

Green Diamond Resource Company

Socio-Economic Monitoring Results

October 2019

Green Diamond takes great pride in our many programs that illustrate the Company's commitment to the well-being of our employees and our community. These programs are summarized below:

Community

- Spending in the local communities – We have analyzed our local spending and found that about sixty percent of our expenditures for goods and services were made in the local communities of Humboldt, Del Norte and Trinity Counties
- Community giving program – Each year the company provides support to a variety of community organizations. In 2018 and 2019 more than \$100,000 in giving was contributed to organizations in the local communities. The giving program is in the form of both cash and material contributions.
- Several major donations were made to the Forest Foundation, Breast and GYN Health Project, Veterans Resource Centers of America, Mad River Rotary Club and the Blue Lake Museum Society.
- Green Diamond contributed significantly to the 2019 annual Forestry Institute for Teachers. The in-kind contributions (time and materials) are estimated to be in excess of \$10,000. Foresters, wildlife biologists, and aquatic biologists as well as the Vice-President of the Company all participated in briefings with the teachers.
- Scholarships – Eight Mark E. Reed Scholarships, totaling \$24,000 annually, were awarded to college bound students that applied competitively in 2018 and 2019.

Employees

- Number of living wages jobs provided – Green Diamond provides jobs that are competitive with respect to compensation. In addition, all permanent positions have health, welfare, and retirement benefits. Total employment is reported in chart below.
- Safety training program – Safety is one of the five core values of Green Diamond Resource Company. The safety training program is comprised of a long list of training courses that are conducted for the applicable employees. A list of these courses is provided in the chart below.

Green Diamond Resource Co. Annual Employee Summary Report – 2018

Employee counts are based on the 15th of each month and include both Union and non-Union employees of California Timberlands, California Corporate and California Land Management employees residing in California.

2018	Employees
January	170
February	175
March	174
April	174

May	184
June	189
July	192
August	186
September	178
October	174
November	177
December	176

**Green Diamond Resource Company
Annual Safety Training Course Summary Report – 2018/2019
California Timberlands**

Accident Prevention Signs
Aerial Platform/Lift Safety
ATV
Battery Safety
Blood Borne Pathogens
Chain Saw Safety
Code of Conduct
Code of Ethics & Anti-Trust
Crane Training
Demonstration
Electrical Safety
Emergency Action Plan
Excavation/Trenching/Shoring
Fall Protection
Portable Fire Extinguishers
Fire Prevention Plan
First Aid, AED/CPR.
Forest Geology
Forklift
Fueling Safety
HAZCOM & Spill Prevention, Control, SDS
Hearing Protection
Heat Stress
HIPA
IIPP

LOA, Confidentiality
Lock Out Tag Out
MSHA Refresher
Naturally Occurring Asbestos
Non Supervisor HR Compliance Training
NSO/Raptor
Performance Reviews & Difficult Conversations
Pesticide Safety, Fieldworker
Pesticide Handler
Power Press
Personal Protective Equipment
FSC Training/HCP/FPR
Storm Water
Supervisory HR Compliance
Outdoor Work Hazards - Tick Testing Poison Oak
Vehicle Use
Welding
Wildfire Smoke
HAZWOPER Annual
Ergonomics Strain & Sprain Toolbox
JSA Review
DMV Pull Notice
Defensive Driving

Summary of Stakeholder Consultation

The Forest Management Plan anticipates that an Annual Summary of Stakeholder Consultation will be included as part of an Annual Socio-Economic Summary Report that is prepared by Green Diamond Resource Company for the previous years' stakeholder outreach, input and management considerations.

Direct Interaction with the Local Community

Social interactions are documented and entered into a Stakeholder Input Matrix so we can track any trends in concerns/issues. Any recurring themes or issues that are identified in the Matrix are discussed and evaluated by Green Diamond managers to determine the course of action (if any). We continue to outreach to the community via meetings and presentations. The following interactions have occurred since Oct 1 of 2018:

1. Updated our tri-fold brochure so that we can easily provide information to any stakeholder the on current company operations and practices. This brochure is now available at our Timberlands Office and for any of our educational/outreach events.
2. We hosted an educational booth at the 2019 Del Norte County Fair to educate the public about who we are and what we do.
3. We attended Resource Conservation District meetings in Del Norte County.
4. We attended and participated in Humboldt and Del Norte Farm Bureau meetings.
5. We are active members of the Buckeye Conservancy in Humboldt County.
6. We contributed funds and advertising to support the Crescent City Annual 4th of July Parade, Festival and Fireworks Show.
7. Supported the July 4th Garberville Chamber of Commerce fireworks.
8. Attended the all-county Chamber of Commerce mixer in Garberville.
9. Presented GDRCo informational PowerPoint to Southern Humboldt Rotary.
10. Staffed a booth and presented a PowerPoint at the Planet Humboldt sustainability conference.
11. Conducted a town-hall style meeting with the Sproul Creek Advocates Group.

Locally we continue to monitor the local and regional newspapers, radio, and on-line media, including websites and blogs of local organizations. We monitor and attend the Board of Supervisors meetings and frequently meet with local elected officials. We also interface with elected with our State and Congressional representatives, and have met with Assemblyman Wood, Senator McGuire, and Congressman Huffman on multiple occasions during the 2018/19 audit year.

