

BOARDTALK



WILDFIRE – INFLUENCING CHANGES

MARK EMMERSON

Following several years of catastrophic wildfires with fires ruining air and water quality, damaging wildlife, and destroying homes, property, and timberlands, Sierra Pacific has made it our priority to seek and secure meaningful change in wildfire suppression and prevention.

While there is a lot of work in front of us, I am pleased with our progress.

One of our key initiatives is establishing a comprehensive fuel break network across California timberlands. Fuel breaks provide a number of benefits, including providing safe places for firefighters to fight fires when they do occur. We have over 2,000 miles of fuel breaks in place — enough to span the continental United States, with an additional 1,300 miles planned in the next couple of years. Notably, over 10,000 acres of these fuel breaks are situated within Wildland Urban Interface areas, underscoring our commitment to protecting vulnerable communities at the forest's edge.

SPI's investment in our fuel break system reflects our steadfast dedication to proactively safeguarding our landscapes and communities. We are working with our neighboring landowners to help ensure the fuel break network is across the entire landscape, and we anticipate expanding these efforts into our Oregon and Washington ownerships.

We have been working closely with Governor Newsom, CAL FIRE, U.S. Forest Service, and members of Congress on a variety of endeavors. Through our collective efforts,

we secured the transfer of seven C-130 air tankers to California for firefighting. CAL FIRE expects to have the first plane retrofitted for aerial firefighting this fall, with the remainder to follow in 2025.

As a part of our ongoing efforts to reinforce the importance of immediate response time during wildfire season, we have increased and improved our communication with CAL FIRE and U.S. Forest Service personnel at all levels. We have also supported more funding to hire and train firefighters. We must create and retain a skilled workforce dedicated to fighting fires and fuel reduction efforts.

When wildfires occur, it's equally important that we recover and restore the burned landscapes. After wildfires, SPI forestry teams immediately assess the damage and harvest fire-damaged timber, sending logs to our sawmills before trees decay and become hazardous. Our teams also plant seedlings and repair damaged roads and bridges. Last year, 4.3 million seedlings were planted on fire-impacted lands and we are planting even more this year.

Additionally, we're helping the U.S. Forest Service replant their lands after wildfire. Through a Stewardship Agreement, this Spring we have helped reforest 124 acres on the Eldorado National Forest that burned in the 2021 Caldor Fire, planting 26,000 seedlings.

SPI is also stepping up to help meet the increased demand for seedlings across the West. Currently, our crews at our new state-of-the-art conifer seedling nursery are sowing 6.1 million seeds. These seeds will be nurtured and grown over the summer, with the seedlings ready to be planted in 2025. We have aggressive plans to continue building this nursery to provide 25 million seedlings annually to meet the reforestation needs of SPI, the U.S. Forest Service, and other forest owners.

I firmly believe that our efforts to secure additional firefighting resources and collaboration with other parties to restore damaged landscapes have made a difference.

Reaching the current situation has been a process spanning several decades. Meaningful reductions in the damage and loss of life caused by wildfires require patience and ongoing engagement. SPI remains dedicated to seeking meaningful change. The health and well-being of our forestlands and communities depend on it.

Mark

SPARKING CAREER INTEREST IN SHELTON

SPI's Shelton Division organized a two-day event where 400 freshman from Shelton High school visited SPI to learn about natural resources, manufacturing, and the many other careers available at Sierra Pacific. The students were split into groups, each visiting one of the stations where they learned about different parts of the mill and processes. They then went back to the classroom where each group shared their experience.

This endeavor had various moving parts requiring planning and participation from many Shelton crew members. Thank you to all involved in making the event a success and showcasing with pride the opportunities available to local youth.



SPI Check Scaler Heidi Bowen shows the process of scaling logs to the students. Heidi shared her career path and how she supports the log yards in Washington State.



Safety Coordinator Chelsea Norton explains what steps SPI takes to protect Oakland Bay, part of the Salish Sea.



