



2023 Corporate Responsibility Report





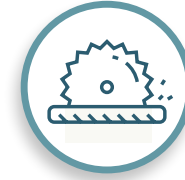
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PotlatchDeltic Overview



GROWING & HARVESTING TREES SUSTAINABLY



MANUFACTURING LUMBER & PLYWOOD



SELLING DEVELOPED & RURAL LAND



BEING PART OF THE SOLUTION TO CLIMATE CHANGE

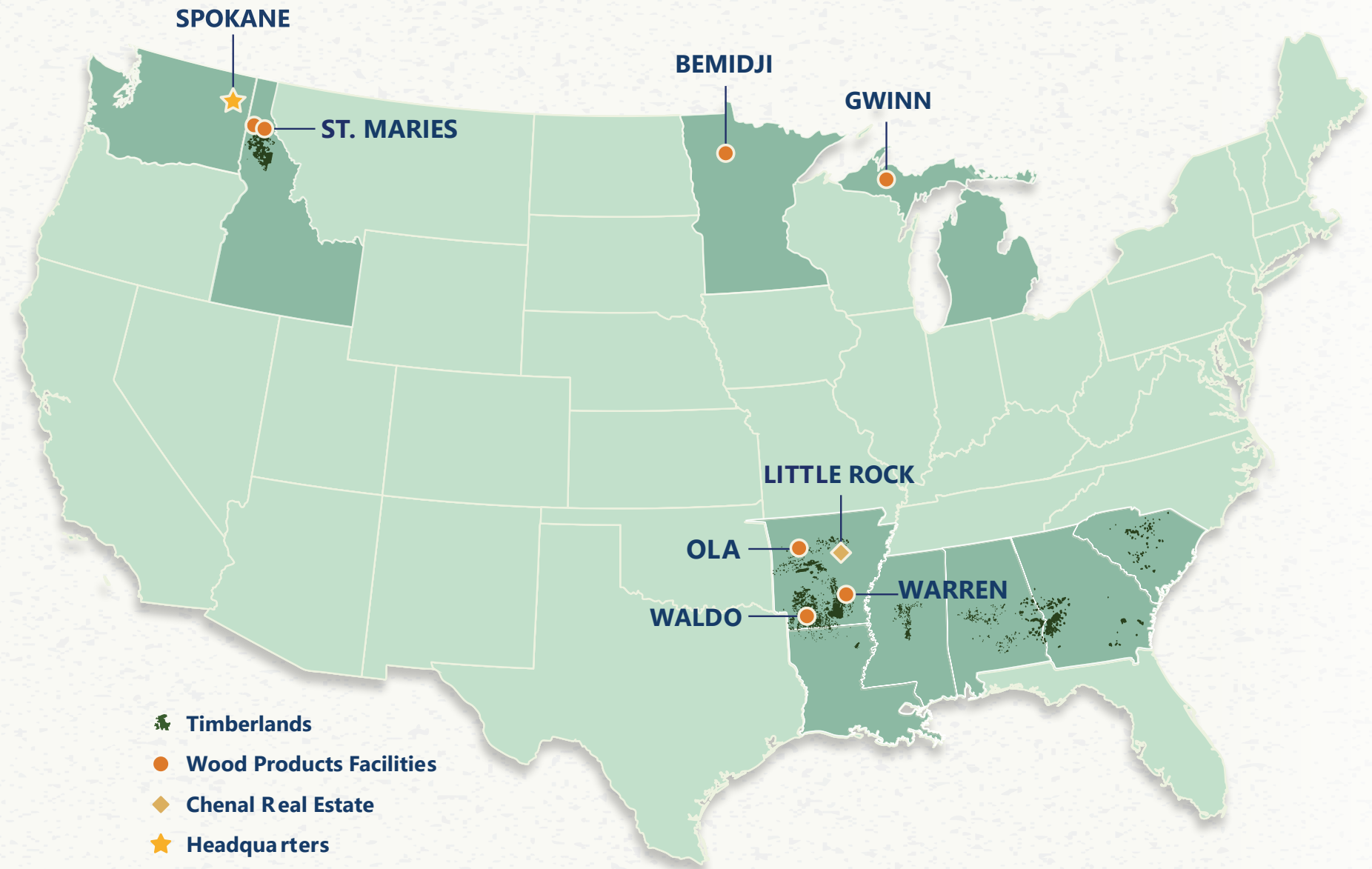
POTLATCHDELTAIC IS A \$4 BILLION TIMBER REIT THAT OPERATES IN THREE BUSINESS SEGMENTS: TIMBERLANDS, WOOD PRODUCTS, AND REAL ESTATE. WE OWN NEARLY 2.2 MILLION ACRES OF TIMBERLAND AND HAVE 7 MANUFACTURING FACILITIES THAT PRODUCE LUMBER AND PLYWOOD.

2.2

Million Acres of Timberland

7

Manufacturing Facilities that Produce Lumber or Plywood



Our Highlights

OUR CORE UNITED NATIONS SDGs¹



SUPPORTED UNITED NATIONS SDGs¹



FORESTS²

LONG-TERM SUSTAINABLE FOREST MANAGEMENT PLANS INCORPORATE **BEST MANAGEMENT PRACTICES**



FORESTRY PRACTICES

100% THIRD-PARTY CERTIFIED

PLANTED 30 MILLION SEEDLINGS

PROTECTED **8,311 MILES** OF RIVERS AND STREAMS

PROTECTED **ENDANGERED SPECIES** AND PROMOTED **BIOLOGICAL DIVERSITY**



PLANET²

ENVIRONMENTAL MANAGEMENT SYSTEM



RENEWABLE ENERGY

48% OF TOTAL USED AT FACILITIES

-6.4 MILLION METRIC TONS NET CO₂e REMOVALS

+ 41,000 METRIC TONS CO₂e SCOPE 1 AND **+ 59,000 METRIC TONS CO₂e LOCATION-BASED SCOPE 2 GHG EMISSIONS**

PHYSICAL CLIMATE RISK ASSESSMENTS

42% SCOPE 1 & 2 AND **25% SCOPE 3** GHG REDUCTION TARGETS **BY 2030**

PEOPLE²

WOMEN CONSTITUTE **32%** OF OUR TOTAL SALARIED ROLES

TEAM MEMBER DEVELOPMENT



ERG_s PROMOTE INCLUSION



VPP STATUS AT 4 OF 7 FACILITIES

OUR **WOOD PRODUCTS TCIR IS 1.9** OUR **SAFETY ASPIRATION IS ZERO** INCIDENTS

CONNECTED TO OUR **COMMUNITIES**

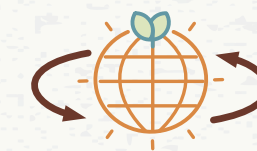
PERFORMANCE²

MAJORITY INDEPENDENT BOARD OF DIRECTORS

COMPREHENSIVE POLICIES REFLECT **OUR HIGH STANDARD AND ETHICS**



ENTERPRISE RISK MANAGEMENT FRAMEWORK, INCLUDING CLIMATE RISKS



FOCUS ON **HUMAN RIGHTS**



RESPONSIBLE SOURCING



SUPPLIER CODE OF CONDUCT

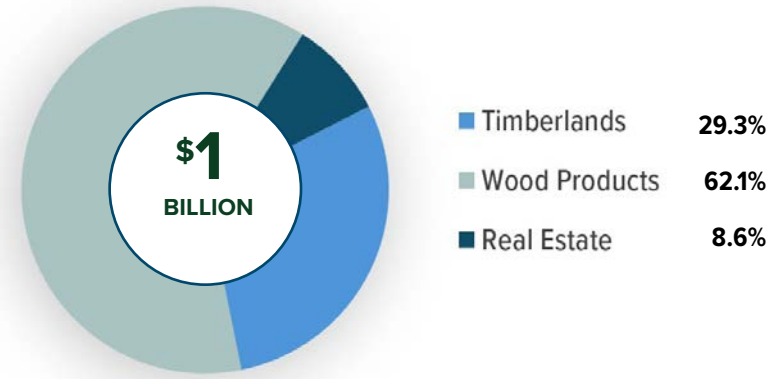


How We Create Value

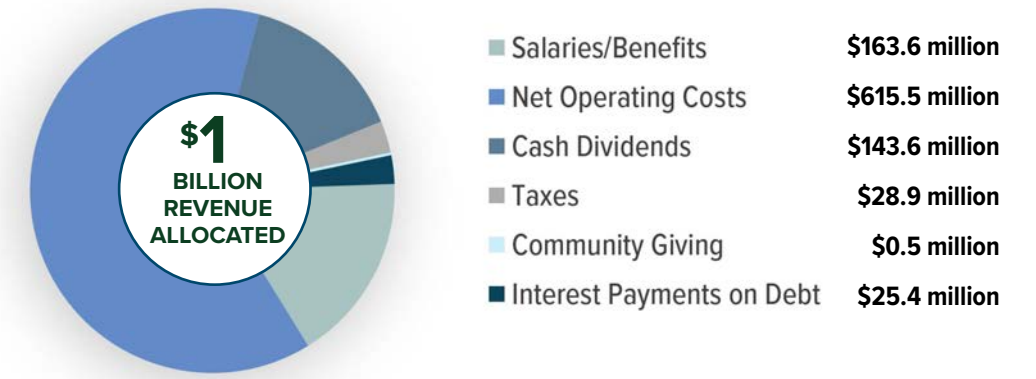
“PotlatchDeltic’s forests and wood products are part of the solution to climate change. Our timberland management promotes clean air and water, while providing wildlife habitat. The wood products we manufacture provide much more than just shelter – they are the foundation for peoples’ lives. Our local communities benefit from the wages, products, and services and taxes we contribute, which in turn bolster economic growth. Furthermore, our charitable giving and initiatives play a key role in supporting our communities.”

- Wayne Wasechek, Vice President and Chief Financial Officer, PotlatchDeltic

ECONOMIC VALUE GENERATED - 2023³



ECONOMIC VALUE DISTRIBUTED - 2023³



ECONOMIC VALUE RETAINED – 2023³ \$46.6 MILLION

OUR SUPPLIERS

3,903
Suppliers

\$615 Million
Procured Good & Services

OUR TEAM

1,384
Team Members

\$164 Million
Paid in Team Member
Salaries and Benefits

OUR CUSTOMERS

~299
Customers

1.1 Billion Board Feet
Lumber Shipments

OUR COMMUNITIES

\$455,000
Donations

\$29 Million
Taxes Paid

OUR SHAREHOLDERS

\$144 Million
in Dividends

\$25 Million
in Share Buybacks

45% Increase in Regular
Dividends Since 2012

PLANET⁴



6.4 Million Metric Tons
Net CO₂e Removals



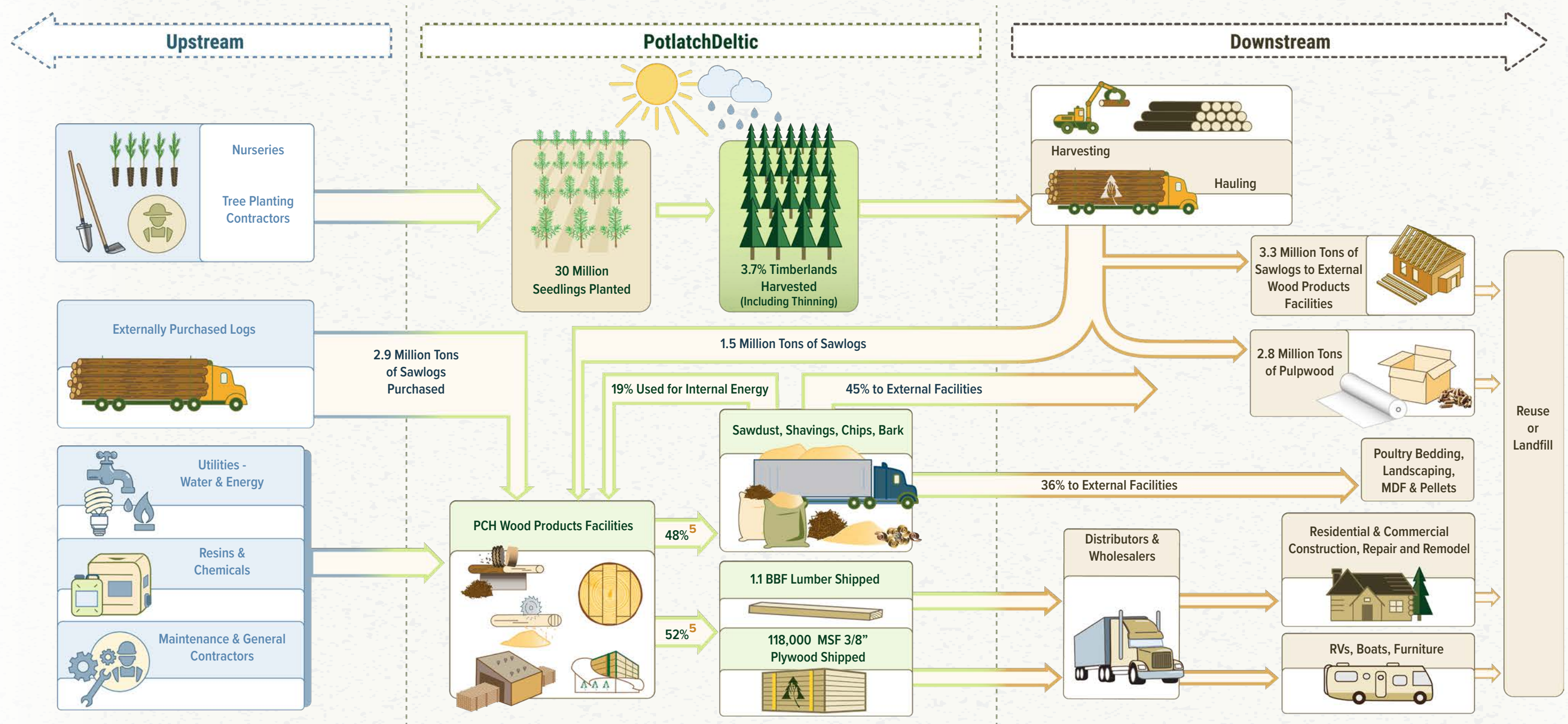
3.2 Million Metric Tons
CO₂e Storage



8,311 Miles
Streams Protected

Our Value Chain

Our value chain describes our fiber flows, byproducts, and end-use products in 2023. This includes fiber from our timberlands to external sources, fiber from our timberlands as a raw material for our wood products facilities, and externally purchased fiber for our wood products facilities. The value chain illustrates the flow of our byproducts - sawdust, shavings, chips, and bark - which we either used for internal energy or sold to external customers for a wide range of end-uses. We also provide our finished goods shipments of lumber and plywood to distributors and wholesalers.



