



# STEWARDS *of the Land*

2021 Sustainability Report





Loblolly pine by Josh Sasser

# Table of Contents

Introduction	3
CEO Message	3
ESG Steering Committee	4
Mission & Core Values	5
Businesses & Service Areas	6
Environmental	7
Forest Management	8
Climate	12
Water	13
Wildlife	15
New Zealand	18
Social	19
Safety	21
Employees	22
Community	23
Governance	24
Partnerships, Public Policy & New Zealand	25
Risk Management, Ethics & WeRecycle	26
CSO Message	27



Brian Luoma  
President & CEO  
The Westervelt Company

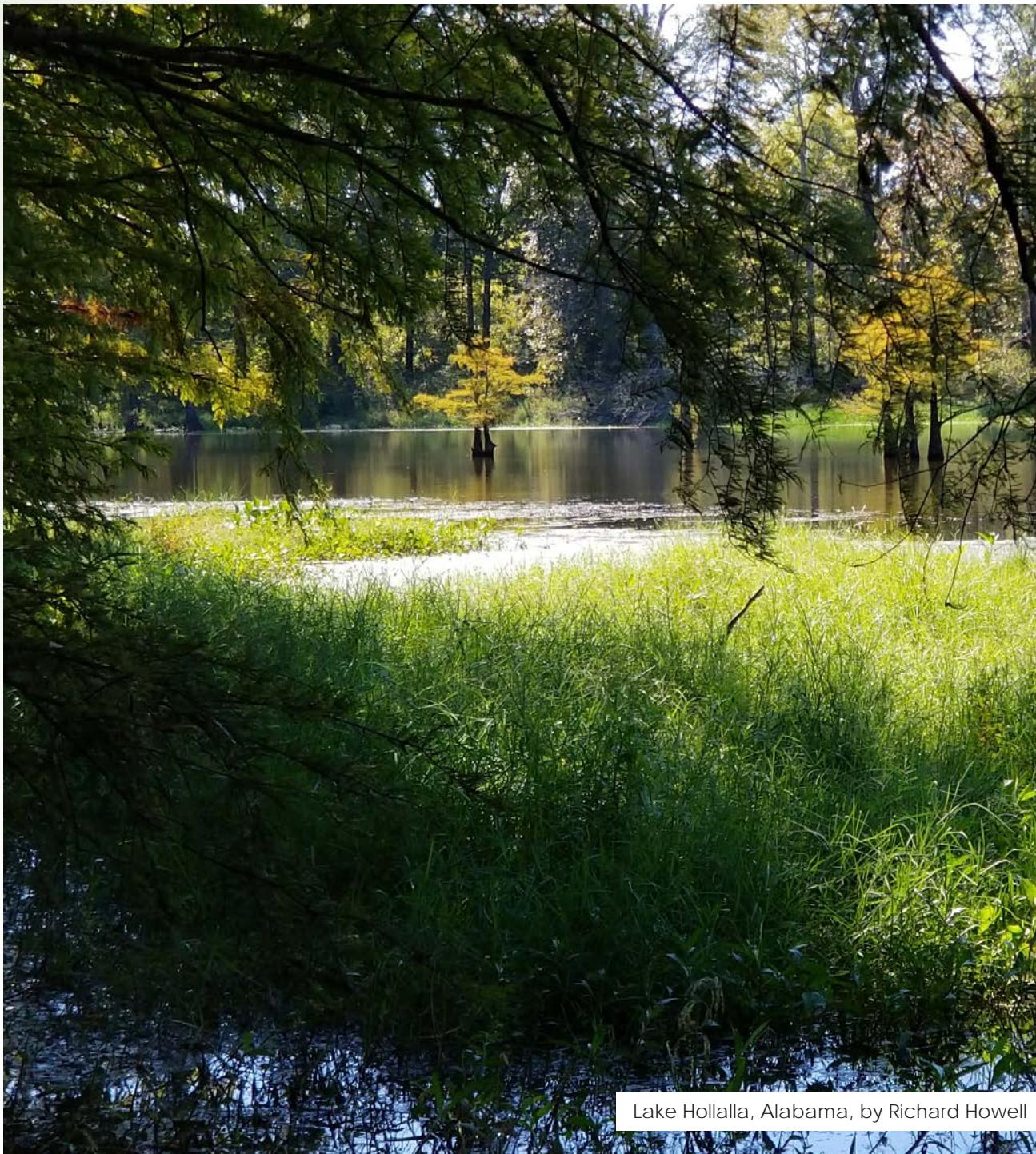
# MESSAGE *from the CEO*

Since Westervelt's beginning in 1884, long-term sustainability has been foundational for our business success. Our founder and earliest leaders understood the importance of planning for the future. History has shown that we have been able to do that well. Sustainable use of renewable natural resources is a continual process of learning and improvement, and we have demonstrated that commitment throughout our company's evolution.

Sustainability at Westervelt includes our commitment to land stewardship, community enhancement, corporate citizenry and climate change mitigation.

In 2021, we created the new positions of Chief Sustainability Officer and Corporate Sustainability and Government Relations Director to provide more focused resources on enhancing and communicating our sustainability culture. We also continued the work of our ESG Steering Committee by releasing the Westervelt Sustainability Story. These actions are just a small part of the enduring commitment to honoring our legacy as well as continuously living out our Mission and Values.

[View our  
Sustainability Story](#)



Lake Hollalla, Alabama, by Richard Howell

# CULTURE OF *Sustainability*

## ESG Steering Committee

A common method for addressing and communicating stewardship and citizenship efforts is through environmental, social, and governance (ESG) reporting. In short, we aim to foster a culture of corporate sustainability that includes natural resources, financial viability, and human resources. The environmental component addresses how we manage resources to protect water, air, biodiversity, and promote climate change solutions in our land stewardship and manufacturing operations by managing these elements with future generations in mind. The social component reflects our culture, employees, customers, and the communities in which we operate. Attention to governance ensures that we conduct our businesses in open, honest and ethical manners according to the highest standards of laws, regulations, company policies, and voluntary certification systems.

