

Green Diamond Resource Company
Social Impact Monitoring Report
(October 01, 2022 – August 31, 2023)

Green Diamond Resource Company collects input from community members on a continuous basis to understand social impacts of its management activities. When company employees have interactions with community members, we ask that they inform their supervisors and take appropriate action in a timely manner, particularly if the nature of the interaction requires subsequent attention or an immediate response. Opportunities for the public to engage are through the company's main telephone number and via email addresses available on the "contact us" option on the website including info.ca@greendiamond.com and 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 individual or group who initiated the communication.

Community engagement ranges from positive interactions, to requests for assistance or participation, to critiques of management and special requests for additional information. Community engagement is tracked in the FSC Stakeholder Interactions Report. The report allows the Company to identify significant issues or trends of concern in the community and informs our annual goals and priorities.

Community Engagement

Community engagement is summarized each reporting period in the FSC Stakeholder Interactions Report (spreadsheet). Annual review of the Stakeholder Interactions Report allows areas of strength and issues of concern to be easily identified. Green Diamond employees are engaged with stakeholders at various levels and across a spectrum of opportunities. We monitor print and social media for state, regional, and local concerns. We attend and participate in state, regional, and local meetings and workshops. We host engaged social media accounts on Instagram, Facebook, and LinkedIn, where we offer weekly content and monitor discussion in the comments. Sincere questions related to sustainable forest management or other types of engagement may receive a response; however, we have an internal policy not to respond to negative content when an educational opportunity or other avenue to a positive outcome is not readily apparent.

Within the audit reporting period (October 01, 2022 – August 31, 2023), Green Diamond's employees have engaged with their community in the following ways:

- Attendance and participation at state, regional, and local meetings, conferences, symposia, webinars etc.;
- Organization and participation in forest tours for the purpose of improving public understanding of forests and forest management;
- Service on boards, commissions, advisory councils, chambers of commerce, stakeholder working groups, watershed councils, etc.;
- Guest lectures and subjects of interviews for research projects, articles, and initiatives;
- Letters of support for mutually beneficial community projects such as Community Wildfire Protection Plans (CWPP), grant applications, and relevant legislation;
- Attendance and participation in trainings and seminars for continuing education;

- Sponsorship and attendance at fundraising events for local non-profits and auxiliary organizations;
- Notification and consultation during the preparation of timber harvesting documents, habitat conservation plans, and other programmatic agreements;
- Support youth and young professional forestry education and workforce development through participation in mentorship programs, classroom outreach, and social organizations.

The potential social and economic impact of Green Diamond's operations on our community is considerable, and worthy of resources to ensure we can monitor and engage with stakeholders in a timely and meaningful way. In 2021, Green Diamond established the Public Affairs Department, whose mission is to protect and add value to Green Diamond's stewardship legacy through enduring relationships, developing partnerships, engaging the community, advocating for sound policy, and communicating effectively. In California, the Public Affairs Department carries out its mission with a two-person team composed of a Community Affairs & Communications Representative and a Forest Policy & Communications Manager.

Working with the California Management Team, under the direction of the Vice President & General Manager, Public Affairs seeks to ensure community engagement is targeted and consistent with the company's core values and the Forest Stewardship Council's National Forest Stewardship Standard. At the state, regional, and local levels, our monitoring has confirmed that the principal areas of concern (as related to forest management) include fuel hazard reduction and escape routes, timber harvesting, herbicide use, and traffic safety.

Fuel Hazard Reduction and Escape Routes

We continue to identify priority areas for fuel hazard reduction projects and are engaged on many levels in the local community. Green Diamond's Forest Policy and Communications Manager serves on the Humboldt County Fire Safe Council, representing the Prescribed Burn Association where she serves as a board director. Green Diamond's Community Affairs Representative serves as an alternate for the timber seat on the Humboldt County Fire Safe Council as well as the Chair of the Buckeye Conservancy where she leads the Fire Education Committee. Through these interactions we can understand and prioritize actions in our local community through vehicles such as the Community Wildfire Protection Plan and grant funding opportunities.