Planer Superintendent Louis Pinnell and Debarker Operator Johnny Rubey show an interested student how operators maintain the flow of logs entering the sawmill.

Wisconsin Students Learn Trade Skills & Build Homes for Those in Need

Through a partnership between the Merrill Area Housing Authority and Merrill High School, tech program students, also known as the "BlueJay Build Team," are getting hands-on experience while making a difference in their community.

These students are not just learning in the classroom; they're out in the field, building homes for families who need them. Students are also gaining valuable lifelong skills in trades like carpentry, plumbing, and electrical work.

Several local contractors donate their time to provide their guidance and expertise while local businesses donated materials to support the project. Sierra Pacific Windows donated all windows for the most recent BlueJay Build, which was started in 2021.

The now finished three-bedroom home has been relocated to a city-donated lot turned into subsidized housing for those in need.



SPOTLIGHT ON SUCCESS



RUSS LEE

AREA MANAGER, SONORA /
CHINESE CAMP

Russ Lee's career journey is a story of hard work, adaptability, and seizing opportunities. With 35 years' experience in the industry and 8 years with SPI, Russ has worked in various roles learning more about the Company with each step.

Starting as Plant Superintendent at Sonora, he worked about a year and a half before moving to Burney Division. While holding the same position in Burney, he was offered an interim Manager Position while the current Mill Manager took on managing the sawmill rebuild project. Russ stayed in Burney about a year and a half before applying for the open Manager position at Richfield Reman where he would stay 3½ years before accepting the Mill Manager position at Shasta Lake. In June of 2023, he would accept his current position of Area Manager landing back in Sonora.

Each position and move taught him something new about SPI and the company culture. By following opportunities to different facilities, he developed a better understanding for the why behind some of SPI's processes and an appreciation for the Company's success in vertical integration – our forests, sawmills, millwork, remanufacturing, and windows facilities incorporating systems to benefit each other for best total use of timber resources.

Russ attributes much of his success to the integrity and leadership examples set by Company ownership and management which he says trickle down through every level of the organization. Russ adds, "Every day I am reminded of all the good people we have working within this company. It's unique and something to be proud of." He also credits the unwavering support of his wife who has been a cornerstone throughout his life supporting his career moves when advancement opportunities were presented.

Hometown: Clipper Mills, CA

Family: Wife of 40 years, 3 children, 3 grandchildren. 1 Australian Shepherd.

First Job: Clean-up for my dad at his sawmill and stacking wood at my grandpa's shingle mill when I was 10. My cousin, Scott North (Centralia Mill Manager) worked there as well. It's all I've ever done – I've been in this industry my entire life.

Sports: Oregon Ducks, San Francisco Giants, 49ers and Sacramento Kings.

Looking ahead, Russ is excited to keep working with fellow crew members sharing both his successes and his mistakes. He believes it's important to pass on what he's learned to the next generation of workers in our industry.

For those wanting to follow a similar path, Russ advises working hard, being curious, and being willing to take on new challenges. He also stresses the importance of being open to opportunities and having mobility within the company, emphasizing the role of support systems like family.

Russ looks forward to his future with SPI setting goals to continue being fair, firm, and consistent and to make a positive impact on everyone he meets. Russ's hard work, attitude as a leader and mentor qualities contribute greatly to his success. We are proud to highlight Russ Lee as this quarter's Spotlight on Success.



Russ emphasized the importance of all the good people he has met and worked with throughout his career. Pictured are some of his crews – Shasta Lake (top), Richfield (center), Sonora (bottom).

Teaming up to address workforce needs



Sierra Pacific has teamed up with Feather River College (FRC) in Quincy, CA, to launch a new commercial driver's license program, aiming to address the growing demand for skilled truck drivers in the local job market.

The program, consisting of two classes during the spring semester, focuses on log and lumber truck driving, equipping students with essential skills for obtaining a commercial Class A driver's license. Working together, FRC and SPI ensure students receive thorough training, covering safe operations, pre-operation inspections, and key components of the Class A driver's license exam.