The Westervelt Company is committed to periodic public reporting of environmental, social, and governance criteria associated with all our business operations. We believe our purpose of providing sustainable goods and services to society by responsibly managing natural resources is vital to our long-term success. We strive for continuous improvement by working with our stakeholders to find solutions to economic, environmental, and social challenges.

Our multifunctional ESG Steering Committee includes representatives from each of our Business Units and Functional groups so that diverse perspectives can be included in our strategy development and implementation. Members of our team include the following:

**Jonathan Lowery** – Sustainability & Government Relations  
**Cade Warner** – Sustainability & Business Development  
**Susan Poole** – Marketing & Public Relations  
**Mike Williams** – Strategy & Planning  
**Ray Robbins** – Legal & Shareholder  
**Chris Chambers** – Westervelt Wood Products  
**Mark Richardson** – Westervelt Wood Products  
**Matt Gause** – Westervelt Ecological Services  
**Tyler Bell** – Westervelt Ecological Services  
**Vicki Febery** – Westervelt New Zealand  
**Steve Smith** – Westervelt New Zealand  
**Michael Westbrook** – Westervelt Forest Resources  
**Kendra Wiard** – Westervelt Forest Resources  
**Aprille Cook** – Westervelt Forest Resources  
**Sherry Lockhart** – Office Services/Human Resources



Bibb County, Alabama, by Nick Sanders

# STEWARDS *of the Land*

Since 1884

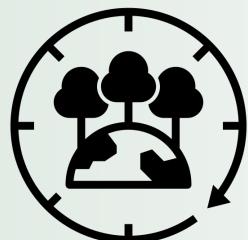
## Mission

At The Westervelt Company, we are stewards of the land. We believe in sustainable management, conservation and protection of our natural resources. We are committed to our core values of ensuring the safety and well-being of our employees, providing the highest quality products and services for our customers, and developing long-lasting relationships in the communities where we live and work.

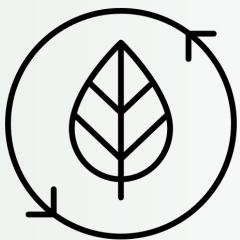
## The Westervelt Standard

**Sustainability.** We believe that sustainability, the core of our legacy as stewards of the land, is one of our greatest responsibilities to uphold. Protecting our natural resources is more than a commitment – it's the standard to which we hold ourselves.

## CORE VALUES



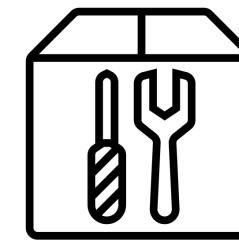
Sustainable Management



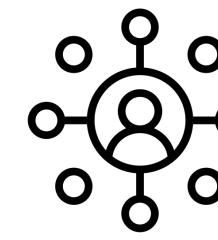
Conservation & Protection



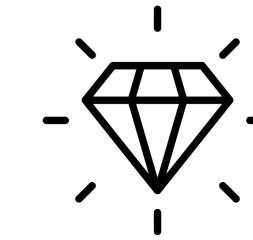
Safety



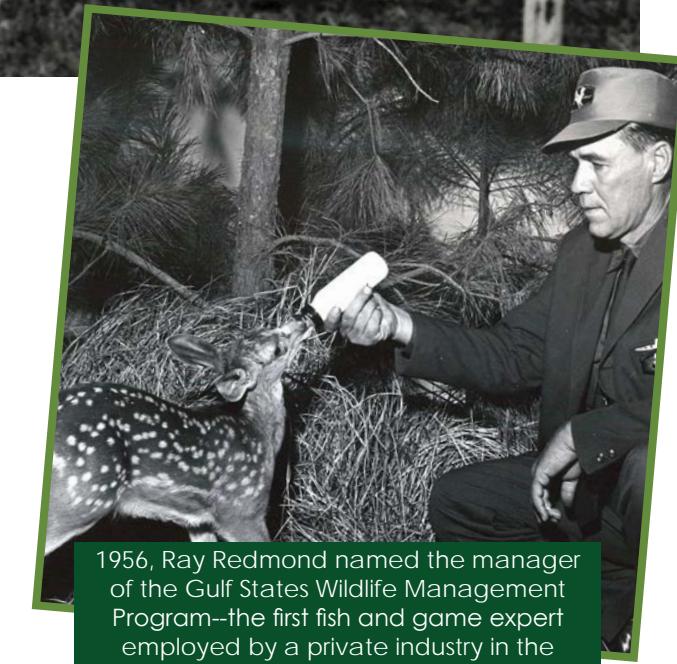
Quality Products & Services



Community



Excellence  
Learning  
Accountability



\*Westervelt was formerly named Gulf States Paper Corporation



# BUSINESSES and Service Areas



Offices:  
Auburn, AL  
Golden, CO  
Nashville, TN  
Sacramento, CA



Offices:  
Aliceville, AL  
Brent, AL  
Eutaw, AL  
Fargo, GA  
Statesboro, GA  
Thomasville, AL  
Tuscaloosa, AL