Green Diamond staff is active in the community with membership in the Eureka, Blue Lake, Trinidad, Orick and Crescent City Chambers of Commerce; we are members of the Humboldt and Del Norte Farm Bureaus; Gary Rynearson sits on the Board of Directors of the California State Chamber of Commerce, , Humboldt County Forestry Review Committee, HSU Advancement Foundation, Buckeye, and the Humboldt County Farm Bureau. Peter Jackson is on the North Coast Regional Land Trust board of directors. Jim Hawkins is on the Professional Foresters Examining Committee and the HSU Forestry Advisory Committee. Keith Hamm is an appointed member of the Redwood Acres Fair Board. Our staff regularly attends Board of Forestry, Regional Water Quality, and Fish and Game Commission meetings. We also attend Air Resource Board and State Water Resources Control Board meetings on an issue- specific basis. We have also participated in activities and sponsored organizations such as the Mad River Alliance, Food For People, Betty Chin House, Redwood Coast Mountain Bike Association, Del Arte, and the Humboldt Folklife Festival. We are also a strong supporter of CASA as one of our staff is the immediate past chair.

We continue to organize and participate in tours The 2018/19 and tours focused on elected officials and agencies, and we plan to continue with more tours with local elected officials, agency staff, and local leaders/organizations in the future. In early October of 2019, we invited members of the Sproul Creek Advocates Group to participate in a tour of the Sproul Creek tract. This provided an interaction with local residents regarding potential impacts form herbicide use, log truck traffic and water quality impacts.

Also, GDRCo managers attend numerous meetings in the local area throughout the year. These meetings are both land use related (Elk River, Strawberry Rock, 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, Hospice of Humboldt, and State Cal Chamber) . Comments regarding Green Diamond and general comments regarding forest management are relayed back to our FSC coordinator.

The Company participated in the 2019 Redwood Region Logging Conference. Two employees serve on the Board and many Company employees helped with education day and education activities serving as tour guides, making presentations in classrooms, and leading tours with grade school and high school students.

In 2017, a group of employee volunteers started an annual tradition by planting a pumpkin patch next to the Korbel Nursery for employee's children. Any remaining pumpkins are taken to Betty Chin's Day Care Center, local schools and the Humboldt County Food Bank. In 201-8, volunteers added a vegetable garden and started planting an orchard. At least half of the vegetables in the garden were planted to meet the needs of the food bank. During the harvest season, Green Diamond makes weekly deliveries of produce to the local food bank.

Involvement with Schools and Teachers

The Company continues to provide field learning opportunities for Humboldt State University (HSU) students by providing tours to various parts of the timberland property including active logging operations. Multiple field trips were conducted throughout the year with classes from the geology, wildlife and forestry departments.

The Green Diamond Opportunity Internship & Scholarship Program started in 2017 with the purpose of expanding and enriching Green Diamond by supporting outstanding students from various cultural, ethnic, and socio-economic backgrounds, with diverse talents, interests, and life experiences whose educational pursuits align with our business. The Opportunity Program is intended to introduce to Green Diamond students who are currently pursuing academic degrees in an accredited college of forestry or natural resources and to help them achieve their academic goals.

In 2018 and 2019, several Green Diamond staff gave presentations at local schools about a variety of topics including forest management, logging, wildlife, fisheries, botany, and careers in the natural resources field.

Annually, Green Diamond plays a key role in the Forestry Institute for Teachers (FIT) tour. This natural resource education program designed to improve the curriculum of California's K-12 teachers. This is a great opportunity for the teachers to connect with folks from Green Diamond and learn more about us and what we do. Every year FIT receives feedback about the benefit of these interactions and the teachers would like to have more of us around at these events. Foresters, wildlife biologists, and aquatic biologists as well as the Vice-President of the

Company all participated in briefings with the teachers. 2019 marked the 25th year of the FIT program

In August 2019, Green Diamond staff volunteered to be tour guides at the Redwood Region Resource Rally. This one day program is focused on providing information for High School students regarding the extensive career possibilities in the Forestry and Natural Resources and Production Agriculture Industries on the North Coast. Emphasis is placed on potential career choices, educational requirements, specific job options, scholarships, internships and other resources available to students.

This year, Green Diamond Resource Company and the Redwood Region Logging Conference hosted a “Boots on the Ground” career day for high school seniors who are interested in working in the logging industry. High school instructors nominated 15 students who were not enrolled in college to attend. Green Diamond employees hosted a day in the woods to highlight activities conducted by active logging crews and then led a tour of the North Fork Lumber Mill. Students were able to speak with crews in the woods, mechanics and landing supervisors. Each student who attended was awarded a \$350.00 gift certificate for a pair of work boots. Green Diamond was the major contributor to the event and it was also supported by the FFA Advisors, the memory of Bob Chambers and Richard Jackson, as well as the Education Committee of the Redwood Region Logging Conference.