In the Sproul Creek area, we have continued to work to restore the Gibson Ridge Fuel Break; a strategic area for defensible space that had been identified and treated by CAL FIRE several years ago. We are conducting this work at our own expense; it is not grant funded. 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 have completed a fuels treatment project in cooperation with Humboldt County to treat an initial 3 miles on either side of Bald Hills Road where Green Diamond and the Yurok Tribe's property lines are adjacent. The fuel break work completed by Green Diamond with the County of Humboldt ties in with work completed by the Yurok Tribe. All fuels treatment work is reported quarterly to CAL FIRE's Fire and Resource Assessment Program (FRAP) in order to aid in their goal to record and report acres treated for fuel hazard reduction.

We have executed a Vegetation Management Plan (VMP) contract with CAL FIRE to allow for restorative prescribed fire in the Williams Ridge (Bald Hills) portion of the property. It is our hope that this project is

executed by Fall 2024. Currently, we are partnering with the Humboldt County Resource Conservation District on a large-scale fuels management project in the McKinleyville Tract. This project seeks to utilize the CalVTP programmatic EIR to seek public funding for fuel hazard reduction in the wildland urban (rural) interface communities of Fieldbrook and McKinleyville.

We have engaged with local fire departments to identify alternate escape routes through Green Diamond owned lands, this process is ongoing. We have completed identification of an escape route on Fox Farm Road, working with Supervisor Madrone, to ensure local communities have an alternative route during emergencies. We have executed a Master Land Use Agreement with the Resighini Rancheria to provide an escape route in the event of evacuation in the event of fire, tsunami or flooding on Klamath River, as well identification of areas for gathering of acorns, maple bark, basket materials.

Timber Harvesting

In the wake of recent wildfire activity in California, public interest in timber harvesting and general forest management has increased substantially. Media coverage of forest management projects for fuels reduction activities and the introduction of prescribed fire have captured headlines across the spectrum of media outlets. Stories related to climate change and forest health have ensured a public interest in the management of both private and public forestlands. At Green Diamond, we have seen an increase in our invitations to participate, engage, present, or otherwise be involved with a number of initiatives and educational opportunities seeking to increase the pace and scale of fuels reduction projects in our community (via timber harvesting) including participation with Wildfire and Forest Resilience Task Force, Smith River Collaborative, North Coast Resource Partnership, Biomass Technical Advisory Group and a number of interviews with our leadership. Serving as a demonstration landscape, we have hosted 24 (formal) tours in the past year for the purposes of demonstrating how we balance our harvesting operations and our conservation program to achieve measurable, beneficial outcomes. Green Diamond's timberlands have been utilized to educate guests with an interest in timber harvesting activities including tribal partners, industry collaborators, agency representatives, and a full suite of classroom visits ranging from middle school to university students.

Herbicide Use

In regard to pesticide (herbicide) use, the Yurok Tribe and Sproul Creek neighbors have expressed concerns about practices related to location, timing, and intensity. 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 developed a notification process for our tribal partners that includes harvest plan maps and disclosure of intended treatments. We have also agreed to set up joint studies on Tribal and GDRCo lands to test alternatives to herbicides and are evaluating if Cal Poly Humboldt is the appropriate mechanism to facilitate alternatives research

We have engaged 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 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 Pesticide Policy (FSC-POL-30-001 V3-0).

Traffic Safety

Regarding traffic safety, we have received several complaints regarding pickups or log trucks violating speed limits and school bus traffic codes. In all cases, we acted by contacting the individual truck if it could be identified or by broadcast emails that such actions are unacceptable and will not be tolerated. Several contract log trucks purchased and installed onboard GPS tracking telematics solutions which has allowed Green Diamond to definitively corroborate or refute public complaints and act accordingly. Regarding speeding in the school bus stop zone along Maple Creek Road, we worked with the North Fork Lumber Mill to develop solutions that included new radar-controlled signage that we co-sponsored at \$3,000 each. Company personnel remove vegetation northerly of the school bus stop to increase the sight distance and we are engaged with the City of Blue Lake and have attended regularly scheduled Blue Lake Traffic Safety meetings throughout 2022/23. We are working with local partners such as North Fork Lumber Company to help find a solution to concerns around speed limits and the design of traffic flow. Ultimately, the decision to lower speed limits and change traffic routes is a function of Humboldt County Public Works, but through our engagement we can help seek improved outcomes for our local traffic safety by directing traffic and reminding our employees and contractors to mind their speed.