For rural areas like Plumas County, commercial trucking is crucial for industries such as timber and agriculture. Jared Morris, the FRC instructor leading the course, emphasized the program's value for local residents seeking affordable training options to meet the demand for skilled drivers among local employers.

Upon completing the semester, CDL program students have the opportunity to take their Class A driver's license exam for an unrestricted California Class A license – opening doors to careers in the trucking industry.

Joe Nelson, SPI's Trucking Division Manager, spoke on behalf of the Company's commitment to supporting educational initiatives like FRC's Class A licensing course in an interview with local paper The Plumas Sun stating: "By offering affordable training courses to county residents, SPI aims to cultivate a skilled workforce vital for sustaining local businesses in rural communities."

In addition to providing equipment for the program, SPI offers extra driving hours to students, allowing them to gain practical experience in commercial settings with different loads and road types.

We are optimistic of the partnership's potential to benefit the local community by providing valuable training and job opportunities!

Pictured from left: Jared Morris, FRC instructor; Rita Bunzel, SPI Workforce Coordinator, Plumas County; Leo McMichael, SPI Quincy trucking division supervisor; Derek Lerch, FRC dean of instruction; Carolyn Shipp, FRC internship director.

Company Updates & Investments

SPI continues its long-standing tradition of reinvesting in its people and manufacturing facilities. We highlight those investments aimed at improving or modernizing efficiencies within our mills that are, or will be, underway in 2024. While some will last just a few months, others will take a few years. These are very exciting times at SPI as we position ourselves, through strategic investments, as long-term leaders in the wood products industry.

Manufacturing

Capital Projects can be found across the entire company. Investments include new kilns at Quincy, Anderson, Burney, Aberdeen in 2024 as well as finishing up the new planer line at Anderson. Auto paper wrap machines to be delivered to select facilities this year and next as well as major upgrades to Eugene – including wrapping up the construction of the Truck Shop and Fabrication Shop (pictured) which will be followed by a new sawmill at the Eugene site being built through 2026.



Federal Forest Advisory Committee tour Eugene



In late January, SPI had the unique opportunity to host the Northwest Forest Plan Advisory Committee (NWFPAC) for an insightful tour of our Eugene sawmill. The tour not only showcased the mill operations and cogeneration facility but also emphasized the crucial role of sustainable and active forest management in our industry and surrounding communities.

The charge to the presidentially appointed Advisory Committee is to provide advice and recommendations to the US Forest Service as the department undertakes the first update to their 30-year-old Northwest Forest Plan.

Established in 1994, the Northwest Forest Plan is a federal forest management plan designed to balance the economic and ecological needs of the Pacific Northwest's forests. When originally drafted, the Plan prioritized large swaths of conservation with minimal management, believing at the time to be the most effective way to protect old-growth forests. The Plan also highlighted the need to ensure a sustainable supply of timber for local communities, like those we operate in along the West Coast. In total, the plan covers over 24 million acres of federal lands across Washington, Oregon, and California, and has had broad-reaching effects.

Now in place for over 30 years, impacts of the policies can be seen and felt in our communities and on the landscapes. We see the growing threats of wildfire, degradation and loss of wildlife habitat due to pests and disease, and the unsustainable pressure on communities to manage the loss of their milling infrastructure, associated businesses and jobs. With the Forest Plan undergoing an update, the committee could play a crucial role in identifying policies that will have impacts on sustainable forest management and the well-being of our local communities. With this goal in mind, it was our privilege to host the in-person discussion of how modern and active sustainable forest management directly relates to community and environmental resilience.

During the tour, committee members witnessed firsthand the advanced and sustainable practices employed by SPI. They saw how environmental stewardship, thoughtful and experienced crews, modern technology, community health, and thriving economies go hand in hand. The tour also highlighted the critical relationship between forest management and log supply on public timberlands and mills, reinforcing the importance of collaboration between federal forest managers, policymakers, and industry leaders like us, to ensure a balance between conservation and community needs.