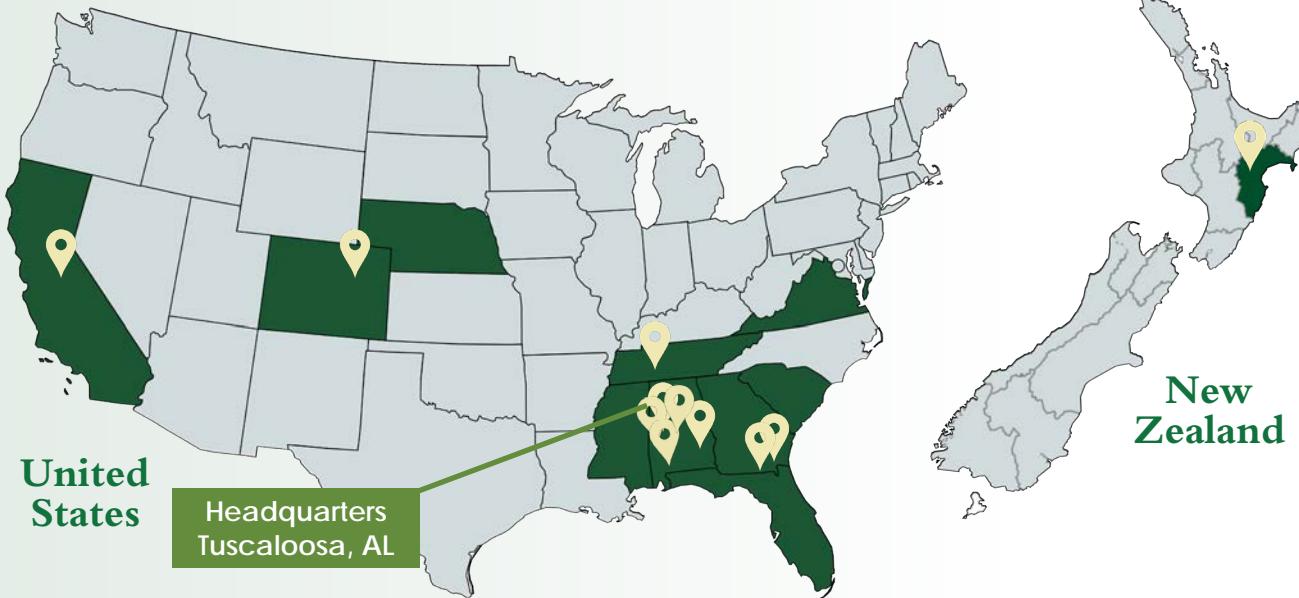
Facilities:  
Moundville, AL  
Thomasville, AL



Offices:  
Tuscaloosa, AL



Taupo,  
North Island



# ENVIRONMENTAL

## FOREST MANAGEMENT

## CLIMATE

## WATER

## WILDLIFE

Our business models depend on maintaining healthy environments in order to sustain forest health and productivity, deliver meaningful ecosystem restoration, and continue to provide the products and recreational experiences that society demands.

*Sustainability* is integral to our legacy as Stewards of the Land and is essential for our future success.

*Westervelt invested in excess of \$100,000 on environmental research in 2021*

Big Gun Conservation Bank, California, by Matt Coyle

## Sustainable **FOREST MANAGEMENT** and Timber Procurement

Long term sustainability of timber and ecological resources is critical to our continued success. Adherence to forest and fiber certification standards through rigorous third party audits ensures our procedures are aligned with accepted sustainable forestry criteria. All of our working forests remain certified to the Forest Stewardship Council® (FSC®) and/or the Sustainable Forestry Initiative (SFI®). Our procurement due diligence and chain-of-custody systems also ensure we only receive logs from legal and responsible sources.

 <b>555,287</b> <b>ACRES</b>	 <b>100% Certified</b>	<b>2.4%</b>	<b>100%</b>	<b>17,176</b>
Total Working Forest Land	by FSC and/or SFI	Working Forest Land Harvested in 2021	Harvested land is reforested	Acres Thinned
<b>FSC &amp; SFI Forest Management</b>	<ul style="list-style-type: none"> <li>• No non-conformances</li> <li>• One opportunity for improvement / observation to improve layout &amp; construction of water control structures</li> </ul>			





James Owens explaining the seedling process to Drew Hankins at the nursery in Eutaw, AL

# Reforestation



## FOREST

**6.9 million** seedlings were planted in our forests

**82%**

of seedlings planted in our forests were grown at our container nursery.



ONE HUNDRED MILLIONTH  
containerized seedling  
milestone at our nursery in 2020



## SEED ORCHARDS

**712  
lbs.**

of seed were produced from our seed orchards. (This is enough seed to grow approximately 10 million seedlings to regenerate roughly 20,000 acres).



## NURSERY

**90%** of seedlings we grew were produced from seed from our orchards

**7.5 million** loblolly and **140,000** longleaf seedlings were grown at our nursery

# Forest Management

## Cooperative Research Affiliations

As part of our commitment to supporting research and continuous improvement in our sustainable forest management, we partner with the following organizations:

- Tree Improvement Cooperative, North Carolina State University
- Southern Forest Nursery Management Cooperative, Auburn University
- Forest Health Cooperative, Auburn University
- Forest Modeling Research Cooperative, Virginia Tech
- Plantation Management Research Cooperative, University of Georgia
- Southern Pine Volume and Weight Consortium
- Forest Research and Technology Exchange
- National Council for Air and Stream Improvement



# Fiber Sourcing

at our Lumber Facilities in Moundville & Thomasville, Alabama

**1,270,838**

*tons of logs utilized at our facilities*

**100%**

*logs from legal and responsible sources*

**39.5%**

*logs sourced from ATFS/SFI and FSC lands*

**25.9%**

*logs sourced from Westervelt land*

## Certification RESULTS

### SFI Fiber Sourcing

- No non-conformances

### FSC Controlled Wood

- No non-conformances

### Triple Chain-of-Custody

- One non-conformance on a mislabeled product on a PEFC Chain-of-Custody.

### FSC Controlled Wood and SFI Fiber Sourcing

While our Moundville, Alabama facility has been working with the procurement and chain-of-custody certification systems for more than a decade, the Thomasville, Alabama facility was added to the system this year.



Issue was immediately corrected with our customer and in no way affected our credit balance.