The residents of the Sproul Creek area expressed concerns about truck speed and deteriorating road condition as a result of our traffic and log hauling. We responded quickly by repairing several sections of the roadway and posted 10 mph speed limit signs in several locations on the roadway. We instructed employees and contractors to maintain slow speed both in and out of the road section. As a result, we received emails and phone calls from several of the neighbors thanking us for the prompt response and letting us know that trucks had since slowed down.

Stakeholder Outreach

We are available for stakeholder outreach meetings to discuss items of concern within local communities. For example, we engaged with members of the Jacoby Creek community in late September 2022 to discuss a harvest plan in preparation and concerns from the neighbors about noise from operations, truck traffic, fuel hazard reduction, and their continued access to the property for recreation. This meeting was attended by Green Diamond's Forestry Manager, the RPF of record, and the Forest Policy and Communications Manager. Modifications to our standard operating procedures, as a result of this meeting, include starting operations later in the morning and routing truck traffic away from neighborhoods where possible. The Jacoby Creek area is not typically scheduled for pile burning for fuel hazard reduction due to complaints from the neighbors about smoke; we are investigating other options such as mechanical treatments.

We continue to outreach to those seeking technical or professional level careers in forestry and natural resources. Green Diamond supports the Forestry and Natural Resources Mentorship Program, both through donations and personnel. Each year, multiple Green Diamond professionals volunteer as mentors to build year-long relationships with mentees (i.e., college students from six California universities and community colleges) interested in a natural resources career. 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 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 contractors. At the end of the program, they were all given certificates to buy loggers boots. We are active with the Forestry Institute for Teachers and host a

number of field tours for Cal Poly Humboldt's forestry and wildlife programs. We also had our Log Sales and Chip Facility Manager and our VP/GM participate in the Forestry and Natural Resource Career Mentorship Program sponsored by the California Licensed Foresters Association in 22/23. Within the program, mentors are paired with mentees to provide career advice and mentors must participate in at least one diversity, equity, inclusion, and justice training webinar.

Partnerships

Redwood Coast Mountain Bike Association

We have maintained a close relationship with the Redwood Coast Mountain Bike Association (RCMBA) through the continued use of the mountain bike course constructed on Green Diamond lands near Blue Lake and signed an additional agreement allowing the Association to build and maintain trails on the McKinleyville tract owned by the company. 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, with the Redwood Roots Enduro on June 24th, 2023, the Diamond Grinder on August 19th, 2023, and the Mad River Enduro on September 8th 2023. RCMBA is constructing additional trails in the McKay Community Forest and within the McKinleyville tract.

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.

California Forest Carbon Coalition

Green Diamond remains active in the California Forest Carbon Coalition (CFCC). 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 key California Air Resources Board (CARB) staff in review of the forest carbon offset program considering recent attention:

- <https://www.opb.org/article/2023/08/02/climate-change-carbon-offset-oregon/?fbclid=IwAR3wa1Cx42PJuZyFjGfaEAWMHYijPpCNtaYOLf3-jBDexoZG2rkAvW4BgPk>
- <https://www.cbsnews.com/video/western-wildfires-threaten-carbon-offsets/#x>

In January 2023, CFCC hosted the North Coast Forest Carbon Tour, in cooperation with the Yurok Tribe, for CARB Chair Lianne Randolph and several members of CARB's Environmental Justice Advisory Committee (EJAC). The goal of the tour was to discuss the value of forest carbon offset projects and the benefits brought directly back to the communities where these projects are developed. The tour focused on the Yurok Tribe's Sustainable Forest Project and the adjacent Humboldt Mixed Forest Improvement Project which was developed on Green Diamond lands. While these projects are separated by jurisdictional lines, they represent the beneficial impact of forest offset projects within the North Coast region with a total of 63,200 acres enrolled between the two projects.

Tribal Engagement

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 and reintroduction began in Spring of 2022. We worked with the Tribe to secure legislation that will harmonize state and federal regulations for the reintroduction project. CDFW has issued the Consistency Determination. As needs are identified, Green Diamond continues to partner with the Yurok Tribe to help with management of the introduced condor population. Earlier this year, Green Diamond cooperated in contingency planning to identify alternative areas for condor pens due to threats to condor from avian bird flu.