The valuable exchange of knowledge and ideas from the tour continued into the next day as SPI testified during the formal committee meeting, reinforcing the importance of realigning the Northwest Forest Plan to a holistic and data-driven approach to sustainable forest management, ecological sustainability, economic vitality, and climate resilience.

Thank you to our Eugene Crew for supporting a great tour!



Forestry

Work is underway at our Siskiyou County Tree seeding nursery with Phase 1 of 3 consisting of 4 greenhouses, a process building and seed center. In 2024, the crew will sow and grow 6.1 million seedlings. This year the operation will employ 7 full time staff and up to 40 seasonal employees during peak season.



Windows

The Missoula, Montana Company Store is nearing completion with target move in this May. The 41,000 sq. ft of showroom, office and warehouse space will be the home for our team in Montana, and two additional tenants. Needless to say all the windows and doors in the building are Sierra Pacific!

MILESTONES

45 Years!

Glenn Roberts Eugene

40 Years!

Cindy Martin Red Bluff Millwork

35 Years!

Kenneth Alberts Eugene
Gerald Mitchell Lincoln
Craig Ostergaard Forestry

30 Years!

David Connair Window Sales - So CA
Todd Bower Red Bluff Millwork
Felix Trejo Anderson Main Office
Pete Scala Anderson Main Office

25 Years!

Duane Johnson Red Bluff Millwork
Leslie Clement Quincy
Nalin Maxfield Window Sales - Utah
Salvador Alvarez Richfield Reman
James Buckley Windows Red Bluff
Timothy Hubbs Quincy
Jeremy Szulczewski Windows Merrill - W St

20 Years!

Eric Wertz Forestry
Deek Huff Noti
Jose Melgoza Lincoln
Jesse Velez Aberdeen Sawmill
Alejandro Barajas Red Bluff Millwork
Micah Lee Sales & Service
James Knight Richfield Millwork
Duane Waltmire Windows Red Bluff
Terry Anders Trucking

15 Years!

William Henry Forestry
Michael Gore Eugene
Teri Packenham Windows Medford
Jeremy Kitchen Shelton

10 Years!

Joseph Starr Forestry
Jaycie Ruch Windows Medford
Santiago Hernandez Noti
Juan Tadeo-Alonso Windows Red Bluff
Justin Kormen Windows Red Bluff
Taylor Duckett Windows Red Bluff
Michael Howard Aberdeen Sawmill
Stephan Cullens Chinese Camp
Gustavo Cazares Burlington Sawmill
Michael Whitaker Sr. Burney
Bryant Jagers Window Sales - CO
Justin Jones Eugene
Jonathan Goffic Richfield Millwork

10 Years cont...

Ruben Chavez Windows Red Bluff
Dustin Newlove Quincy
Efren Lozoya Windows Red Bluff
Ezra Pope Windows Red Bluff
Katie Bjork Windows Medford
Thomas Takach Windows Red Bluff
Frank Vasquez Red Bluff Millwork
Danny Miller Burney
Juan Banales Burlington Sawmill
Alex McGreck Burlington Sawmill
Shelly Ward-Frawley Lincoln
Gary Rybowiak Window Sales - CO
Michael Hunter Chinese Camp
Kurtys Wright Noti
Omar Lozoya Sales & Service
Reyes Servin Red Bluff Millwork
Cesar Marin-Padilla Burlington Sawmill
Adam Tindall Lincoln
Francisco Lopez Lincoln
Michael Compson Jr Red Bluff Millwork
Guadalupe Alvarez Burney
Gustavo Rodriguez Oroville
Shon DuVall Windows Red Bluff
Kenny Rumble Red Bluff Millwork
Nathan Byrd Red Bluff Millwork
Clayton Miller Sonora
Lisa Perry Sales & Service
Terrance Dassow Windows Medford
Justin Farmer Window Sales - Nor CA
Jennifer Michlig Windows Medford