A wide-angle photograph of a forest landscape. The foreground is filled with tall, green grass and some bare trees. In the middle ground, there are more trees and a hillside. The sky is blue with scattered white and grey clouds.  
**547,800 MT CO<sub>2</sub>e**

Sequestered and stored more than a half million more MT CO<sub>2</sub>e than we emitted for our forest & manufacturing operations

<sup>1</sup>Equivalent to emissions from 119,000 passenger vehicles

**623,969 MT CO<sub>2</sub>e**

Carbon removed from the atmosphere & stored in our forests (above ground only) & wood products in 2021

*Equivalent of 15 million lawnmowers*

**30,440,438 MT CO<sub>2</sub>e**

Working forest carbon stocks

<sup>2</sup>Greater than the entire annual carbon footprint of the city of St. Louis

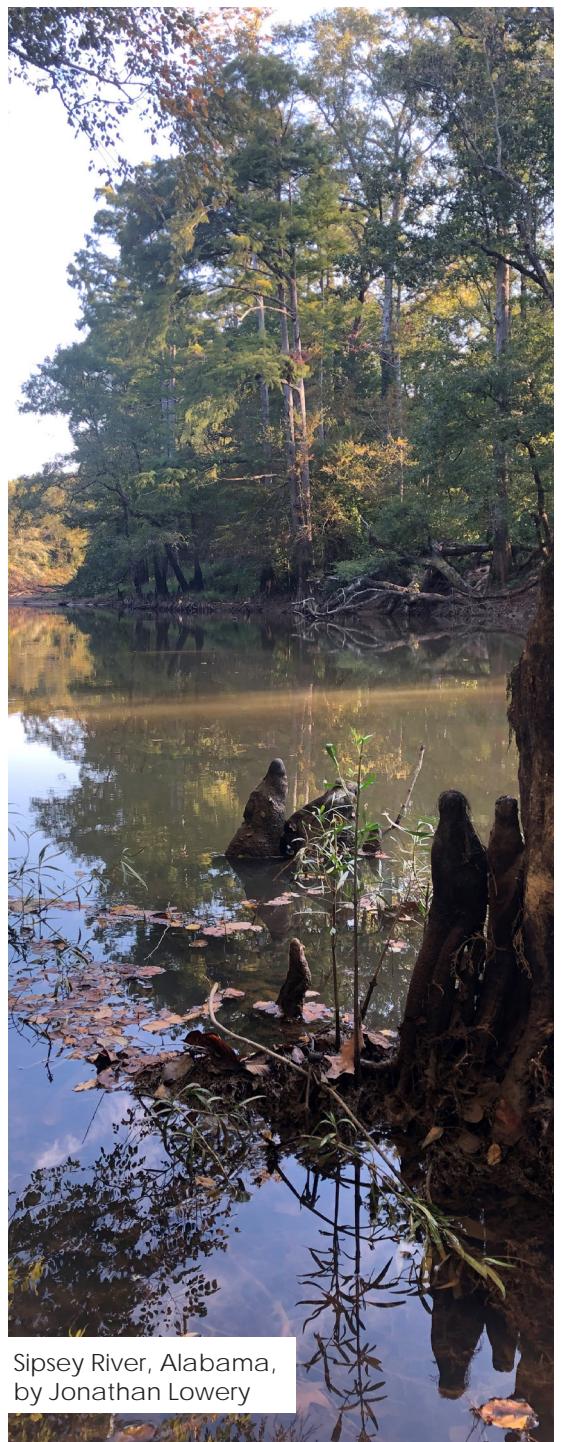


<sup>1</sup>U.S. Environmental Protection Agency. 2018. Greenhouse Gas Emissions from a Typical Passenger Vehicle. Office of Transportation & Air Quality. EPA-420-F-18-008

<sup>2</sup>Moran, D., Kanemoto, K., Wood R., Tobben, J., Seto, /k. 2013. Global Gridded Model of Carbon Footprints (GGMCF) online model. [citycarbonfootprints.info](http://citycarbonfootprints.info)