Our Pillars and Goals

We believe corporate stewardship is not only the right things to do, but also crucial to securing the future of our industry and our leadership position in it. We execute our [mission](#) through the lens of our corporate responsibility strategy. This guides how we view sustainability in our business and across our value chain. Our corporate responsibility initiatives and goals are established within our four pillars: FORESTS, PLANET, PEOPLE, PERFORMANCE. We align our goals and accomplishments with the [United Nations Sustainable Development Goals](#).

PILLAR



FORESTS

Managing our forests sustainably and protecting water, wildlife, and species at risk.

INITIATIVE

Sustainable and Healthy Forests

We are committed to healthy and sustainable forests through forest stewardship.

Clean Water

We are focused on protecting water-related ecosystems.

Biodiversity and Wildlife

Our forest stewardship commitments include the responsibility to conserve wildlife species and their habitats.

Conservation

We recognize that some lands should be conserved as forestland in perpetuity.

GOALS

- Update our forest inventory regularly and maintain 100% [Sustainable Forestry Initiative® \(SFI\)](#) or [Forest Stewardship Council® \(FSC®\)](#) certification of our forests.
- Follow 100% best management practices.
- Apply the results of research to continually improve our forest management and resource conservation practices.
- Conserve and protect streams and water.
- Conserve wildlife, biodiversity and at-risk species through management practices and participation in the [Wildlife Conservation Initiative](#).
- Pursue conservation outcomes.



PLANET

Minimizing our environmental footprint and being part of the solution to climate change.

Environmental Footprint

We focus on responsible manufacturing and resource efficiency, emphasizing conservation and the use of renewable energy.

Carbon & Climate

We seek to maximize the benefits of working forests through providing solutions that help address the impacts of climate change.

- Continue the goal of 100% compliance with environmental requirements and permitting.
- Achieve reusing, recycling, or repurposing 99% of what could have been waste from our operations by 2050.
- Utilize 95% biomass for thermal energy by 2050.
- Disclose our carbon stocks, net carbon removals, carbon storage, and GHG emissions.
- Reduce Scope 1 and Scope 2 GHG emissions by 42% and work with our value chain to reduce Scope 3 GHG emissions by 25% from a 2021 baseline by 2030.
- Reduce energy consumption at our manufacturing facilities by 10% by 2030.
- Partner with our electricity suppliers, resulting in a transition to renewable energy sources that support our Scope 2 GHG emissions goal.
- Manage our timberlands to minimize fire risk and work collaboratively towards wildfire protection and response.
- Regularly analyze climate risks across our businesses.
- Support natural climate solutions policies and strategies and seek to grow carbon, wood products, solar, and forest bio-based market opportunities.



Our Pillars and Goals (continued)

PILLAR



PEOPLE
Empowering Team Members,
focusing on safety, and
strengthening our communities.

INITIATIVE

Diversity, Equity, Inclusion

We are committed to advancing, supporting, and preserving a culture of diversity, equity, and inclusion where every employee feels like their ideas and unique perspectives are heard and valued.

Hiring and Retention

We work to attract talent for our existing and future workforce.

Training and Development

We are focused on building a highly skilled workforce.

Safety

Our Team Members are our greatest asset, and we focus on their health and safety without compromise.

Community Engagement

We strive to support the communities where we work, live, and play.

GOALS

- Increase the representation of women and minorities in Wood Products leadership roles from 2022 levels by 2030.
- Foster the growth of employee resource groups, mentorships, allyships, and advocates who help deliver equitable career growth outcomes for all Team Members.
- Partner with Native nations on environmental and community initiatives.
- Increase recruiting partnerships with educational institutions ensuring that we are an “employer of choice” for future generations.
- Implement total reward strategies designed to meet the diverse needs of all Team Members.
- Aspire to achieve 40% diversity in Board representation by 2030.
- Support policies promoting the career growth of all Team Members and collaborate with educational institutions to create curriculums that actively support their personal and professional development.
- Achieve and maintain VPP or state equivalent status at all our wood products facilities by 2030.
- Achieve annual TCIR and DART metrics below our industry peers with demonstrated year-over-year improvement to build a safety culture that results in zero OSHA recordable incidents.
- Provide charitable contributions that impact our local communities and encourage our Team Members to volunteer.



PERFORMANCE
Prioritizing ethics, economic
contribution, operational
excellence, integrity, and
accountability in all we do.

Governance

We are focused on economic contribution and operational excellence. Strong environmental, social and governance practices, corporate responsibility transparency, and risk management are essential to delivering sustainable results.

Supply Chain

Responsible sourcing is a key component of our strategy.

Stakeholder Engagement

Communicate honestly, transparently, and on a timely basis with our stakeholders to build and maintain trust.

- Uphold our Corporate Conduct and Ethics Code, train our employees on ethics and integrity, and promote business integrity across our value chain.
- Respect and promote human rights and uphold our Supplier Code of Conduct.
- Maintain Board and committee oversight of corporate responsibility, regularly report on corporate responsibility, continue to embed corporate responsibility in goals and decisions, and expand corporate responsibility training.
- Complete annual enterprise risk management process with 100% of management team, including identification, mitigation, ranking, and incorporating corporate responsibility risks.
- Advance effective cyber defense programs to protect information and systems.
- Work with our contractors and suppliers on advancing corporate responsibility metrics.
- Ensure that 100% of fiber sourced at wood products facilities is purchased from certified land or certified to another wood fiber standard.
- Communicate company activity with our stakeholders including Team Members, investors, customers, and communities.
- Work to build relationships with federal, state, and local representatives and organizations.
- Actively participate in organizations that promote standards and building codes to support building with wood products.
- Work with industry associations towards advancing policy and research that supports sustainable working forests and building with wood.



FORESTS

Managing our forests sustainably and protecting water, wildlife, and species at risk.

OUR INITIATIVE

Sustainable and Healthy Forests



The forest management cycle combines decades of biological knowledge with technical advances in forest management. We manage our forests using 50-year strategic management plans based on harvest schedule models and a detailed inventory of our timberlands. Foresters prepare five-year tactical plans of tracts for silviculture work and harvest based on the strategic management plan. Tracts are then moved into annual operating plans with site-specific prescriptions.

Our forest management practices are driven by our objectives for sustainable timber production and for environmental protection. We adhere to a combination of legislation, regulation, best management practices (BMPs), and voluntary certification standards. We use a comprehensive timberland environmental management system (EMS) which focuses on continual improvement in achieving our sustainable forest management objectives.

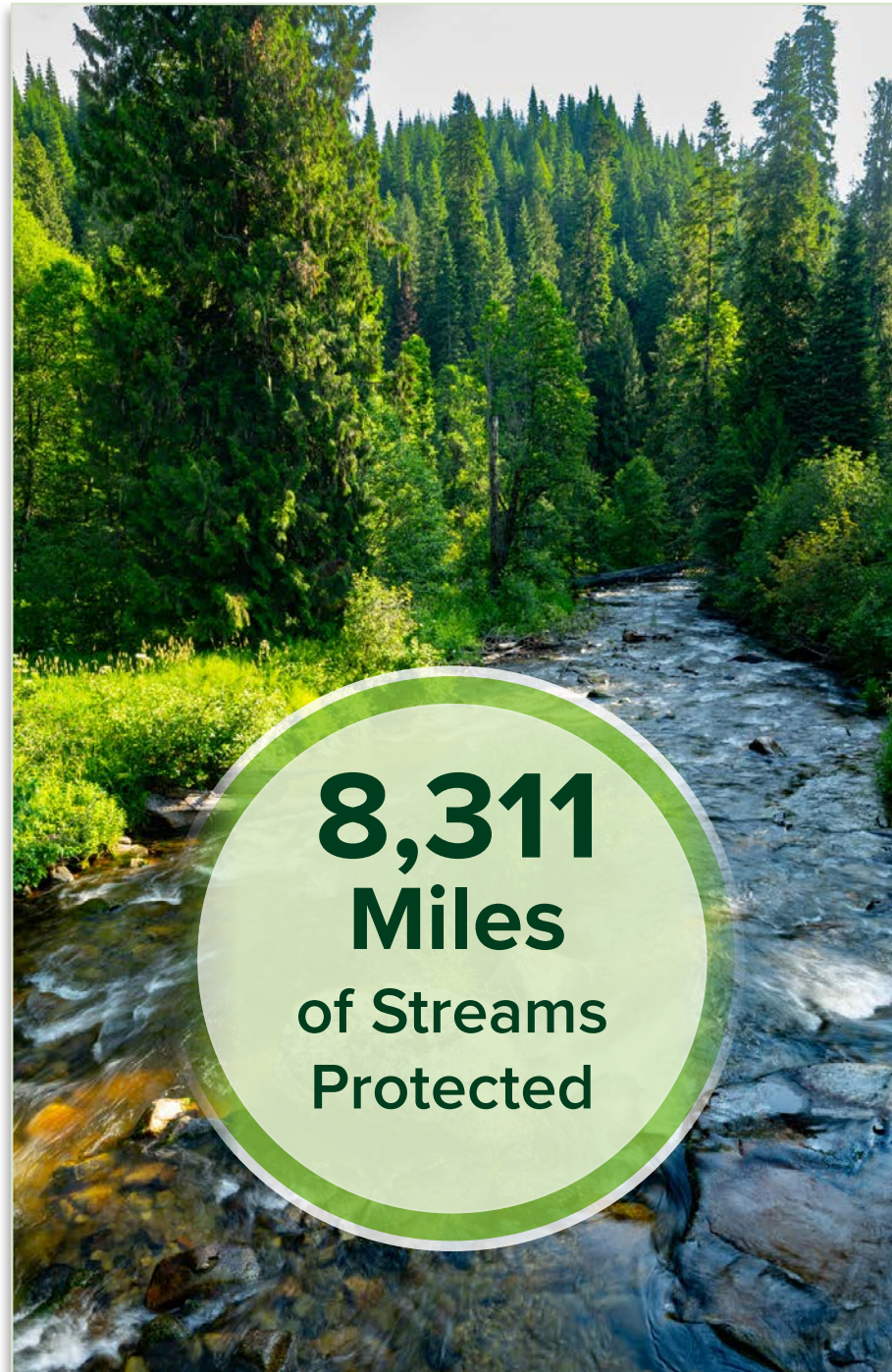
We seek to maintain the health of forest soil, protect water quality and aquatic habitat, and promote biodiversity. Our forests are third-party certified to verify that we have utilized science-based stakeholder developed forest management practices. In addition to third-party audits, we conduct annual internal audits on our forests.