5 Years!

Edward McLaughlin Western Veneer
Scott Hudson Quincy
Jason Butcher Shasta Lake
Simeon Sampson Shasta Lake
Cassandra Molina Aberdeen Sawmill
Sharon Hommel Windows Medford
Jordan Hebert Windows Merrill - O St
Jessie Eisner Windows Medford
Carlos Hermenegildo-Estra Fab Shop Shelton
Jeremy Williams Windows Merrill - W St
Cody Alviar Centralia Sawmill
Eduardo Rodriguez Lincoln
Kollen Maxwell Red Bluff Millwork
Thomas Arndt Anderson Sawmill
Jasmin Lira Windows Red Bluff
Matthew Jennings Burlington Sawmill
Ryan Courtemanche Quincy
Cody Harris Shelton
Michael Finnegan Windows Medford
Troy Ables Trucking
Cody Kidd Forestry
Jadon Saulmon Oroville
Oscar Hernandez Richfield Reman
Hector Vargas-Sosa Burlington Sawmill
George Sandoval Burlington Sawmill
Kyle Showalter Sales & Service
Wayne Wiley II Shelton
Bruce Ingersoll Shelton
Dalton Gross Lincoln

5 Years cont...

Kelli Bacholl Windows Medford
Rutherford Burkett Eugene
Matthew Barreras Lincoln
Michael George Sonora
Jake Mann Aberdeen Sawmill
Antonina Panzica Window Sales - PNW
Juan Martinez Window Sales - AZ
Flor Herrera Red Bluff Millwork
Sam Montoure Aberdeen Sawmill
William Lawson Quincy
Zachary Hackett Lincoln
Jason Dalby Fiber Products
Jaace Cross Noti
Luis Banuelos-Hernandez Burlington Sawmill
Bryan Trumbull Quincy
Michael McBride Aberdeen Sawmill
Arthur Lyons Window Sales - AZ
Heather Lugo Windows Medford
Allan Jensen Anderson Main Office
Tabitha Jochimsen Windows Medford
Walter Catterlin Shelton
Jeremy Hurley Shelton
James Munro Centralia Sawmill
Adrian Rangel-Huerta Windows Red Bluff
Douglas Dulac Trucking
Lynne Harder Windows Medford
Ryan Talley Noti

*Celebrating a 5-year increment Milestone?
You may receive a text from a gifting
service called Snappy, at (415) 200-4077
with a link to receive a gift from SPI as a
small token of our appreciation for you
hard work and dedication to the Company!*

Thank you for your continued support. Glad to have you as part of our SPI family!

RETIREMENTS



DAVE BOWMAN

Dave retires after 28 years as a Programmer at the Anderson Main Office. Dave has a white board filled with honey do's, a new fifth wheel and grandkids that need visiting! Congratulations and enjoy your retirement, Dave!



DALE DARRAH

After 24 years with SPI, Dale retires from his position of Loader Operator at the Anderson Sawmill. He and his wife plan to travel and see all of the United States. He also plans to spend time cruising, golfing and taking trips with his family. Congratulations, Dale!



SCOTT DUNCAN

Scott retires from his position with Windows Sales out of Montana after over 26 years. He plans on spending retirement living large in his new shop making artwork and woodworking. He also plans to hunt, fish, hike, bike, and ski. Scott says he loved working at SP and will miss all the great people! Enjoy retirement, Scott!



BERT FACKRELL

After 36 years with SPI, Bert retires from the Anderson Sawmill. During his retirement, he plans to spend time with his grandkids going to the sand dunes. He is going to enjoy more time with his amazing wife of 42 years. Congratulations on your retirement!



GONZALO (GONZO) GONZALEZ

After 38 years with the Company, Gonzo retired from his position of Millwright at Chinese Camp. He plans on going on a cruise to the Bahamas soon and to visit his daughter in Texas. His family owns a restaurant in Angels Camp and plans to continue helping out there. Enjoy your retirement!



JON HAGEN

Jon Hagen retires from his Anderson Lumber Sales position after 41 years with Sierra Pacific. Jon plans to spend time with grandkids, travel in his RV, and continue his involvement in lumber industry social events. Best wishes, Jon!