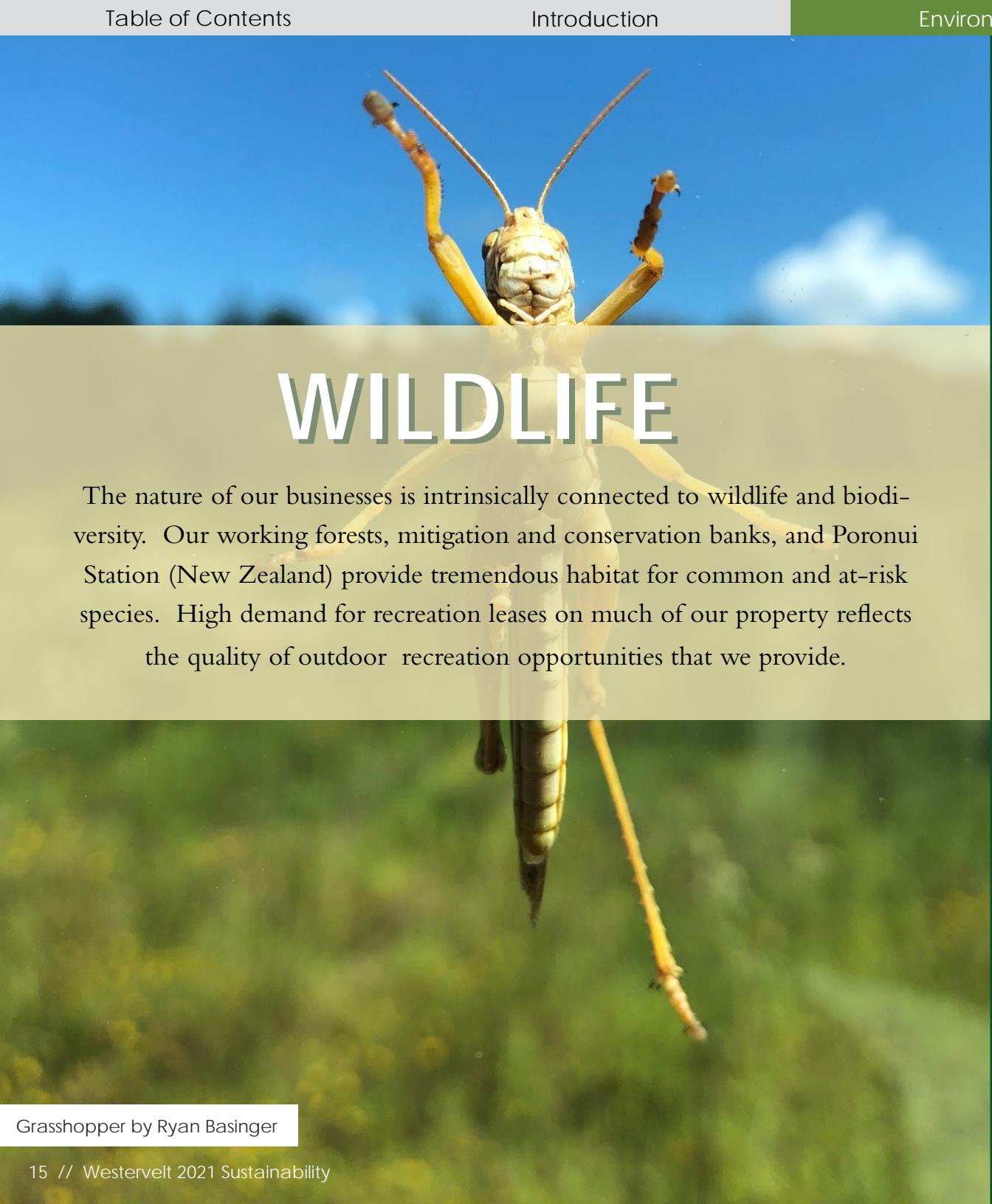
# WATER

We fully realize the absolute necessity of clean water as the foundation of all life on earth. Our forestry and timber procurement operations require the use of best management practices (BMPs) for forestry. We undergo ongoing training to ensure application of BMPs is consistently understood. Rigorous internal and third party auditing confirm that BMPs are correctly applied and monitored for effectiveness. We adhere to all water regulatory requirements in our lumber manufacturing and wetlands mitigation operations.



<b>85,175</b> Acres	<b>2,030</b> Miles	<b>191</b> Miles	<b>16,554</b> Acres
Streamside Management Zones (SMZs)	Streams protected by Forestry SMZs	Streams protected by permanent easements	Wetlands protected through permanent conservation easements

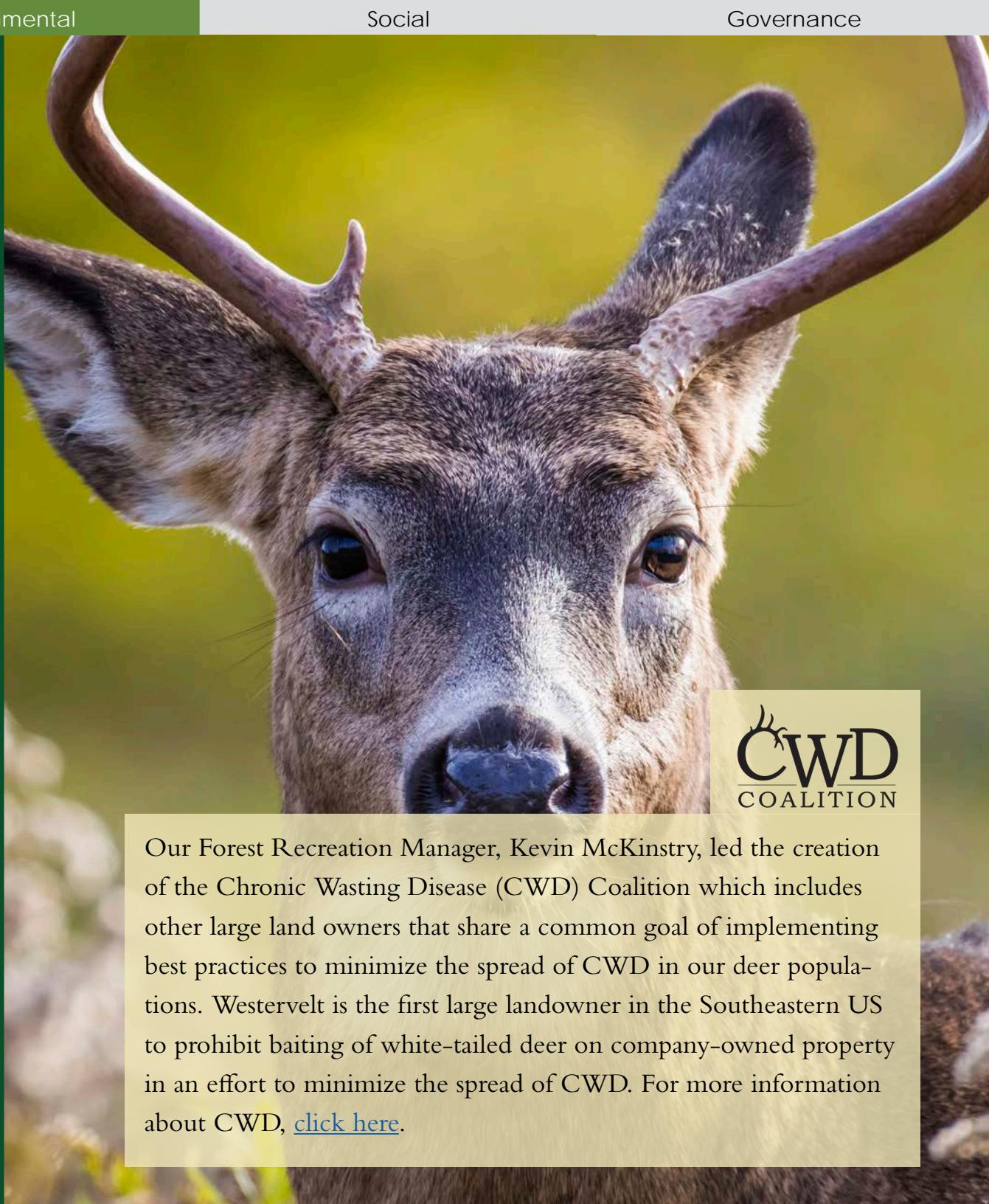




# WILDLIFE

The nature of our businesses is intrinsically connected to wildlife and biodiversity. Our working forests, mitigation and conservation banks, and Poronui Station (New Zealand) provide tremendous habitat for common and at-risk species. High demand for recreation leases on much of our property reflects the quality of outdoor recreation opportunities that we provide.