Membership/Volunteering in Local and Community Organizations

Employees throughout the Company serve on a variety of groups and boards within the community including:

- California Forestry Association, The Forest Foundation, CLFA, Cal Poly Forestry Advisory Committee, Buckeye Conservancy, Humboldt County Farm Bureau, Humboldt County Forestry Review Committee, CASA, youth sports, Humboldt County Hospice, Eureka Chamber of Commerce, California State University Agriculture Advisory Committee, California State Chamber of Commerce, UC Berkeley Center for Forestry Advisory Committee, College of the Redwoods Forestry Advisory Committee, Professional Foresters Examining Committee, HSU Advancement Foundation Board, Western Forestry and Conservation Association, North Coast Regional Land Trust, Humboldt Area Foundation, etc.

Memberships in local organizations include:

- Eureka Chamber of Commerce, Blue Lake Chamber of Commerce, McKinleyville Chamber of Commerce, Crescent City Chamber of Commerce, Orick Chamber of Commerce, etc.

Documenting Employee Interactions with Stakeholders

In an effort to document employee interactions with stakeholders, a form has been developed for employees to record forest management or business related interactions and input from stakeholders (see Appendix H). This form is available on the Company’s internal intranet site for employees to document their interactions with stakeholders. Completed forms have been

submitted to the FSC Coordinator who will conducted an initial review of the forms before providing appropriate comment forms to the management team.

Consideration of Stakeholder Input

Managers discuss issues that arise to determine if there are significant issues or trends, and to consider those issues that need potential follow-up action. These issues are discussed at monthly managers' meetings. A summary of identified trends and action items taken in response to these are summarized in the Social Impact Monitoring Report. Most calls and e-mail communications to the Company were resolved by a direct response to the initiator.

- In the fall of 2018 we received a call from the Northern Humboldt School District that one of our pickups was driving around a school bus with red lights flashing in the Orick area. We immediately sent out a company-wide email citing the vehicle code requirements for stopping in both directions when a school bus has flashing red lights. We also followed up with the staff at our Orick office and called the school bus coordinator at the District Office.
- In September of 2019, we observed a Facebook posting on the Blue Lake Community site that stated Green Diamond pickups and lumber trucks were driving too fast on Maple Creek road when the school bus was loading or unloading. We immediately sent out a broadcast email to all employees directing them to observe all posted speed limits with extra care in the area where school busses are loading. We are working with the County of Humboldt and the North Fork Sawmill to install new traffic signs in the area of concern.
- We also received two complaints against our FMU FSC Certification: one from EPIC in December of 2018, and the other from Humboldt Earth Guardians in July of 2019. The EPIC complaint was reviewed and none of the allegations we sustained. The outcome of the Humboldt Earth Guardians complaint is pending. Copies of our responses to these complaints are available upon request.

Interactions with Native American Communities

In addition to the Native American contact process associated with THPs, the Company also regularly contacts tribal communities to improve communications between tribal representatives and Company staff. These interactions are documented in the Stakeholder Input Matrix by the FSC Coordinator.

Between 2009 and 2019, Green Diamond completed a series of timberlands sales north and east of the Klamath River to Western Rivers Conservancy, which will eventually be transferred to the Yurok Tribe. A summary of these transactions is listed below:

Transaction	ACRES	Transaction Year
Yurok Phase 1A - Weitchpec & Cappell	5536	2009
Yurok Phase 1B& 1C - Pecwan	16731	2010/2011
Blue Creek Phase 2A	8502	2013

Blue Creek Phase 2B	6489	2015
Blue Creek Phase 2D	560	2015
Blue Creek Phase 2C	748	2016
Blue Creek Phase 2E	8577	2017
TOTAL	47143	

These land purchases will further the Yurok Tribe’s goal creating a block of ownership that they can manage within their reservation and ancestral territory while implementing a sustainable forestry program managed by the Tribe.

Over the past few years, Green Diamond has been engaged with the Yurok Tribe, Redwood National Park and the U.S. 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 worked closely with the Yurok Tribe to develop state legislation that will harmonize state and federal laws pertaining to “fully protected species” under California law. AB 2640 was authored by Assemblymen Jim Wood and was signed by the Governor on Sept 20th, 2018

The Company grants access to the Yurok Tribe for wildlife research and to install fish habitat enhancement structures in streams on company property, and coordinates with the Yurok Tribe on fisheries enhancement projects.

We have also had three meetings with the Yurok Tribe in 2019 that included discussions regarding herbicide use. We are continuing to work with Tribal staff to identify key areas of concern that would include gathering sites and water intakes. We have also agreed to identify areas on both GDRCo and Tribal lands where we can try experimental vegetation control methods. We have also identified joint projects with the Tribe that includes fuel treatments along the Bald Hills road and bear grass enhancement treatments.

Green Diamond has also had numerous communications with forestry and wildlife staff from the Hoopa Tribe regarding our Forest Habitat Conservation Plan (HCP), federal bird banding permit, and the Barred Owl Science Team.

In 2019, the Blue Lake Rancheria reached out to Green Diamond requesting a donation of Pacific yew wood. The Tribe is developing a STEM teaching program that will include the construction of traditional Tribal tools. The yew wood will be used for making bows.