LYNN HOLLAND

Lynn retires from her position of Stacker Operator at the Anderson Sawmill after 23 years with the Company. During her retirement, she plans on spending more time with family – no time for hobbies, her family is her hobby. Congratulations, Lynn!



PETE LOPEZ

Pete retires from his position as Saw Filer at Oroville after 24 years with the Company. He is looking forward to attending more of his grandson's ball games and plans to do more pheasant and deer hunting during the week now that he will have more time. Enjoy!



KEN REWERTS

After almost 24 years, Ken retires from his job as Programmer at the Anderson Main Office. Ken plans to spend time improving his bowling, even enter a few tournaments, and to do some traveling (owing his sister in Nebraska a visit). Ken might even take another cruise. Enjoy your retirement, Ken!



KELVIN NICHOLS-SMITH

Kelvin retires from his position of Log Feeder at Eugene after almost 14 years with the Company. He plans on working on projects around his house which will keep him busy for a while and adding a second workout to his fitness routine. He also plans to work towards becoming a certified fitness instructor.



JAMES PENDERGRASS

James retires from his position of Gang Operator at Oroville after 23 years with SPI. During his retirement he plans to do some fishing, gardening, traveling and raise his Maine Coon cat. Enjoy your retirement!



CHUCK PETERSON

Chuck retires from SPW Medford after just shy of 8 years with the Company. He plans to spend his retirement fishing, hunting and with his grandchildren. Enjoy your retirement, Chuck!



LORENZO UBIAZ

After 25 years with SPI, Lorenzo retires from his position at the Lincoln Sawmill. During his retirement, he plans to work on projects at home, work in the yard and think. He also plans to take a vacation to Peru. Enjoy your retirement, Lorenzo!



WALT WALTIRE

Walt retires from Red Bluff Windows after 18 years with the Company. He plans to first take enough golf lessons to finally beat his brother. Then he plans to spend more time with his three granddaughters and visit all the National Parks. Enjoy retirement, Walt!



EUGENE WESCOTT

Eugene retired from his position of Mechanic with the Red Bluff Trucking Division after 21 years. He and his wife plan to visit National and State Parks – with a trip already booked for Utah! He is looking forward to watching his grandkids play baseball and making a trip to meet their new great grandson. Congrats!

Health Benefits Retiree Plan

Retiring before you're eligible for Medicare?

Contact Health Benefits to find out about continued Health Benefits Coverage after you retire! We know everyone's situation is different and we're here to walk you through your options! Call us at (530) 378-8200.

BOARD TALK

GROWING FORESTS FOR OUR FUTURE.

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IMPROVEMENTS TO YOUR RETIREMENT BENEFITS!



We are excited to announce improvements to your retirement benefits that can boost your retirement savings and simplify your retirement plan starting this year, 2024. The two ways Sierra Pacific contributes to your retirement savings now provides more for you and your family:

- Receive a 100% Match on your contributions, up to \$3,000 each year*.
- Receive a Company Contribution, up to 2% of your eligible earnings*.

By contributing at least \$3,000 to your 401(k), you can now earn \$3,000 in Match. That's a 100% return on your investment! We encourage all crew members to use this benefit as an incentive to better prepare for your future retirement. Visit with your HR coordinator to make sure you are getting the most out of your retirement benefits!

Saving more now + SPI Contributions can better prepare you for your future.

Joe started saving 10% of his annual pay of \$60,000 when he started working at age 32.



Joe is now ready to retire at 62 and will have about \$663,000 from his retirement savings – But wait, Joe also received the Match of \$3,000 and Company Contribution of 2% each year.



With the help of Sierra Pacific's contributions, Joe now has about \$1,033,000 in his retirement account!

* Retirement Plan eligibility rules and requirements are detailed in the Sierra Pacific Industries Employees Retirement Plan Summary Plan Description. Changes to the Match and Company Contribution are effective starting calendar year 2024.

Assumes \$60,000 annual pay, saving 10%, with an average annual return of 6%. Includes wage increase of 3% each year. This is an example only.