Grasshopper by Ryan Basinger





# *Species Conservation*

## CREDITS

Westervelt Ecological Services  
Conservation Banks protect and  
enhance important habitat for  
listed species.

California Red-Legged Frog

California Tiger Salamander

Central Valley Steelhead

Central Valley Spring-Run Chinook Salmon

Sacramento River Winter-Run

Chinook Salmon

Giant Garter Snake

Gopher Tortoise

San Joaquin Kit Fox

Swainson's Hawk

Vernal Pool Tadpole Shrimp

Valley Elderberry Longhorn Beetle

Western Burrowing Owl

Western Spadefoot Toad

\*24 listed species credited within our conservation banks

Gopher Tortoise at a logging job in Vidalia, Georgia by James Carr



## 17,176 ACRES

thinned, providing open canopy pine habitat

## 13,501 ACRES

harvested, providing early successional conditions important for many species

## 3,543 ACRES

of wildlife openings and feeding areas

We believe in continuous learning and improvement when it comes to ensuring the most viable habitats for wildlife species. We remain actively engaged with many organizations and efforts that seek to better understand biodiversity on working forest lands:

- Hosted a songbird workshop on our working forest in Georgia in conjunction with the American Bird Conservancy where we observed at least 53 different species of birds
- Actively engaged in the Conservation without Conflict effort to build trust and partnerships across diverse sectors to support voluntary conservation on working forests
- Supporter of the collaborative Wildlife Conservation Initiative within the National Alliance of Forest Owners
- Participated in data submission as part of the Species Status Assessment for gopher tortoise
- Cohosted a birding event with Environmental Solutions and Innovations at Gateway Natural Area (managed by the City of Fort Collins, CO) and located along the Cache la Poudre River. An ornithologist guided the outing where participants viewed more than 40 species of birds.

Songbird workshop, Georgia



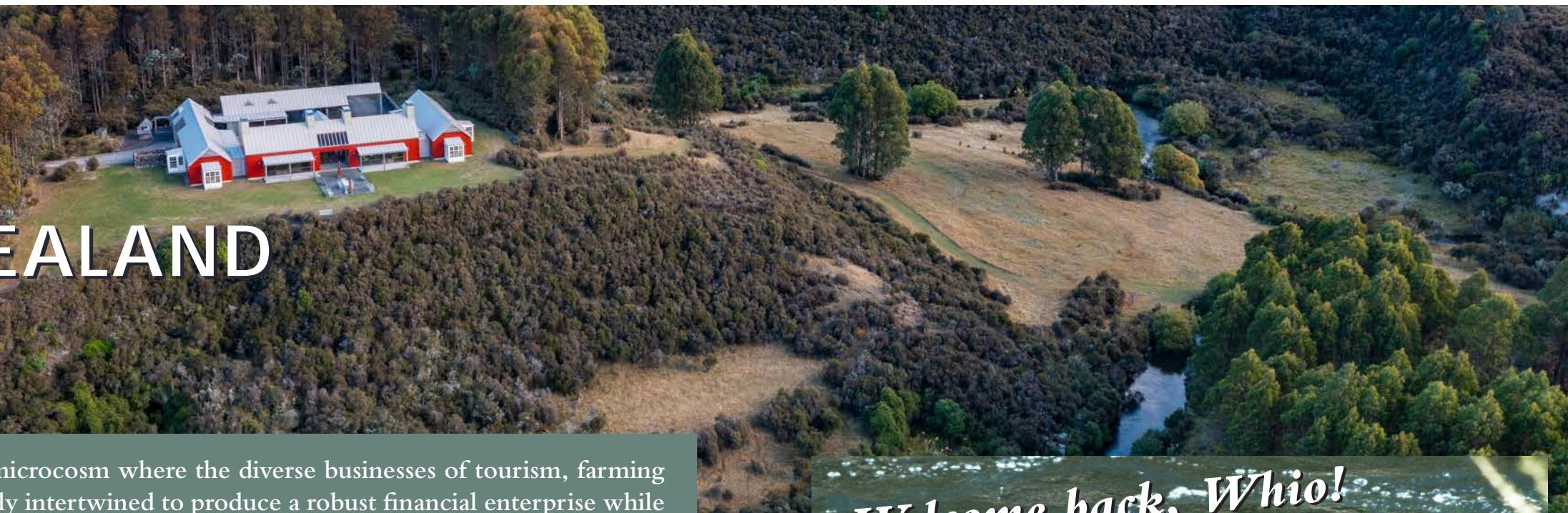
# NEW ZEALAND

Poronui is a unique microcosm where the diverse businesses of tourism, farming and forestry are closely intertwined to produce a robust financial enterprise while ensuring outstanding environmental outcomes. This premium tourism offering relies on water quality and protection of environmental assets while indigenous and introduced forestry create economic returns as well as the opportunity to offset greenhouse gas emissions from farming and other activities.

## Protected Species and Habitats

Poronui works closely with Department of Conservation, Hawkes Bay Regional Council, and community groups such as the Sika Foundation to safeguard a range of significant and/or vulnerable species and habitats on the property including:

- Pittosporum turneri
- Scarlet mistletoes (*Peraxilla colensoi*)
- Small scaled skink
- Beech forest
- Fern bird
- Spotless crake
- Regionally significant fen wetlands
- Whio (Blue duck)



*Welcome back, Whio!*



Whio (Blue Ducks)

## About the Whio

Blue ducks are now often seen at Safari Camp and on the Mohaka River (at Poronui's back boundary). There used to be very few breeding pairs, but now Poronui guides will dispute the fact that they are even endangered! They are super playful and fun birds. It's nice to have them back.



Finance team volunteered at West Alabama Food Bank



## Grand Opening!

JANUARY 2021

NEW SAWMILL  
THOMASVILLE, ALABAMA  
CLARKE COUNTY

creating 140 quality jobs

## THOMASVILLE SAWMILL

*impact on the local, rural community*

“The Westervelt Company has long played a prominent role in Alabama’s booming lumber industry and has done so while promoting good environmental stewardship. I’m very excited to see that Westervelt is thriving and that they are building their second mill in rural Clarke County.”