[Learn More](#) 



OUR INITIATIVE

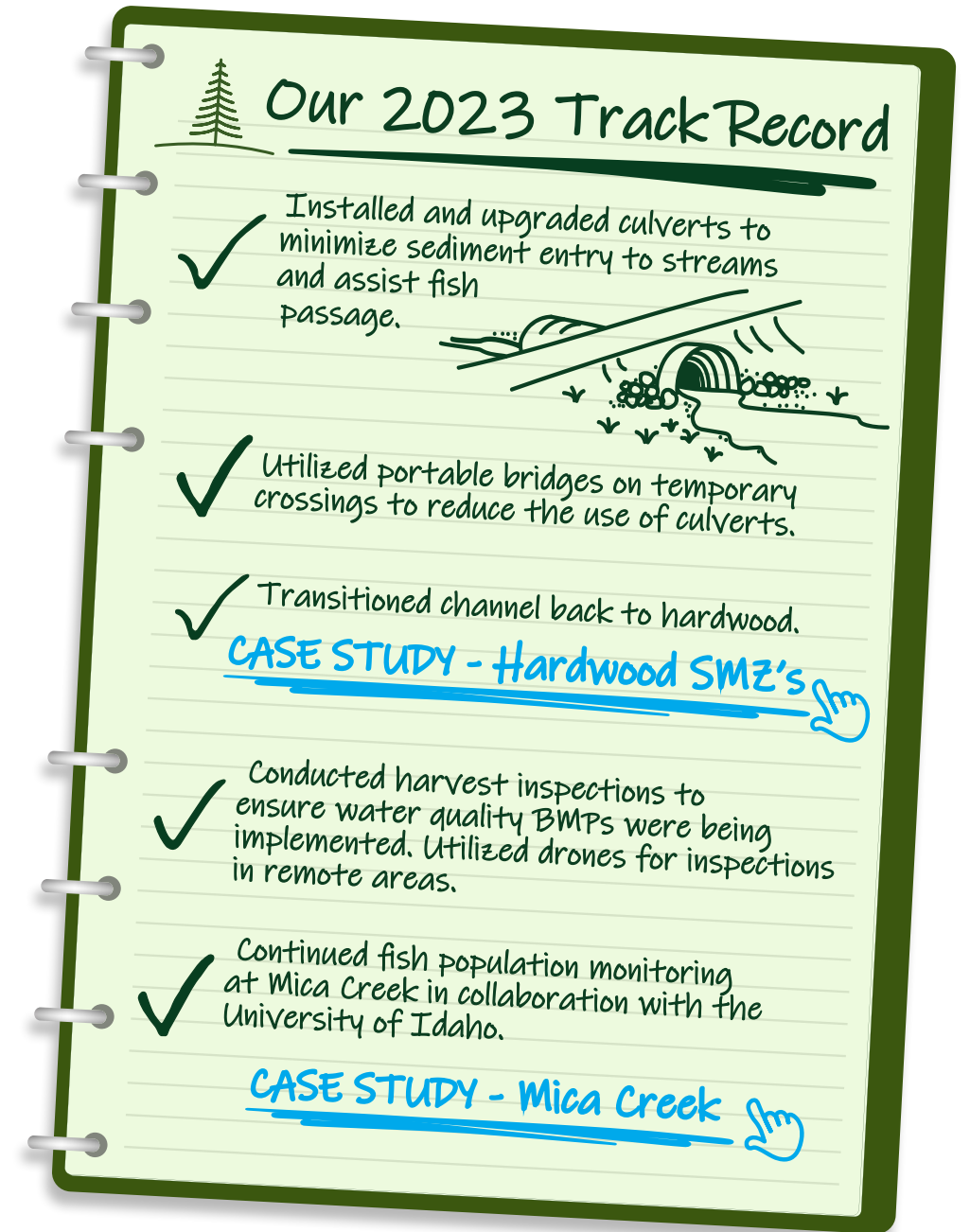
Clean Water



The role of our water quality BMPs is to conserve and protect water-related ecosystems by minimizing sediment through the filtering ability of natural vegetation and erosion control measures. Water quality BMPs include leaving streamside management zones (SMZs) during harvest, properly designing and constructing logging roads, and planning and monitoring harvesting activity. SMZs are undisturbed buffers along our streams. Riparian areas are also important areas for wildlife species and SMZs can provide wildlife with favorable habitat and travel corridors.

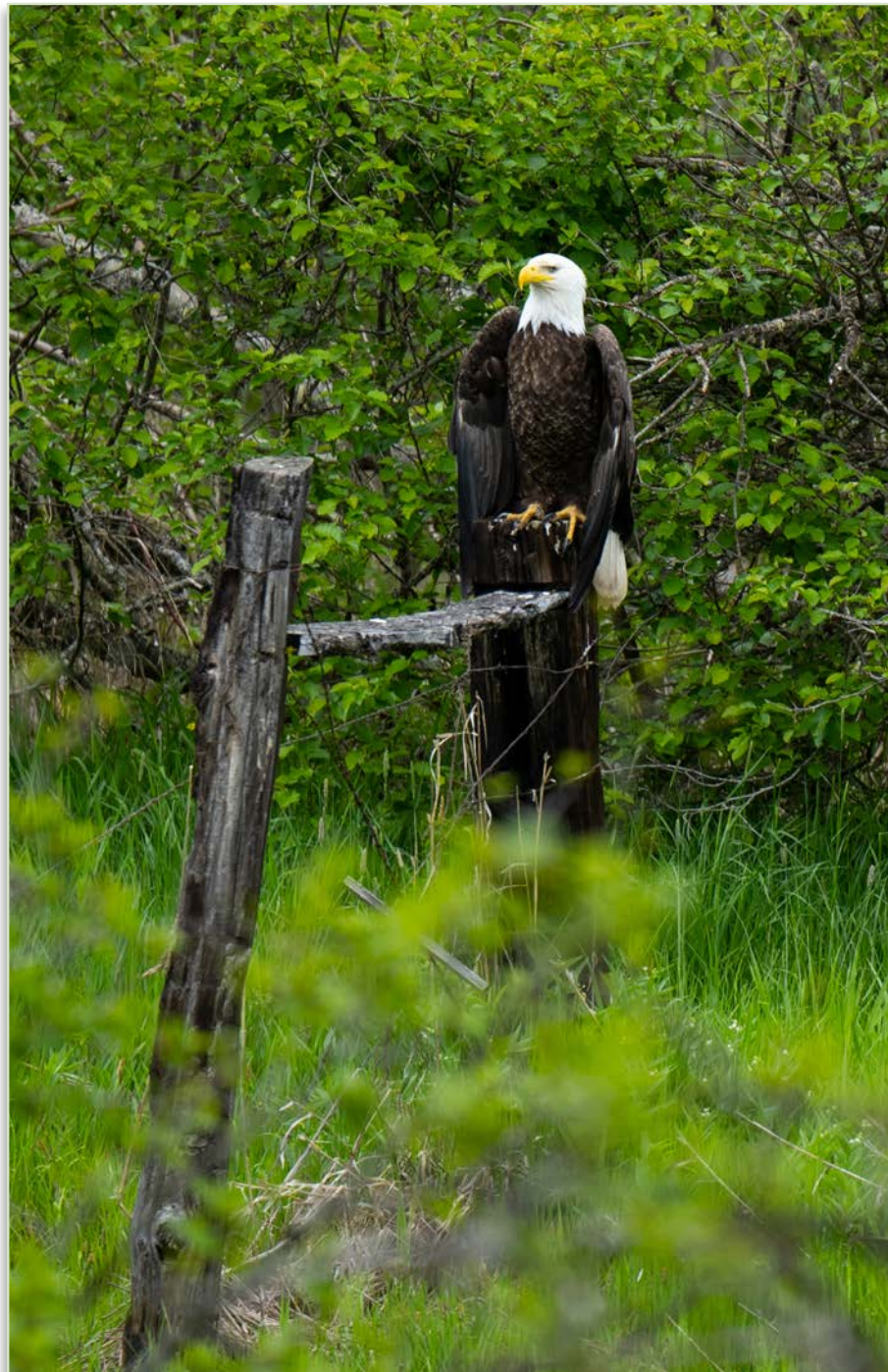
Our annual forest management activities within our EMS include initiatives to preserve or improve our SMZs. We also participate in research to continuously improve our water quality BMPs. As roads are constructed or maintained, foresters design them to minimize stream crossings. If roads do cross streams, foresters implement BMPs to minimize stream sediment and provide for fish passage using bridges or culverts. Contractors are trained annually on our BMPs. Contractors are required to use the proper equipment and logging techniques to protect water quality and foresters conduct logging inspections and audits.

[Learn More](#) 



OUR INITIATIVE

Biodiversity and Wildlife



Forests are diverse ecological systems with habitats for plants, animals, and organisms. Active forest management is a valuable tool for creating and maintaining a wide range of biodiversity benefits, enabling forests to stay healthy and productive. Our commitment to conserving biodiversity on our forest lands is based on a recognition that well-managed working forest lands provide a broad range of habitats for aquatic, avian, and terrestrial biodiversity.

Our foresters and wildlife biologists maintain and enhance biodiversity through landscape-level management, stand-level diversity, and protection of ecologically unique sites or species. We commit to the protection of species at risk and have entered into habitat conservation agreements to protect endangered species. We also work within the [Wildlife Conservation Initiative](#) (WCI) to implement science-based conservation for at-risk species. We have a long and continuing commitment of investing in and utilizing research to improve biodiversity, conservation, and environmental protection. In addition, we actively advocate for laws and regulations that protect fish and wildlife and promote practical approaches that recognize the benefits of working forest lands.



[Learn More](#) 



OUR INITIATIVE

Conservation

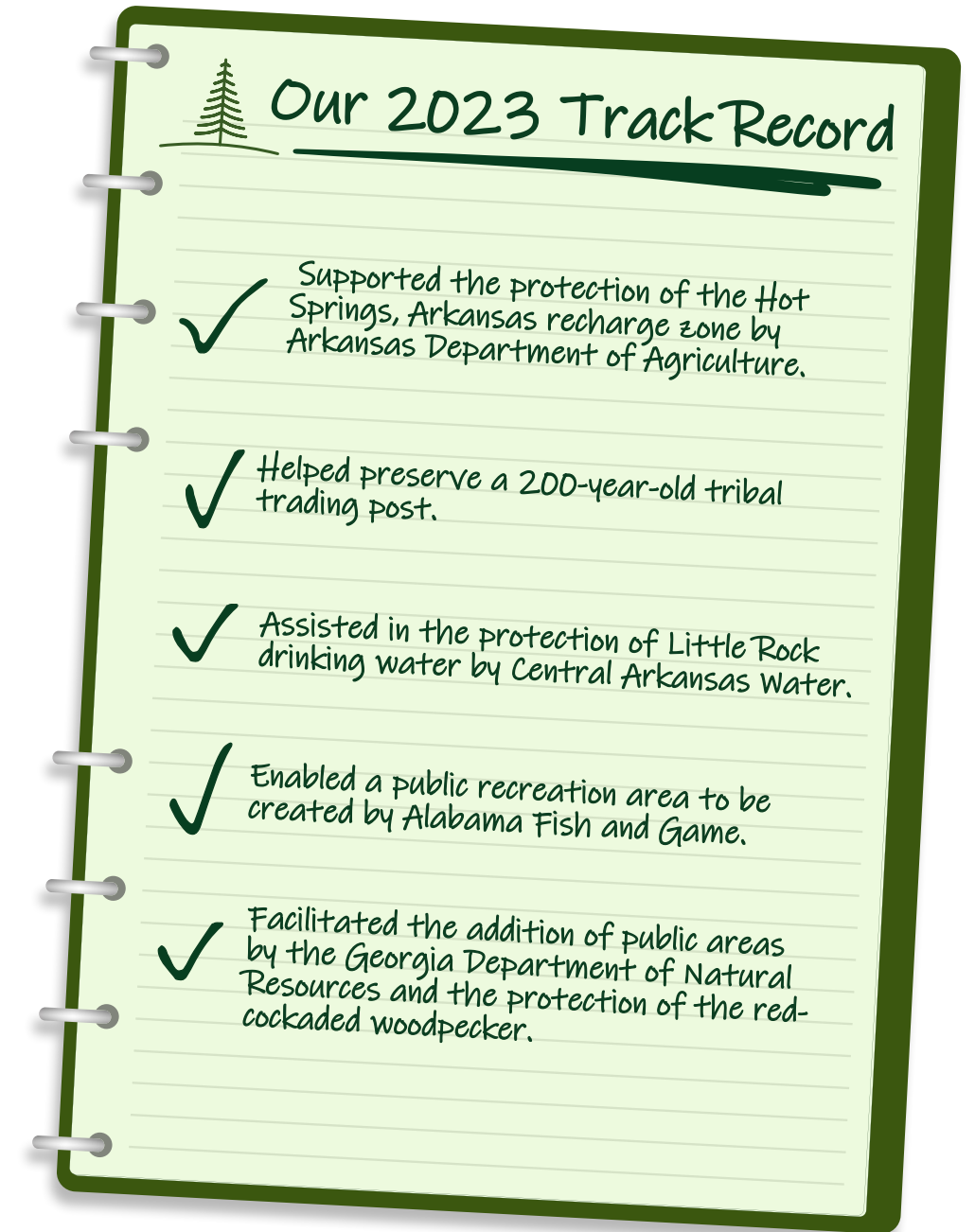


Our rural land sales efforts have focused on lands that we have identified as non-strategic or that have a higher and better use than timberland management. These higher uses can be the result of conservation objectives, demand for rural recreational real estate, or other uses.

We are proud to have significant conservation outcomes from our rural land sales, totaling over 253,000 acres since 2004. More recently, since 2018, approximately 65% of our rural land sales acreage has been for conservation outcomes with nearly all the remaining 35% for recreational purposes.

Rural recreational land transactions provide an opportunity for neighboring landowners to increase their ownership and for buyers to find a place where they can get away to a rural home and enjoy the outdoors. Recreational land buyers often have a management plan for wildlife habitat on the property and may obtain a related income stream from active timber management. These transactions can provide the owner a legacy of land ownership and can introduce future generations to the benefits of the outdoors, timberlands, and wildlife.

[Learn More](#) 





PLANET

Minimizing our environmental footprint and being part of the solution to climate change.

Our Initiative

Minimizing Our Environmental Footprint



99%
Wood Residuals
and Waste
Diverted from
Disposal

PotlatchDeltic wood products facilities operate subject to stringent limits and legal requirements within various environmental permits and regulations that are in place to protect air and water quality for human life and the environment. We have procedures and programs in place to comply with all applicable environmental laws and regulations and an environmental compliance management system (CMS) establishes best practices, programs, and procedures that strive for 100% compliance. The CMS provides a standard framework to promote reliable environmental compliance in alignment with our Environmental, Health, and Safety Policy.

We pursue continual improvement in the reliability of our compliance assurance programs through Team Member training, process monitoring, systematic performance evaluations, and through regular internal compliance audits and corrective action processes. We are committed to protecting air quality and work to minimize air emissions. We consider water stewardship to be a critical commitment, and we make efforts to reduce, reuse, and recycle water. We recognize the need to manage waste and strive to reduce the amount of waste we create, repurposing or recycling it whenever possible.