We are actively engaged with the Trinidad Coastal Land Trust (TCLT) and local tribal partners, including the Yurok Tribe, Trinidad Rancheria, Big Lagoon Rancheria, and Resighini Rancheria, regarding public access to and the permanent protection of Strawberry Rock and associated trail corridor. The Land Trust obtained funding for the purchase of the approximately 50 -acre conservation easement that includes the rock, a trail corridor, and a 24-acre stand of mature redwoods. We've met with TCLT and local tribal partners numerous times this past year to find a mutually agreeable path forward and have explored a variety of options. We currently have an option agreement with TCLT that has been extended through December of 2023, however TCLT has determined that they no longer wish to hold the easement due to the associated cultural sensitivity. Having met with representatives of the Seventh Generation Fund (SGF), we believe there is a pathway for SGF to hold the easement on behalf of the collective group of tribal interests.

Legislative and Regulatory Engagement

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 Waste Discharge Requirement (WDR) that was approved in 2006 and again in 2013, we were required to update the protection measures consistent with the Total Maximum Daily Load (TMDL) that was approved 2017. Negotiations with staff have been ongoing for four years to develop additional protection measures consistent with 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 requires 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 have reached out to Water Quality staff to clarify the protection measures. On August 31st, 2022, several members of Green Diamonds team hosted a field tour with two North Coast Water Board Members and several staff members with a goal of demonstrating current forest management strategies and beneficial outcomes for water quality. This tour served to deepen our understanding of water board directors and staff concerns, as well as to develop relationships with our agency partners for ongoing engagement.

Engagement with legislators, county supervisors, and agency representatives has increased in the past year with Covid restrictions lifted and the return of our ability to meet in person and host educational forest tours. In coordination with the California Forestry Association (CFA) and The California Forest Foundation (TCFF), we assisted with the planning of and participation in two legislative tours attended by members of the State Assembly and Senate, as well as local elected officials such as County Supervisors. This year's legislative tours were conducted in Santa Cruz area and Mount Shasta area; both tours were well attended and focused on challenges in the forest sector related to workforce development, post-fire restoration, fuel hazard reduction projects, and building capacity for utilization

of low value woody materials. Our legislative focus remains related to wildfire, fuels reduction, biomass utilization, firefighting resources, and related topics. Essentially, monitoring the priorities for the state of CA reveals that fire and homelessness are top priorities – and legislation related to fire has a direct impact on forest management.

We were also able to host two agency tours this past year, one for the CAL FIRE Forest Practice group and another for CA Natural Resources Agency staff. As agency and company staff change over time, forest tours offer an opportunity to be introduced to our regulatory partners while learning more about Green Diamond's operations. With the complexities associated with the company's numerous habitat conservation plans, programmatic agreements, FSC certification, and MOUs, we were able to help explain how our myriad permits and agreements are implemented in timber harvesting documents, monitoring reports, and associated permit compliance documentation.

Opportunities for Continued Improvement

This past year, Green Diamond applied to the CAL FIRE Forest Health Grant program for a Biomass Utilization and Forest Fuels Reduction project and another application to Business and Workforce Development Grant Program to support upgrading capacity in the Korbel Nursery; neither of the applications were accepted for funding. With the current goals set by both the California Wildfire & Forest Resilience Task Force and CARB's Natural and Working Lands plan to reduce fuel loading over one million acres per year, and a substantial amount of funding to support that goal, Green Diamond has an interest in developing projects to help meet this goal to help bolster forest health and resilience in our communities.

Even-aged management remains our primary silvicultural system. We do hear some complaints from the public regarding aesthetics. A more common question is "why don't you grow your trees older?" There is a common misconception that we harvest all 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 fire resilience, 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.

Tree sitters intermittently occupy several trees in harvest plan areas north of Strawberry Rock. Protesters have largely kept to themselves and have not materially affected operations upslope of the occupied trees. Disruptive activity in the last year includes construction of blockades made of branches on mainline roads, theft of fire box equipment such as shovels and axes from landings, and occasional unannounced presence in active shovel yarding areas. When this occurs, contractors and company employees immediately stop operations and contact the appropriate Green Diamond supervisor. The protesters are known as the Redwood Forest Defenders and have also been active in southern Humboldt protests of PG&E line clearing and at Jackson Demonstration State Forest. This group is active on social media, but we have not seen much coverage from local media sources. They have gotten some traction with the media from out of the area, including the LA Times:

- <https://www.latimes.com/california/story/2022-02-19/war-over-logging-redwoods-in-mendocino-county-state-forest-reignites>
- <https://www.latimes.com/about/shortdocs/la-times-short-docs-sentinels-123>