- Kay Ivey, Governor of Alabama

“The company’s new lumber production facility in Clarke County represents an important job-creating project for a rural area, and it will provide a boost for the forest products industry throughout the region.”

- Greg Canfield, Secretary of the Alabama Department of Commerce

Production begins in Thomasville, Alabama sawmill

# Industry Leading SAFETY Performance

Building and maintaining a world class safety culture is our top value. Our comprehensive focus on safety is more than a program or system—it is how we operate. We strive to do all we can to minimize risks and empower our employees to ensure safety is the first priority in all of our tasks.

## 131 SPIs

Safety Process Improvements (SPIs) are employee-driven assessments of our work processes that result in meaningful improvements to health or safety.\*

\*Each business unit sets goals for SPIs. The total goal for 2021 was **104 SPIs** across all businesses.

## .85 OSHA Total Incident Rate

Our incident rate places us in the industry top quartile on a 10-year rolling average.



## .2 OSHA Lost Time Incident Rate

Our lost time incident rate places us in the industry top quartile on a 10-year rolling average.

## New Zealand Safety

1,379 days (as of 9/30/2022) since last recordable safety incident  
(3.78 years)

## CONTINUOUS IMPROVEMENT



- 1,975 total GrowEx (third party delivery) classroom hours
- \$171,500 total GrowEx third party training investment

\* Hours only include classroom sessions; mentoring for Black/Green Belts is excluded.

Employee development is one of the company's most beneficial investments. Our employees gain valuable knowledge and skills, and this in turn allows the company to grow and create additional jobs and better serve our customers. Growing Excellence (GrowEx) is Westervelt's continuous improvement initiative. A key component of this initiative is advanced training in the Lean Six Sigma (LSS) methodology.



Sally Anderson, a Process Improvement Specialist based in our Thomasville sawmill, is pictured receiving her LSS Black Belt certificate from Brian Luoma, President and CEO of Westervelt. Sally, an Operations Management major, led a cross functional team to improve a key sawmill metric for her certification project.

## Come Stay Awhile

One of the things we are most proud of is that once people join our team, they tend not to leave.

We provide meaningful work experiences and give our team members the tools, development, support and autonomy they need to lead **successful and worthwhile** careers.



**Jim King**

Jim culminated his 40-year career at Westervelt with the honor of **Alabama Wildlife Federation's 2021 Forest Conservationist of the Year**. After retiring, he joined the Westervelt Board of Directors.

# #WeAreWestervelt

## EMPLOYEES

**140 NEW JOBS**  
at the Thomasville mill

**8.4 YEARS**  
**Average Tenure**

**98%**  
**Job Offers Accepted**

**708 EMPLOYEES**

**21 STUDENT INTERNS**

Our medical benefits program encourages and rewards healthy lifestyles as measured by biomonitoring each year. We maintain high quality and low cost health insurance as part of our benefits package.

- Robust retirement plan available to all full-time employees
- All full-time employees have paid vacation and sick leave



Dave Donaldson presents Jim King with the Shelby Broadhead Award

**266 SALARIED EMPLOYEES**  
in **Leadership Training**

**27 CATEGORIES**  
of professional licenses/certifications

more than **9,873 HOURS**  
of internal training

**\$211,900**  
spent on employee development

## New Zealand Social

Actively contributing to positive relationships with regional and national government, local community groups and schools and neighboring Māori land trusts is vital to delivering positive environmental, economic, and social outcomes. In addition, 450kg of Poronui venison was contributed to local food banks.

- Sika Foundation
- Department of Conservation
- Local schools' outdoor experience
- Neighboring Māori Land Trusts

## Professional DEVELOPMENT

We believe in the power of continuous learning and know that knowledge enhances our employee's satisfaction and our company's success. Opportunities for continuous education and training are widely offered as a way to provide individual fulfillment and career development.

# Westervelt<sup>TM</sup> Cares

We are proud to support our local communities, and actively consider ways to enhance the well-being of them. We realize that we are part of a larger landscape that seeks to enrich the lives of people. We do this through philanthropic initiatives, outreach, and rural economic development.

## Westervelt Foundation \$197,000

*contributions made to civic, environmental, and educational causes that support community initiatives*

Alabama Wildlife Federation  
American Heart Association  
Arts 'n Autism  
Black Warrior Council Boy Scouts  
Boys & Girls Club of Southwest Alabama  
Children's Hospital of Alabama  
Cottondale Elementary (Adopt-a-School)

Girl Scouts of North-Central AL  
Jimmy Rane Foundation  
Junior Achievement  
Lanarc  
Tuscaloosa's One Place  
United Way of Southwest Alabama  
United Way of West Alabama  
West Alabama Food Bank  
& many more



### 2021 Campaign

Employee Pledges :

United Way of West Alabama - \$53,327

United Way of Southwest Alabama- \$12,372

Corporate Pledge: \$67,000

**Total Contribution:  
\$132,699**



## WARNER Scholarship

2021 scholarships total:

**\$17,500**

Each year, Westervelt celebrates all of our employees' high school and college graduates. From that group, we select outstanding students to receive the Warner Scholarship. The scholarship program began in 1996 and is awarded based on merit of grades and community involvement.

2021 new recipients:

**Lauren Carroll**

Tuscaloosa, AL

**James Lindsay**

Demopolis, AL

2021 renewed recipients:

Mary Grogan

Mattie Nicholson

Luther Lindsay

James Medlin

Laurel Martin

Total scholarships to date:

**\$355,800**



# GOVERNANCE

PARTNERSHIPS   ETHICS   RISK MANAGEMENT

Our values of **Quality, Learning, and Accountability** are reflected in how we conduct our businesses. We are open and honest in how we interact with employees, customers, regulators, suppliers, and other stakeholders. Continuous learning and improvement is foundational to our future success in meeting our customer's expectations. We know the importance of maintaining trust in our role of providing sustainable goods, services, and experiences to society.