[Learn More](#) 

Our 2023 Track Record

- ✓ Participated in 3 internal audits.
- One Notice of Violation for air emission testing issues at Waldo - corrective actions completed.
- ✓ Reduced landfill waste through improved tracking, increased emphasis on recycling, reductions in wood waste, and waste glue reduction.
- ✓ Environmental committees set goals, communicated progress, identified environmental improvements and developed corrective and preventive actions.
- ✓ Completed a water balance study to improve the usage and tracking of water.
- ✓ Made capital investments at wood products facilities to improve product yield and reduce waste.

Starting rollout in 2024 of online environmental data platform!!



Our Initiative

Our Carbon Stocks



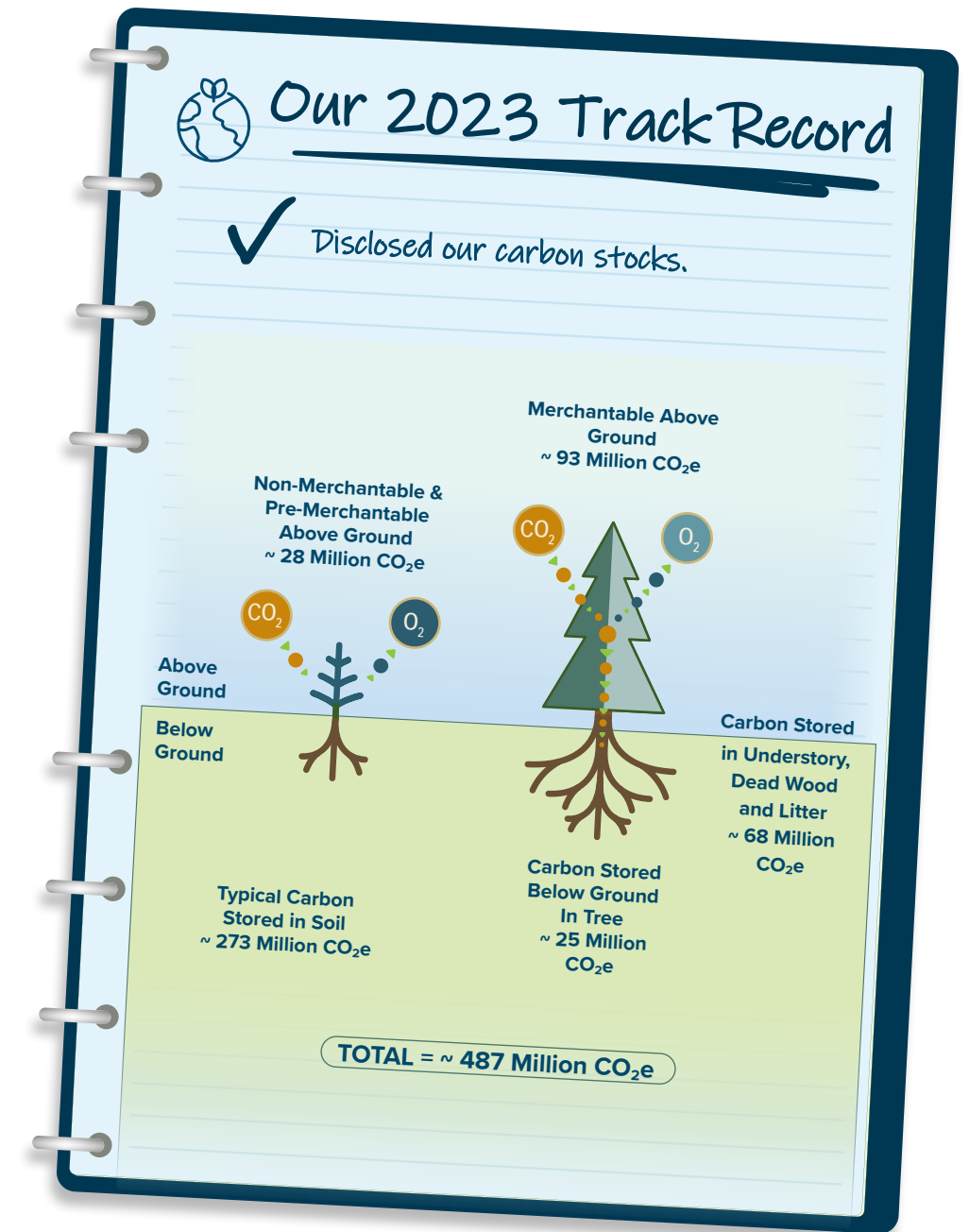
Sustainably managed forests combat climate change through carbon removal, storage, and cycling. Trees absorb atmospheric carbon dioxide through photosynthesis and store it. Using wood products for building stores tree carbon and using biomass for energy or a bio circular economy retains carbon within a natural loop.

We have divided our forest carbon stocks into three pools that allow us to track our carbon inventory and to follow and account for stored carbon when timber is harvested. The three pools are: 1) merchantable portions of trees, 2) above ground non-merchantable portions of merchantable trees and pre-merchantable trees, and 3) below ground portions of all trees (excludes soil carbon).

Our forests, on all lands owned at the end of 2023, stored a total of ~146 million metric tons of CO₂e in all three pools. Merchantable above ground portions accounted for ~93 million metric tons of CO₂e, ~28 million metric tons of CO₂e were in pre-merchantable above ground portions, and ~25 million metric tons were in below ground portions of trees.⁷

Our ownership is storing ~341 million metric tons of CO₂e in soil carbon, understory, dead wood and litter.

[Learn More](#)



Category	Description	Estimated Proportion of Total Forest Carbon	Calculated to a Single Value (MTCO ₂ e)
Live Tree Carbon	All carbon stored above ground and below ground in live trees	30%	~ 146 Million
Soil Carbon ⁸	Carbon stored in soils	56%	~ 273 Million
Other	Understory, dead wood and litter	14%	~ 68 Million

Our Initiative

Our Carbon Record

Our carbon and greenhouse gas (GHG) accounting methodology tracks removal of carbon from the atmosphere, storage in standing trees, storage in end products, and GHG emissions from forest management, harvesting, hauling, and manufacturing. While established protocols exist for calculating greenhouse gases, there is currently no formal protocol for land sector removals. Our approach is consistent with the methodology used by some of our peers. Our removal results or methodology may need to be restated if a formal methodology is adopted.

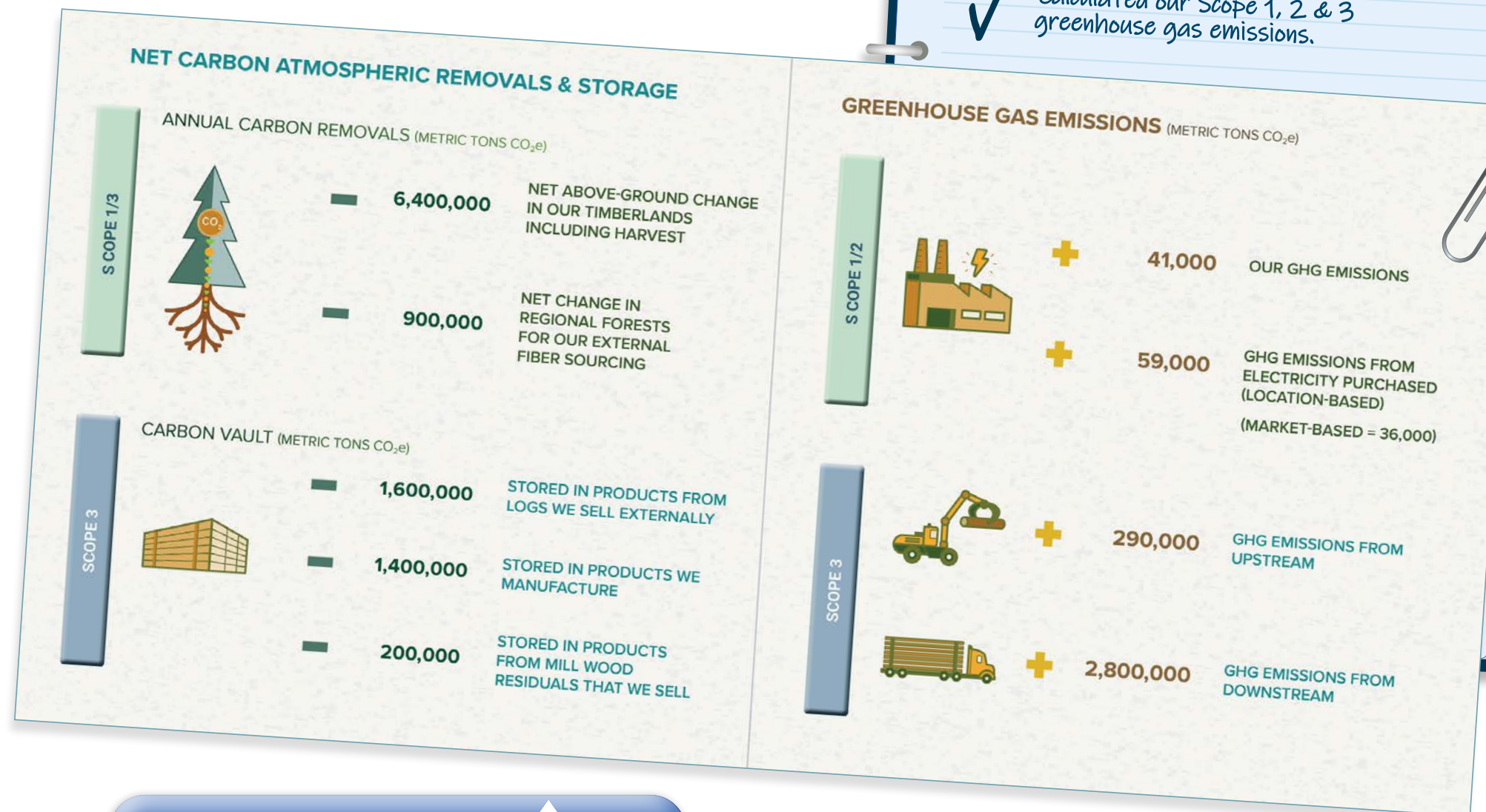
Our net annual atmospheric carbon removals include the growth and harvest on our timberlands and our share of the change in carbon in the standing stocks of trees of other landowners in the procurement basins from which our mills source logs. In 2023, total net above-ground carbon removal was 6.4 million metric tons of CO₂e, including harvest and other inventory adjustments and an additional 5.2 million metric tons of CO₂e from a calibration of our southern growth models. The combined contribution in the net change in atmospheric carbon for non-owned forests where we source fiber was a removal equal to approximately 0.9 million metric tons of CO₂e.

Carbon storage values include the products we manufacture, and products manufactured by others from our logs and mill residuals. In 2023, the total stored from these sources was 3.2 million metric tons of CO₂e.

Our consolidated 2023 Scope 1 emissions were approximately 41,000 metric tons of CO₂e. Our consolidated location-based Scope 2 GHG emissions were approximately 59,000 metric tons of CO₂e in 2023. Consolidated 2023 Scope 3 emissions were approximately 3,100,000 metric tons of CO₂e.

Our 2023 Track Record

- ✓ Disclosed our carbon removals and product carbon storage.
- ✓ Calculated our Scope 1, 2 & 3 greenhouse gas emissions.



[Learn More](#)

Our Initiative

Greenhouse Gas Reduction Initiatives



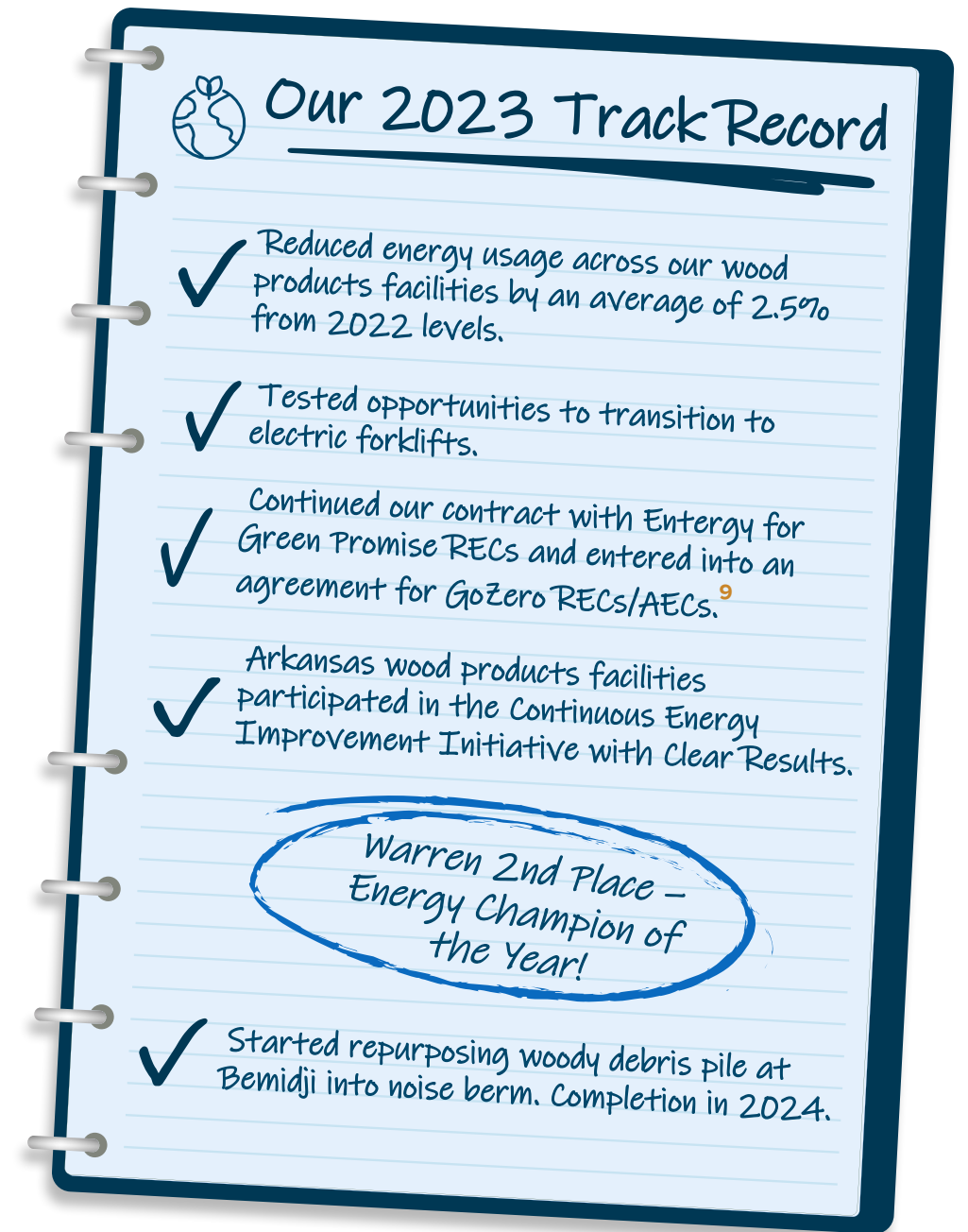
We have established a 2030 GHG emissions reduction target for our Scope 1 and Scope 2 emissions of 42% from a 2021 baseline. The 2021 baseline has been recalculated to include the estimated impacts of the merger with CatchMark.

