area and disrupted operations. The contractor

immediately stopped operations and pulled out their equipment. The protesters left the area and the accompanied by the Humboldt County Sherriff the equipment returned a few days later. The protesters returned but promptly left when they were advised by Sherriff they were trespassing. The protesters were associated with the Redwood Forest Defenders, the same group that occupied the trees last year. The protesters entered another unit a few weeks later, but quickly left when the Sheriff and CHP entered the area. In late September our Security Patrolman and Sherriff deputies entered the area of last year's protest and removed abandoned structures. One protester was contacted and arrested. The Redwood Forest Defenders posted on Facebook, but local media did not run any stories.

Capital Christmas Tree: The 2021 Capital Christmas Tree will be harvested from Six Rivers National Forest. Green Diamond and other companies are supporting the tree by donations through CFA. Green Diamond is providing our Brainard facility for storage the oversized trailers and the very large Dry Shed at Brainard to store and prepare the tree for shipment to Washington DC.