Our corporate strategy and planning includes key objectives in the Strategic Focus Areas of health and safety, employee alignment, corporate citizenry, customer focus, and operational excellence. Objectives in these areas are incorporated into our business strategies which translates our commitment to sustainability into tangible and actionable items.



## PUBLIC POLICY *Engaged Expert CEO*

We understand the importance of engaging in the public policy process as responsible corporate citizens. By working with our professional associations and elected officials we are able to ensure accurate information about our businesses is understood. We appreciate the opportunity to interact with the political process and see it as our responsibility to promote the message of sustainability. On September 23, 2021, our President & CEO, Brian Luoma had the honor of testifying before the U.S. House Agriculture Committee on private working forests and the role they can play as a natural climate solution, including through voluntary carbon markets.

## Professional Association Memberships:

- Alabama Forestry Association
- Alabama Wildlife Federation
- American Wood Council
- Congressional Sportsmen's Foundation
- Ecological Restoration Business Association
- Forest Landowners
- Forest Resources Association
- Forestry Association of South Carolina

All of these groups are essential for education and advocacy of the collective socioeconomic and environmental benefits of our business:

- Georgia Forestry Association
- Georgia Wildlife Federation
- The Longleaf Alliance
- National Alliance of Forest Owners
- Society of Wetlands Scientists
- Softwood Lumber Board
- SAF
- Virginia Forestry Association

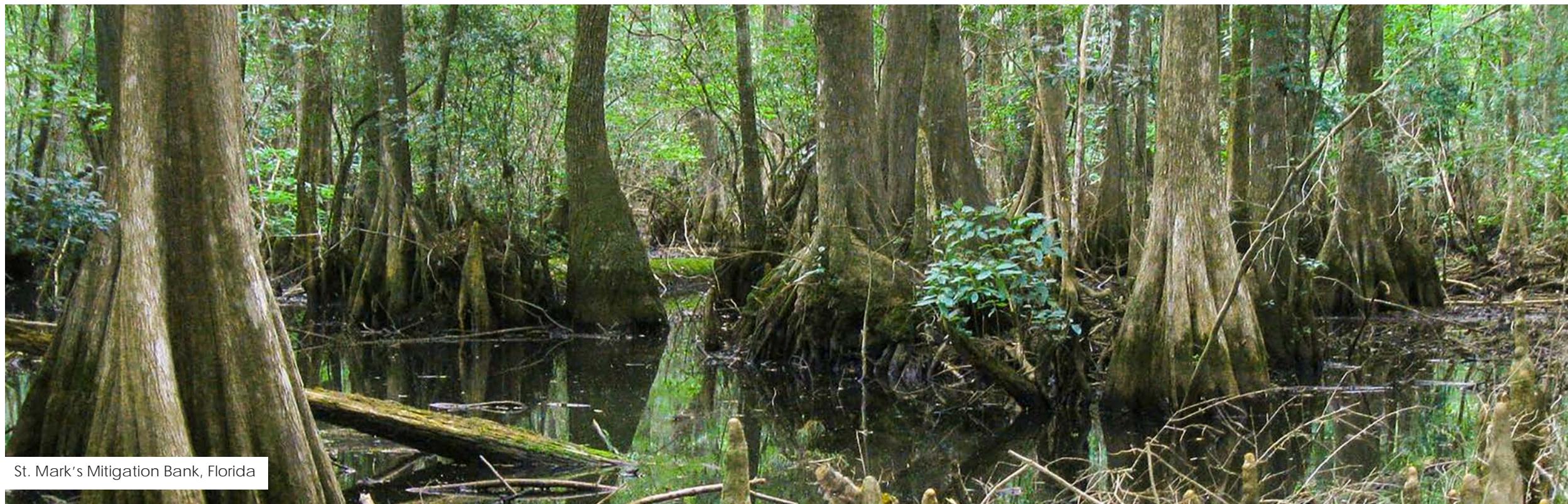


## NEW ZEALAND

The New Zealand government has introduced a legislative framework to drive the country to a position of net zero GHG emissions as well as to significantly improve freshwater quality and biodiversity. Westervelt is committed to being a leader in this change and has introduced or contributes to a range of activities to achieve these outcomes.

### Proactive Programs

- Carbon zero accreditation
- Tourism sustainability program
- Registration of 305 HA forest in NZ
- Emissions Trading Scheme
- Farm Environment Plan



## RISK MANAGEMENT

Westervelt employs a very robust process for managing risk. Enterprise Risk Management, also known as ERM, is a company-wide initiative that focuses on strategic and operational risks. Our recognition of biotic and abiotic risks, and our response plans for mitigating these risks, is very much focused on sustainability. Critical habitats, biodiversity, and carbon sequestration are all considered in our risk planning efforts.

## WeRecycle

Our employees at headquarters renewed our commitment to recycling by updating our company practices. Best practices were implemented and new receptacles were strategically placed for centralized recycling.



Employee "Green Champions" volunteered through Westervelt Office Services to monitor the traffic flow for each type of collected material. The program encourages participation by making it fun with branded giveaways and waste reduction incentives.

## ETHICS

We are 100% committed to fair, honest, and ethical business practices. We offer an anonymous, toll-free hotline available 24 hours a day. Independently operated by Navex Global, the ethics hotline provides an anonymous outlet for reporting concerns of unethical activity. To contact the ethics hotline in the U.S., please call 866-280-3558.

For New Zealand, please place international collect calls to +1-678-250-7597.



## MESSAGE *from the* CSO LOOKING AHEAD

After 137 years of responsible management of natural resources, Westervelt has never stopped growing. We have learned much and adapted in many ways. Our responsibility to manage natural resources in a way that ensures future generations will be able to enjoy them is central to all we do. Society faces numerous challenges including: climate change, maintaining biodiversity, supporting communities, and sustainably supplying goods and services. Westervelt is honored to be a part of the solution to these and many other challenges. We stand ready to continuously improve and provide innovative platforms to meet these needs.

*Cade Warner*  
Chief Sustainability Officer

Westervelt 2021