Our reduction target is in accordance with requirements to keep global temperature increases to less than 1.5°C compared to pre-industrial levels. Reduction plans include the elimination of woody residuals storage, a shift to electric forklifts where practical, and use of renewable energy credits. We also committed to a goal to achieve net-zero GHG emissions by 2050. Within our Scope 1 and 2 emissions, this would require conversion of the natural gas boiler and direct-fired kiln burner at Gwinn, conversion of the new direct-fired kiln burner at Ola, and the use of additional green energy credits.

We have established a 2030 GHG emissions reduction target for our Scope 3 emissions of 25% from a 2021 baseline. This reduction target is in accordance with requirements to keep global temperature increases to less than 1.5°C compared to pre-industrial levels.

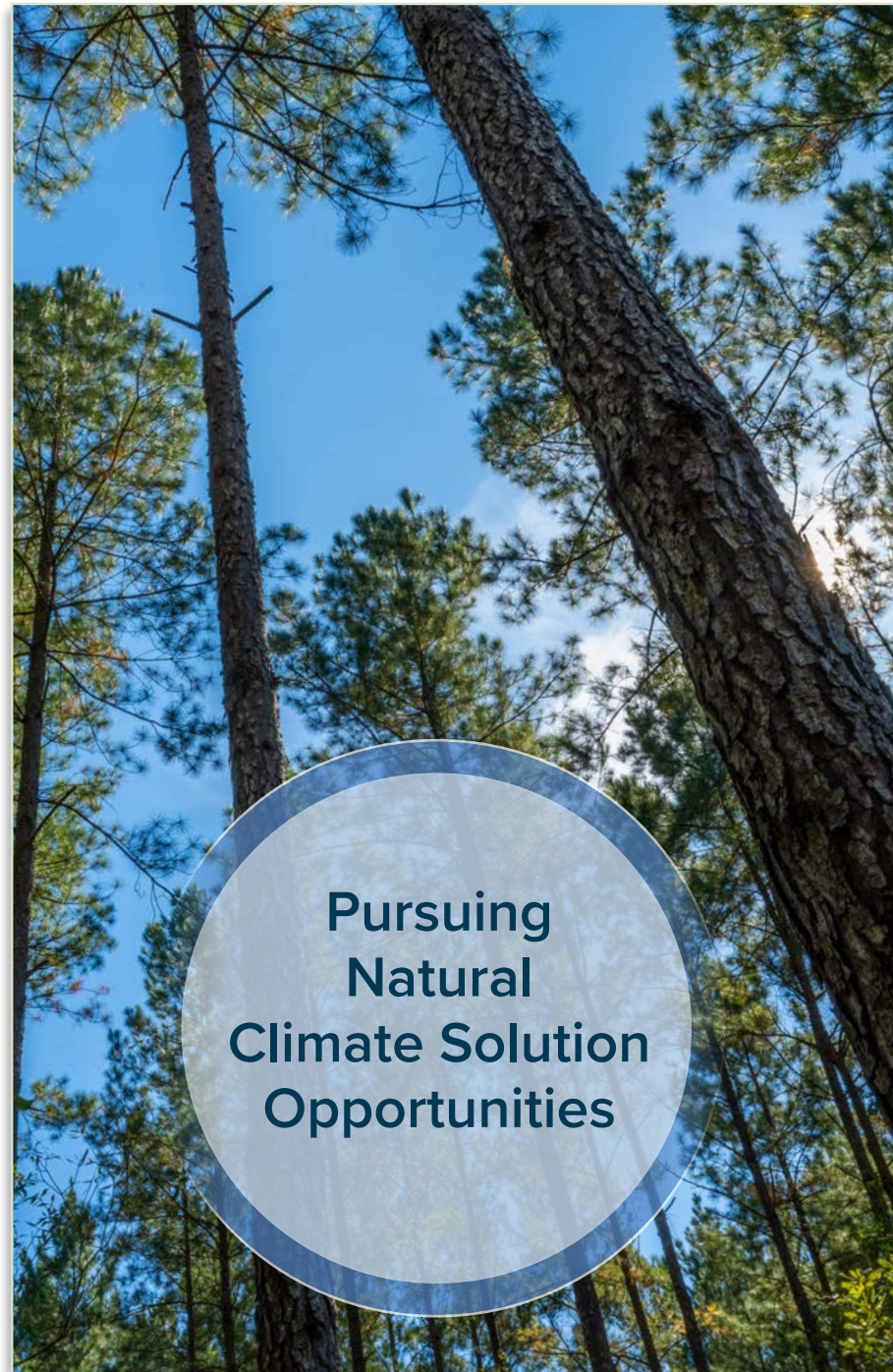
Our 2030 GHG reduction goals and net-zero roadmap are embedded in our wood products and corporate compensation scorecards.

[Learn More](#) 



Our Initiative

Climate Risks and Opportunities



Pursuing
Natural
Climate Solution
Opportunities

Climate change can physically impact our timberlands, biodiversity, and operations in both negative and positive ways. Generally, increases in CO₂ and temperature result in increased growth rate or productivity of trees resulting in potential physical climate opportunities in our forests. We have evaluated our key forest regions and sourcing areas for potential climate impacts that changes in atmospheric CO₂, temperature, and precipitation could have on our timberlands under various GHG¹⁰ scenarios.

Forest-based climate solutions play a critical role as a solution to climate change through the removal and storage of biological carbon and the role of wood fiber in the transition to a circular bioeconomy. As a result, several potential transition opportunities are emerging for sustainably managed forests. These include carbon offset markets, solar energy, carbon capture and storage, sustainable aviation fuel, bioplastics and others. Policies could support or hinder the development of these markets. Climate-related transition risks could include more stringent regulatory requirements regarding air, water, or waste that would require operational upgrades. In addition, the net-zero transition could result in higher energy costs.

[Learn More](#) 

Our 2023 Track Record

- ✓ Analyzed climate risks under four RCP¹⁰ scenarios for our Southeast timberlands and our lake states procurement area.
CASE STUDY - Climate Risks
- ✓ Mitigated our fire risk through a Memorandum of Understanding with the U.S. Forest Service.
CASE STUDY - USFS MOU
- ✓ Evaluated natural climate solution opportunities. Worked towards carbon offset, solar energy, carbon capture and storage, and sustainable aviation fuel projects.
- ✓ Monitored our Arkansas timberlands for pine needle blight.
- ✓ Supported natural climate solutions policy initiatives.

- Begin to prepare 2024 Task Force on Nature-related Financial Disclosures (TNFD) Report



PEOPLE

Empowering Team Members, focusing on safety, and strengthening our communities.

Our Initiative

Diversity, Equity, Inclusion



We are committed to advancing, supporting, and preserving a culture of diversity, equity, and inclusion where every Team Member feels like their ideas and unique perspectives are heard and valued. This core value helps us attract and retain talent and leads to collaboration, motivation, and a professional work environment that supports our success. The principles underlying our commitment to diversity and inclusion are also reflected through our policies, including our [Diversity, Equity, and Inclusion Policy](#), [Corporate Conduct and Ethics Code](#), Equal Employment Opportunity Policy, and Americans with Disabilities Act Policy.

Many of our operations are in rural communities where the economy is driven by the timber industry and our workforce demographics reflect the uniqueness of those local cultures. We continue to place an emphasis on sourcing talent from these local communities so that our workplace demographics can represent the communities in which we operate. We strive to ensure that 100% of all applicant pools contain a diverse slate of qualified candidates.

[Learn More](#)

Our 2023 Track Record

- ✓ Increased women in wood products leadership from 7 to 12.
- ✓ Team Members completed diversity, equity, inclusion training. Added module on Working Across Generations.
- ✓ 90% of corporate jobs filled by diverse candidate.
- ✓ Pay equity ratio:¹¹ Hourly 100%; Salaried 100%.
- ✓ Established dedicated Director of Diversity and Employee Development role.
- ✓ Started Veteran's Employee Resource Group (ERG).
- CASE STUDY - Veterans' ERG**
- Add another ERG in 2024!!**
- ✓ Board diversity (of 9 Directors): 3 females; 1 ethnically diverse Director, 1 military veteran.



Our Initiative Hiring and Retention



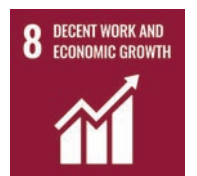
PotlatchDeltic works to attract and develop talent for our existing and future workforce. Recruiting can be challenging due to the limited supply of qualified and experienced talent at some of our locations. We recruit using job fairs, college career days, employee referrals, search firms, and social media. We offer paid internships for some positions to help build awareness and skills in potential future employees. Recruiting focuses on hiring individuals with diverse backgrounds and experience.

We employ a total rewards strategy aimed at engaging with and retaining our Team Members. We accomplish this by offering a suite of competitive pay, benefit, and work-life solutions designed to support them and the changing needs of their families throughout their tenure with our Company and into retirement. Team Members can expect to participate in development opportunities designed to grow their careers and create a pathway for advancement. Our commitment to invest in our Team Members results in high performing work teams that are adaptable and focused on creating value for the Company.

[Learn More](#) 

Our 2023 Track Record

- ✓ Hired 224 Team Members, with 89% in wood products facilities. Overall, 22% of hires were female and 27% were underrepresented minorities.
- ✓ Hired 10 summer interns in timberlands and 10 in wood products.
- ✓ Overall employee turnover rate of 16%, down from 20% in 2022.¹²
- ✓ 100% of managers hired were from local community.¹³
- ✓ Held health, safety and benefit fairs for our Team Members.
- ✓ Enhanced benefits to include digital physical therapy and pelvic healthcare.
- ✓ Partnered with educational institutions and attended career fairs.



Our Initiative

Training and Development



We recognize that employing a highly skilled and diverse workforce is a competitive advantage and leads to better Team Member engagement. We are committed to the development of all Team Members in support of their career aspirations.

Our continuous performance improvement strategy is grounded in healthy discussions between an employee and their manager. We expect managers to engage with Team Members and advocate for the growth and development of their direct reports. We see this development as a partnership that begins with setting meaningful annual goals. This annual process provides a framework from which managers and Team Members can collaborate to ensure that employees remain on a meaningful growth trajectory aligned with the needs of the organization.

Because we know our employee population is eager to continue to develop and grow their talents, we offer a wide array of training opportunities for Team Members to become more proficient in their current roles and grow their careers in preparation for more advanced roles throughout the Company.

[Learn More](#) 

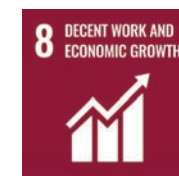
Our 2023 Track Record

- ✓ Offered apprenticeships to Idaho high school students through Idaho School to Registered Apprenticeship (STRAP) Program.

CASE STUDY - STRAP
- ✓ Provided Team Member training and development programs including trade apprentice programs at wood products facilities.

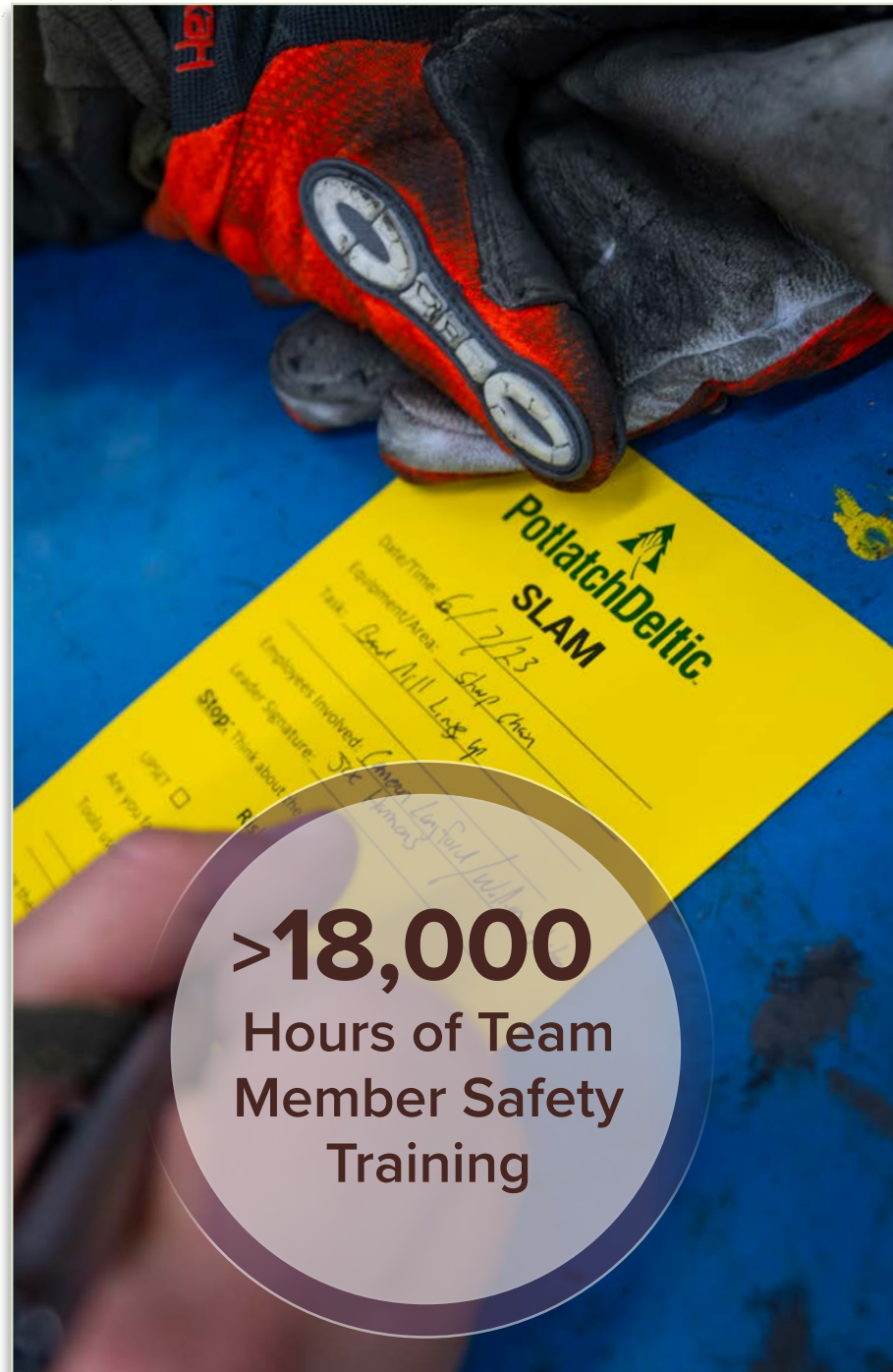
CASE STUDY - Electrician Apprenticeship
- ✓ Established annual goals for Team Members and assessed performance.
- ✓ Offered tuition reimbursement to support Team Member career growth.
- ✓ Partnered to strengthen the workforce pipeline.

CASE STUDY - Bemidji Mechatronics



Our Initiative

Health and Safety

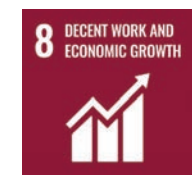
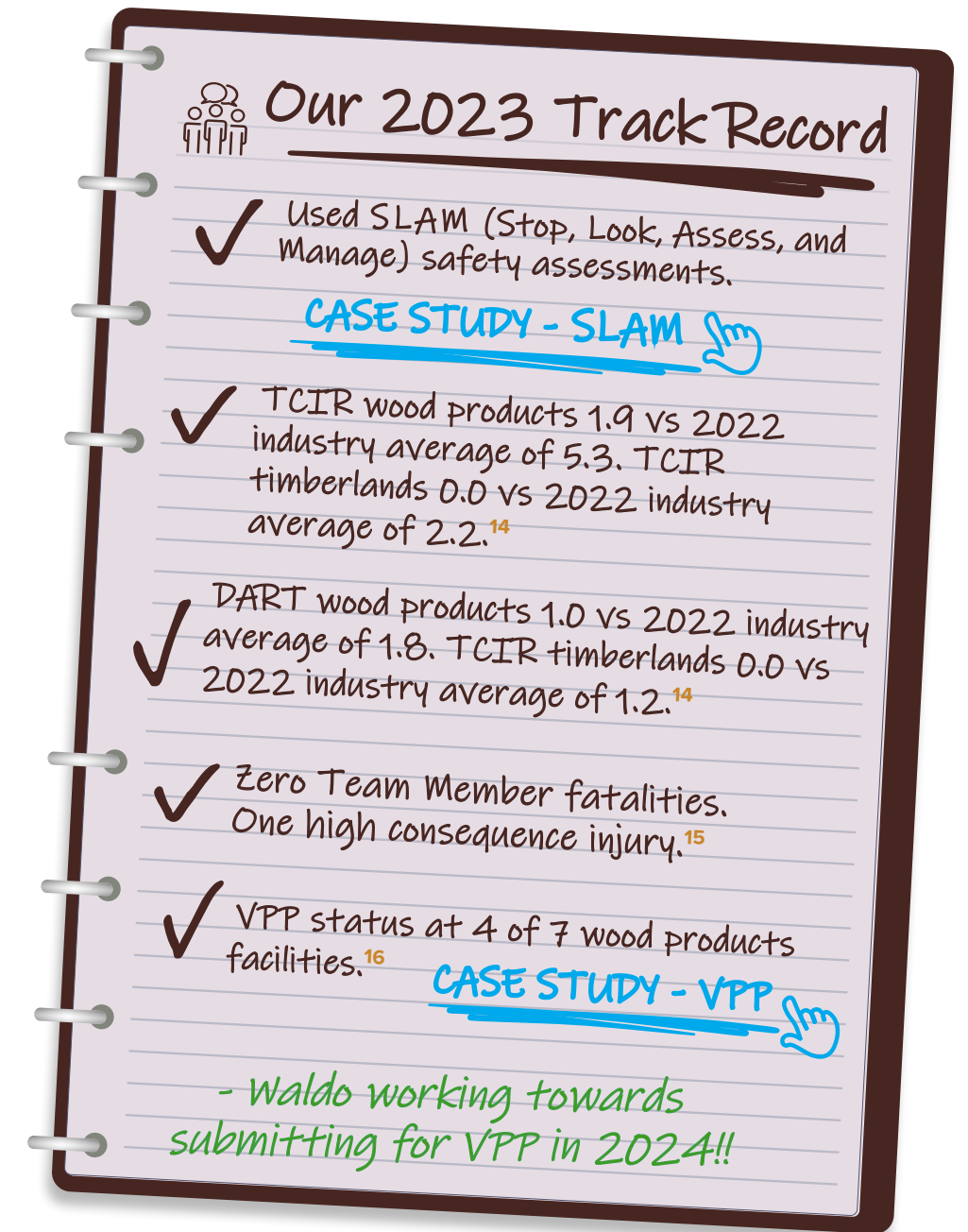


Safety is a core value at PotlatchDeltic. Our Team Members are our greatest asset, and we focus on their health and safety without compromise. Our health and safety procedures and systems meet or exceed the requirements of the Occupational Safety and Health Administration (OSHA) and incorporate best practices.

Each wood products facility has well-established, site-specific health and safety systems and procedures to drive a culture of best practices and exceptional care for people. The safety climate is supported by several division-wide procedures and approaches, which are augmented each year through a focus on continuous improvement. Annual internal and periodic external audits are also used to identify and improve processes. Each facility has an established emergency response plan.

Timberlands and rural real estate use a comprehensive health and safety management system to meet or exceed OSHA requirements, any state requirements, and industry best practices. Each location has emergency response plans for fire, weather, and other emergencies and has annual drills to prepare for these emergencies.

[Learn More](#)



Our Initiative

Community Engagement



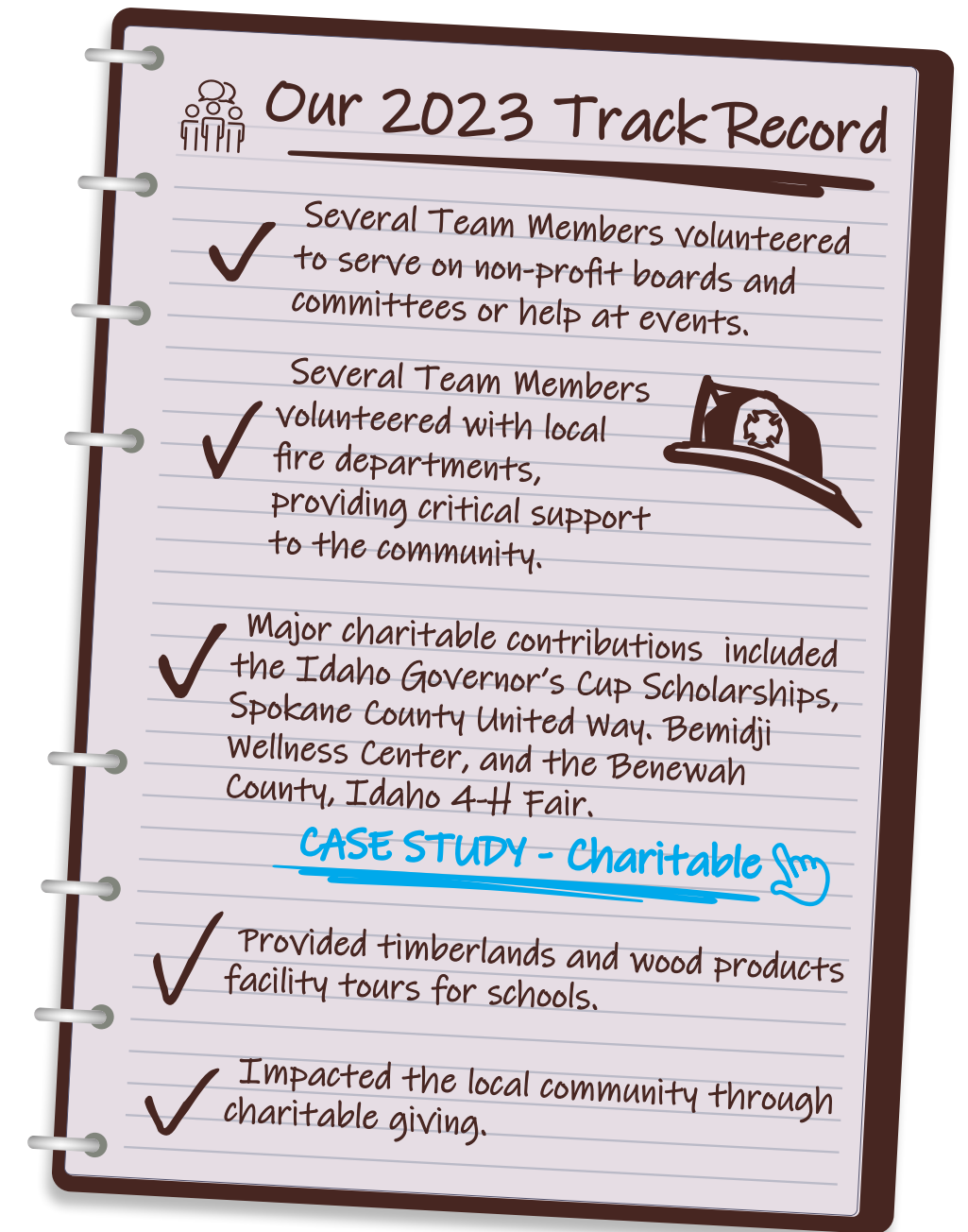
Charitable Giving at the Local Level

We are an integral part of the communities where we live, work, and play. We provide jobs, volunteer, and invest in the well-being and vitality of our communities.

Many of our Team Members are actively involved in their community through volunteering in a wide range of activities. We encourage them to explore their passions, build relationships with their communities, and make meaningful contributions. These contributions reflect our commitment to both corporate responsibility and to the devotion we share with our Team Members towards the communities where we live.


PotlatchDeltic has a long tradition of philanthropic giving through charitable contributions and through our support of Team Member giving. Our giving program focuses on making an impact and supporting our local communities, particularly focusing on community programs, education, and conservation of natural resources. Our 2023 charitable giving spending was over \$455,000, allocated to charitable leads in each location who determined how they could make the best local impact.

[Learn More](#) 



Our 2023 Track Record

✓ Several Team Members volunteered to serve on non-profit boards and committees or help at events.

✓ Several Team Members volunteered with local fire departments, providing critical support to the community. 

✓ Major charitable contributions included the Idaho Governor's Cup Scholarships, Spokane County United Way, Bemidji Wellness Center, and the Benewah County, Idaho 4-H Fair.

CASE STUDY - Charitable

✓ Provided timberlands and wood products facility tours for schools.

✓ Impacted the local community through charitable giving.



PERFORMANCE

Prioritizing ethics, economic contribution, operational excellence, integrity, and accountability in all we do.

Our Initiative

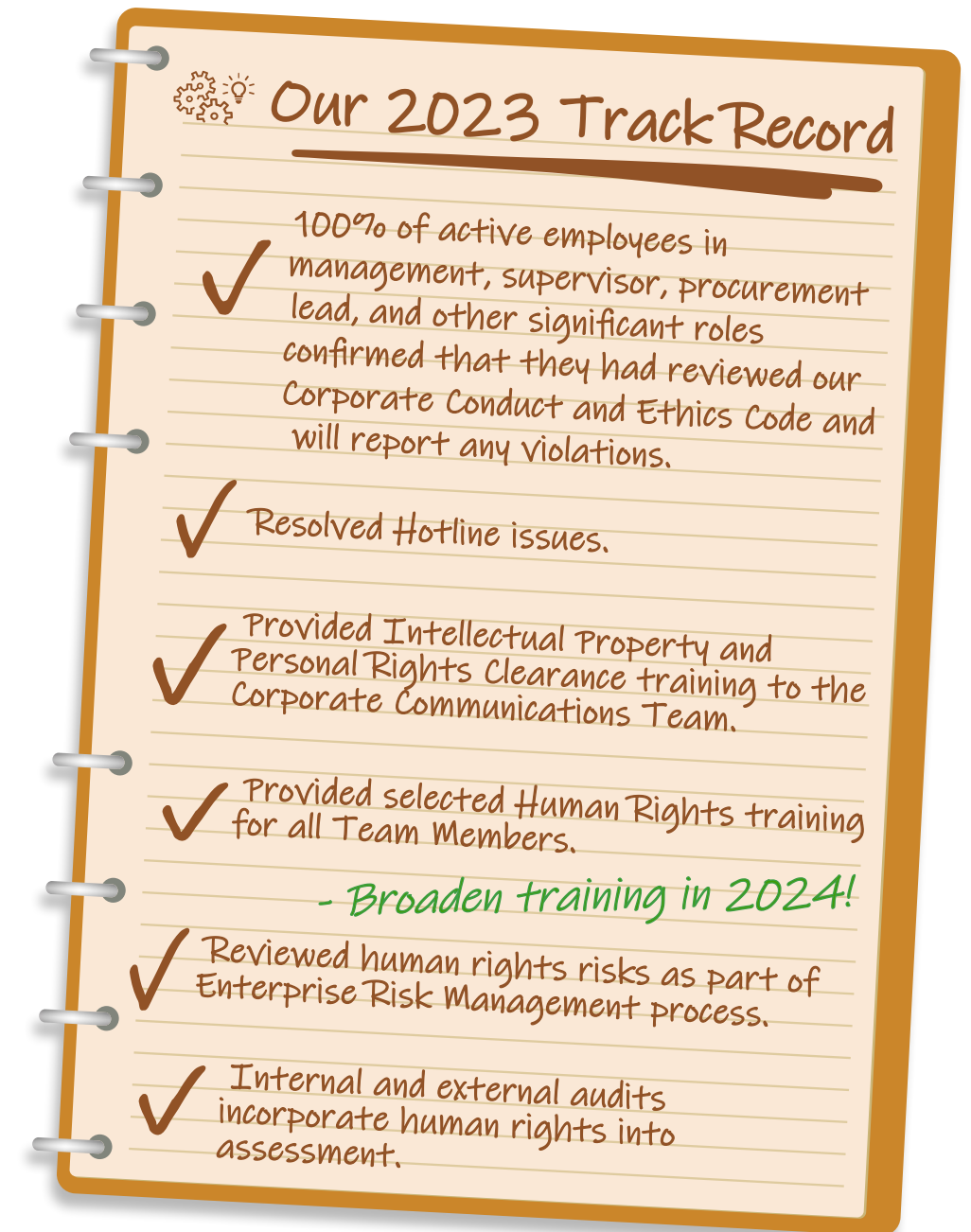
Ethics, Integrity, and Human Rights



Our business decisions are guided by our [Corporate Conduct and Ethics Code](#) (Ethics Code) which reaffirms our commitment to act with integrity. It outlines our responsibilities to all our stakeholders, guides our decision-making, and outlines the minimum business standards we apply across our value chain. These requirements are also established in our [Supplier Code of Conduct](#).

Respect for human rights is a fundamental value of PotlatchDeltic. We recognize that we have an important role in fostering human rights. We comply with applicable domestic human rights laws, and we are committed to respect and support internationally recognized human rights. Our commitment is established in our [Human Rights Policy](#).

Team Members may escalate their concerns to their regional management, or to a corporate vice president, the legal department, the internal audit department, or to an ethics [Hotline](#). [Whistleblower Procedures](#) are also in place for the receipt, investigation, and reporting to the Audit Committee of any complaints regarding audit, accounting, or internal accounting controls.

[Learn More](#)


Our Initiative

Managing Our Enterprise Risks



PotlatchDeltic utilizes an enterprise risk management (ERM) framework to identify, assess, and mitigate significant risks. The Audit Committee of the Board of Directors and senior management have primary responsibility for the oversight of risks facing the Company. The risk assessment process includes evaluating the risk universe, emerging risks, and risk attributes that include likelihood, impact, velocity, and mitigation control strength.

Business leads incorporate risks and mitigation measures into their strategic plans annually. Specific risks related to environmental issues and climate change are identified, assessed, and mitigated where feasible as part of our ERM process. In addition, our Corporate Responsibility Management Committee identifies and reviews climate-related risks across our business units.

Our comprehensive cybersecurity program maintains a strong focus on protecting the Company, our customers, partners, and vendors. In the event of a breach, we have robust incident response processes in place to ensure that strong forensic techniques are followed, and all regulatory and legal requirements are addressed.

[Learn More](#) 



Our Initiative

Contractors and Suppliers



We expect our contractors and suppliers to have the same commitment to sustainable forest management, environmental and social responsibility, and responsible corporate governance, including human rights, as we do. Our [Supplier Code of Conduct](#) and [Human Rights Policy](#) outline our expectations of our suppliers and contractors.

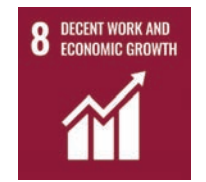
Contractors and subcontractors working in our forests must be on our approved contractor list and our foresters track their environmental and safety performance. They are trained annually on a wide range of measures and, to continue working with us, timberland contractors and suppliers must demonstrate good safety records, have current training, and maintain all required insurance.

Contractors at our wood products facilities that perform certain types of work are pre-cleared through an online compliance management system. The contractors are scored and must meet a minimum score to work on-site. Contractors are regularly monitored and evaluated for their health and safety performance. All contractors working at our facilities must receive training before being cleared to work at our sites.

Our 2023 Track Record

- ✓ Evaluated contractors in wood products for safety and corporate responsibility metrics.¹⁷
 - 100% scored for health & safety program.
 - 80% have code of conduct.
 - 78% have anti-discrimination policy.
- ✓ Wood products contractors received training before being cleared to work. **~ 7,185 hours training**
- ✓ Contractors in our forests received training on best management practices and safety.
- CASE STUDY - Logger Training**
- ✓ Timberland and wood products contractors working on site acknowledged Supplier Code of Conduct which includes expectation on human rights.

[Learn More](#)



Our Initiative

Responsible Sourcing



Our suppliers are an integral part of our sustainability strategy, and we are committed to pursuing responsible purchasing strategies. Our [Forest Stewardship Policy](#) includes a commitment to responsibly source wood fiber for our wood products facilities. We exclude fiber from illegal sources, fiber from forests in which High Conservation Values are threatened by management activities, fiber from genetically modified trees, and fiber from forests harvested in violation of traditional and civil rights. All seven of our facilities are certified to the SFI Fiber Sourcing standard. Our Gwinn, Michigan, and Warren and Waldo, Arkansas facilities are also FSC Chain of Custody certified.

We have traceability systems at all wood products facilities to track log purchases and have a system to assess the risk that logs could be acquired from illegal logging sources. Our risk assessment procedures, plan implementation, and results are evaluated through internal and third-party audits. We have policies and procedures designed to promote compliance with all applicable chain of custody laws throughout our supply chain.

[Learn More](#) 

Our 2023 Track Record

- ✓ 100% of fiber consumption at all of our wood products facilities SFI® Fiber Sourcing certified.
- ✓ SFI fiber sourcing audits were conducted at our Bemidji and Ola wood products facilities. No major and no minor non-conformances were found.
- ✓ 100% of the fiber consumption at our Gwinn, Warren, and Waldo facilities FSC® Chain of Custody certified.
- CASE STUDY - Chain of Custody**
- ✓ FSC Chain of Custody audits were completed at our Warren and Waldo facilities. No major or minor non-conformances were found.
- ✓ 38% of fiber consumption at all our wood products facilities FSC Controlled Wood certified.

Our Initiative Stakeholder Engagement



We recognize the diverse interests of our stakeholders and believe that our relationships both within and outside of PotlatchDeltic are an important part of our value creation and success.

We regularly engage with a broad range of stakeholders including investors and analysts, Team Members, communities, customers, government representatives, Indigenous peoples, industry associations, non-governmental organizations, research organizations, and suppliers. This helps us to understand, prioritize, and manage our impacts as an organization and our opportunities towards systemic change.

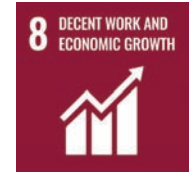
Transparency and engagement with our Team Members are an integral part of our culture. We engage through day-to-day interactions, shift meetings, safety and other training sessions, meetings to review Company performance and progress on corporate initiatives, and through adherence to open-door policies. Town hall meetings and management visits provide opportunities for information sharing. We also utilize external social media and internal media to share Company information on a timely basis.



Our 2023 Track Record

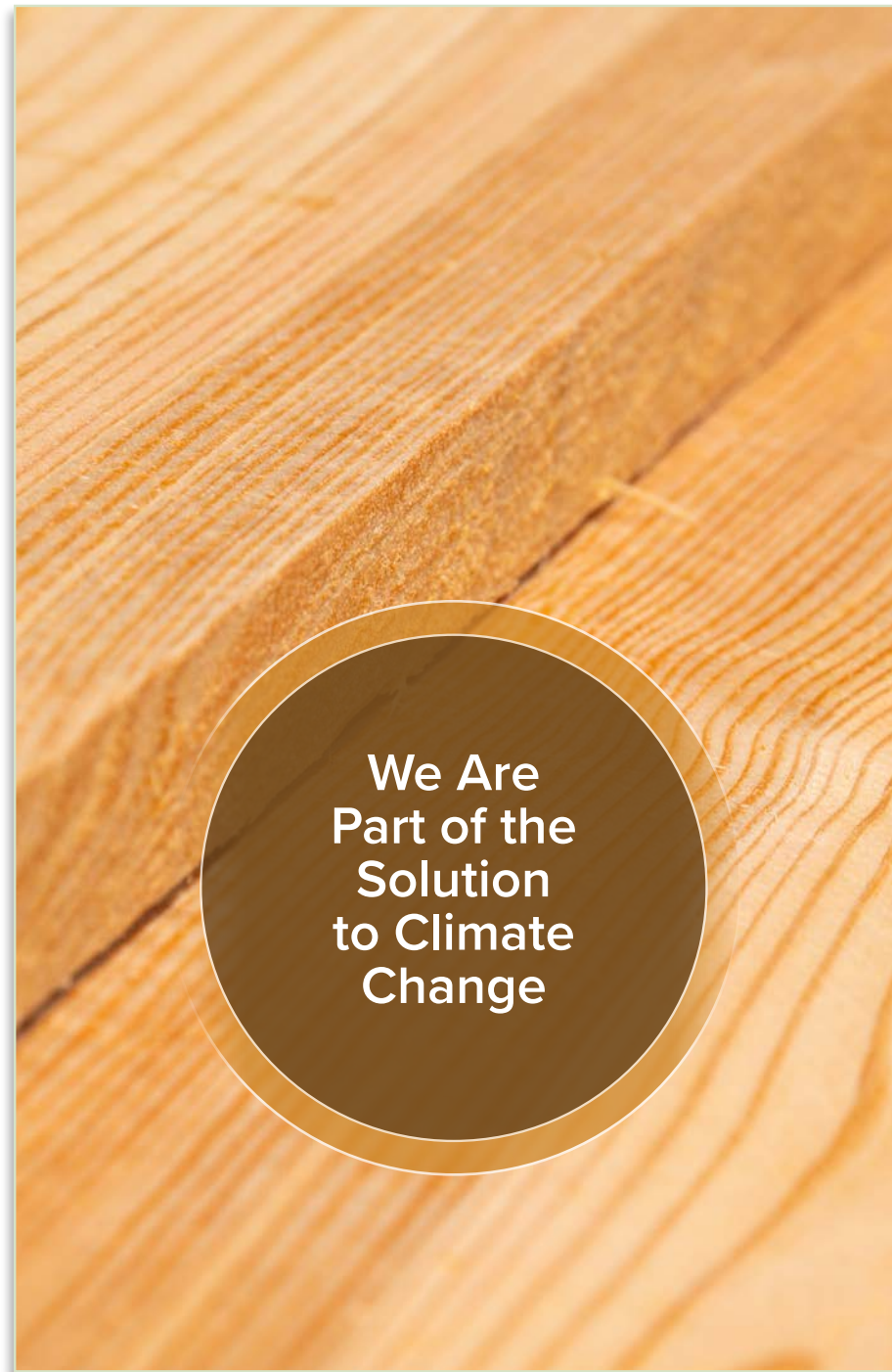
- ✓ Held workshops with Team Members at our wood products facilities regarding our mission and values.
- ✓ Met or had calls with shareholders, potential investors, and analysts. Presented at conferences. Published press releases and financial reports.
- ✓ Worked with scientific research organizations, universities, trade schools, and industry associations.
- ✓ Proactive communication with our communities.
- ✓ Regular conversations with customers.
- ✓ Continued to advance relationships with tribal representatives.
- ✓ Met with state and federal representatives and Chambers of Commerce.
- ✓ Day-to-day interaction with Team Members including site visits, posts, and podcasts.

[Learn More](#) 



Our Initiative

Support Sustainable Forests and Building With Wood

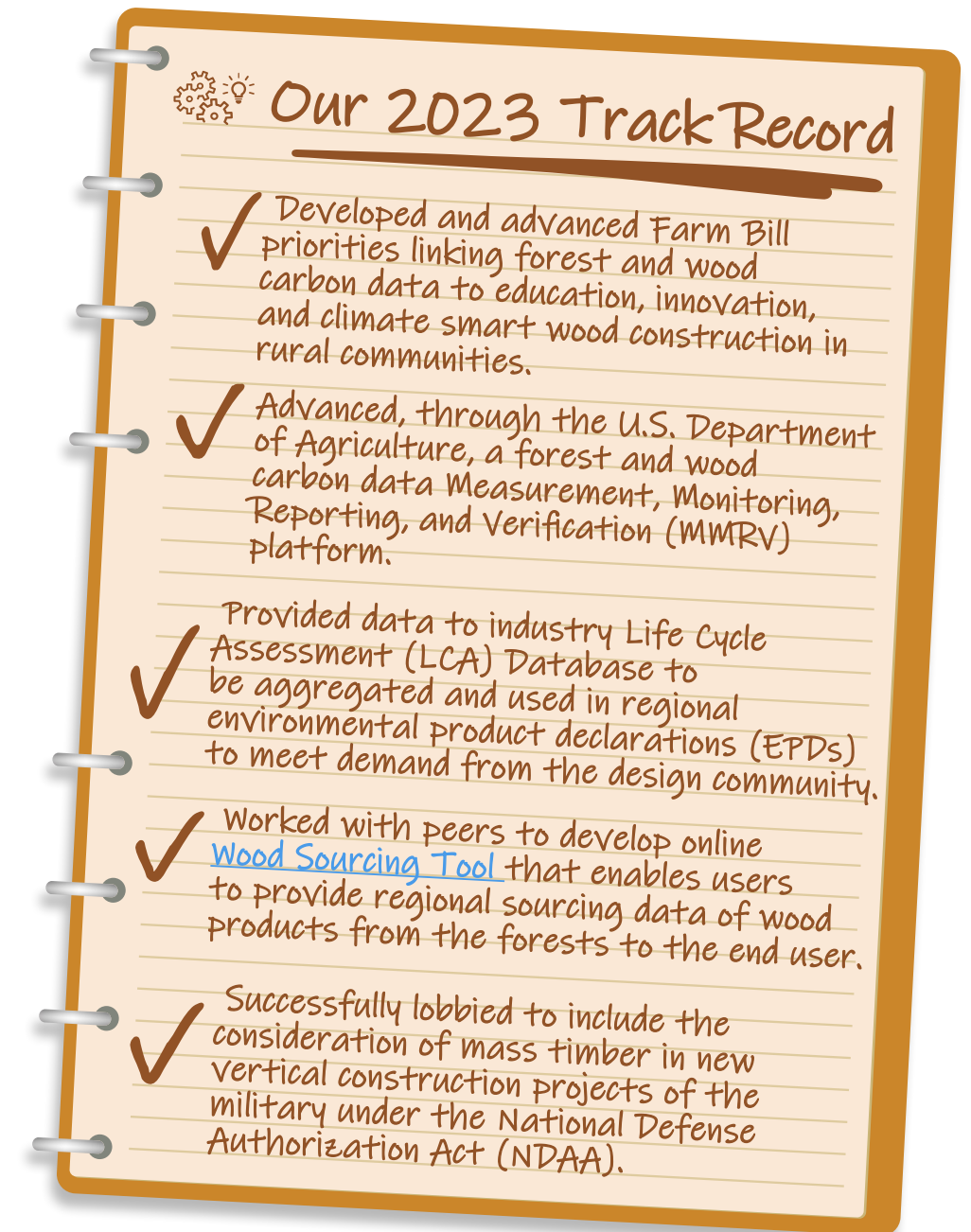


As forests grow, trees absorb carbon dioxide and release oxygen. Wood products manufacturing converts the logs into long-lived wood products storing about 52% of the carbon in the wood and acting like a “carbon vault.” The residuals or byproducts produced during the lumber and wood panel manufacturing process can be utilized to manufacture additional products within a bio-circular economy.

When wood-based products are used in place of fossil fuel-intensive products like steel, concrete, or plastic, there is a permanent benefit to our atmosphere. By building with wood, we are storing additional carbon in everyday products and buildings. If a wood house stands for 108 years, it will store carbon until it decays or is replaced. In that time, the forest will have regrown two to four cycles resulting in compounding carbon storage.

We work, together with our industry associations, to advance the science and data surrounding sustainable forest management and wood products. We also work towards policy and initiatives that support the climate smart benefits of sustainable working forests through expanding the use of mass timber and increasing opportunities to build with wood.

[Learn More](#) 





APPENDIX

About This Report

Our 2023 Corporate Responsibility Report covers January 1, 2023, to December 31, 2023, unless otherwise stated and complements our 2023 Annual Report on Form 10-K, our 2024 Proxy Statement, and material available on our website at www.PotlatchDeltic.com.

Our 2023 Corporate Responsibility Report provides highlights of our pillars: Forests, Planet, People, and Performance and our progress on initiatives in 2023. Detailed information, policies, data, and case studies on a wide range of topics are available in the Corporate Responsibility section of our website. This includes information regarding our carbon removals and storage, our greenhouse gas reduction initiatives, and our climate risks and opportunities. Our corporate responsibility materiality assessment which is conducted every two years to identify the key topics deemed important to a broad range of internal and external stakeholders can also be found on the website. The website includes reporting framework tables for the Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and Global Reporting Initiative (GRI) and CDP disclosures for Forests and Climate. Our 2023 Corporate Responsibility Report has been prepared with reference to the GRI standards.

Footnotes

1. [United Nations Sustainable Development Goals](#) (UN SDGs) represent a global partnership between developed and developing countries to end poverty, protect the planet, and improve the lives and prospects of people everywhere.
2. Data as of December 31, 2023 unless otherwise noted.
3. Direct economic value generated is total revenues. Economic value distributed includes operating costs, employee wages and benefits, community investments, capital expenditures for each of our businesses, taxes paid to governmental jurisdictions, net interest payments on debt/interest rate swaps and dividends to shareholders. Operating costs exclude depreciation, depletion, amortization, and basis in real estate sold. Economic value retained is direct economic value generated less economic value distributed.
4. This is the full tree value including above and below ground.
5. J. Bowyer et al. "Utilization of Harvested Wood by the North American Forest Products Industry," Dovetail Partners Inc., (October 8, 2012); https://dovetailinc.org/report_pdfs/2012/dovetailwoodutilization1012.pdf
6. A geographic information system (GIS) is a system designed to capture, store, analyze, manage, and present all types of geographic data.
7. Carbon removal and storage calculations for 2021-2023 were completed within the Carbon Sub-model in the Fire and Fuels Extension (FFE) of the Forest Vegetation Simulator and utilizing the Jenkins J. C. 2003 National-Scale Biomass Estimators for United States Tree Species.
8. G. M. Domke et al., "Toward Inventory-Based Estimates of Soil Organic Carbon in Forests of the United States," Ecological Applications 27, no. 4 (April 19, 2017): <https://doi.org/10.1002/eap.1516>
9. Renewable Energy Credits (RECs) and Alternative Energy Credits (AECs) are energy credits from utility companies.
10. The analysis is based on the Intergovernmental Panel on Climate Change (IPCC) scenarios called Representative Concentration Pathways (RCP). An RCP represents a prescribed pathway for anthropogenic (human caused) GHG emissions and land use change and serves as the basis for modeling the resulting atmospheric CO₂ equivalent concentration. Concentrations project the resulting radiative forcing or additional warming that could occur in the lower atmosphere under a given emission pathway.
11. Pay equity for salaried employees is calculated by comparing the median base salary by pay grade for each gender to the benchmarked midpoint base salary for such pay grade. Those results are aggregated across the company, and weighted by region, pay grade and gender. Pay equity for hourly employees is 100%, because all hourly jobs pay the same hourly rate for the same jobs.
12. Turnover is calculated using the number of employees who left PotlatchDeltic and whose positions were rehired. Turnover does not include students, interns, and employees on long-term leaves of absence. Turnover rate is turnover in a category / number of employees in a category as of December 31, 2023.
13. Locally hired managers include executive/senior level managers, first/mid-level managers, and professionals hired to work in the region that they reside. Our Northern region includes our operations in Idaho, Michigan, Minnesota, and Washington, and our Southern region includes our operations in Alabama, Arkansas, Georgia, Mississippi, and South Carolina.
14. Total Case Incident Rate (TCIR) = (Number of OSHA recordable injuries and illnesses x 200,000) / Employee total hours worked; Days Away, Restricted or Transferred (DART) = (Number of OSHA recordable injuries and illnesses that resulted in days away, restricted or transferred x 200,000) / Employee total hours worked; Industry Averages are based on NAICS code 113 for Forestry and Logging, NAICS code 321 for the Wood Products Industry (sawmills and plywood mill combined).
15. An injury that results in a fatality or an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury status within six months.
16. The Occupational Safety and Health Administration (OSHA) administers the [Voluntary Protection Program](#) (VPP), which represents a cooperative relationship to encourage excellence in worksite-based safety and health.
17. Wood Products contractor responses to ESG questionnaire in third party online compliance management system. Contractors include those who participate in online contractor compliance management system.

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Photos: Jay Brittain Photography

Forward Looking Statement

As used in this Report (which includes this document and all materials linked from this document), the term “PotlatchDeltic” and such terms as “the Company,” “the corporation,” “our,” “its,” “we,” “management,” and “us” may refer to one or more of PotlatchDeltic’s consolidated subsidiaries or affiliates or to all of them taken as a whole. All of these terms are used for convenience only and are not intended as a precise description of any of the separate companies, each of which manages its own affairs.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Report contains, in addition to historical information, certain forward-looking statements within the meaning of the federal securities laws. Words such as “achieve,” “aim,” “annual,” “aspire,” “believe,” “can,” “commitment,” “continue,” “could,” “design,” “each year,” “ensure,” “estimate,” “expect,” “future,” “initiative,” “goal,” “may,” “mission,” “objective,” “opportunity,” “periodic,” “perpetuity,” “plan,” “potential,” “project,” “regularly,” “seek,” “should,” “strive,” “target,” “will,” “would,” and similar expressions are intended to identify such forward-looking statements. Statements and assumptions with respect to achievement of goals and objectives; anticipated actions to meet goals and objectives; allocation of resources; planned, encouraged, or anticipated actions; planned performance of technology; or other efforts are also examples of forward-looking statements. Among the forward-looking statements in this Report are statements about our strategies regarding planned annual harvests, replanting, and forest management; potential conservation or solar outcomes for real estate transactions; future environmental management and compliance; wildlife conservation, including the timing of signing bat conservation agreements; energy consumption and reduction; management of air emissions, water pollutants, and wastes; estimates of the amount of CO₂e removed and sequestered by our forests; estimated GHG emissions; anticipated climate risks and opportunities; continued employee pay and benefit offerings; human capital management goals for our employees and directors; ability to meet safety goals for employees and suppliers; ability to ensure employee and supplier adherence to applicable policies and law; maintenance of third-party certifications; our ability to foresee and mitigate all risks to our business; our ability to meet our corporate responsibility targets and goals and succeed with our initiatives, including those relating to greenhouse gas reductions; timing of completion of the repurposing of the Bemidji woody debris pile; preparation of the 2024 Task Force on Nature-related Financial Disclosures (TNFD) report; adding employee resources groups; our Waldo, Arkansas mill submitting for the OSHA Voluntary Protection Program; our expectations about the natural climate solutions market; the success of our cybersecurity, tax, and capital allocation strategies; the rollout of our online environmental data platform; and similar matters.

These forward-looking statements reflect management’s current views regarding future events based on estimates and assumptions and are therefore subject to known and unknown risks, uncertainties, and other factors, some of which are beyond our control, and are not guarantees of future conduct or policy. The actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed in this Report may differ materially in the future. Many of the standards and metrics used in preparing this Report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees.

Actual results could differ materially from our historical results or those expressed or implied by forward-looking statements contained in this Report due to factors such as: the availability of funding for the programs described in this Report; our ability to achieve our targets, goals and objectives; changes in our priorities as well as changes in the priorities of our customers and suppliers; the amount of our future investments; the accuracy of our estimates and assumptions; acquisitions and divestitures; the future effect of legislation, rulemaking and changes in policy or best management practices; changes in production and production capacity in the forest products industry; the competitive environment; the ability to attract and retain personnel and suppliers with technical skills and other capabilities; technological developments; the willingness of suppliers to adopt and comply with our programs; the impact of cyber or other security threats or other disruptions to our business; changes in requirements for third-party certification of our timberlands, logs, and lumber; the potential disruption or interruption of the Company’s operations due to accidents, political events, civil unrest, severe weather, floods, fires, cyber threats, disease outbreaks, or other human health threats beyond the Company’s control; and global economic, business, political, and climate conditions.

These are only some of the factors that may affect the forward-looking statements contained in this Report. For further information regarding risks and uncertainties associated with our business, please refer to our U.S. Securities and Exchange Commission (SEC) filings, including our Annual Report on Form 10-K for the year ended December 31, 2023, our 2024 Proxy Statement, and our 2024 Quarterly Reports on Form 10-Q, which can be obtained at the Company’s website, www.potlatchdeltic.com. The forward-looking statements in this report are intended to be subject to the safe harbor protection provided by federal securities laws.

Forward-looking statements contained in this Report present our views only as of the date of this report. Except as required under applicable law, we do not intend to issue updates concerning any future revisions of our views to reflect events or circumstances occurring after the date of this Report. Nothing in this Report is incorporated by reference or shall be deemed to be incorporated by reference into the documents that we have filed or will file with the SEC.





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