

2023 Supply Chain Risk Report

Under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

INTRODUCTION

This 2023 Supply Chain Risk Report under the "Fighting Against Forced Labour and Child Labour in Supply Chains Act" (this "Report"), is made jointly by PotlatchDeltic Corporation ("PotlatchDeltic") and certain of its subsidiaries¹ (the "Subsidiaries") pursuant to subsection 11(2) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act"). For purposes of this Report, any references to "the Company," "us," "we" and "our" include PotlatchDeltic Corporation and the Subsidiaries. This Report covers activities undertaken from January 1, 2023, to December 31, 2023, for the financial year ending December 31, 2023 (the "Reporting Period"). This Report constitutes the first report prepared by the Company - pursuant to the Act. The Company does not have reporting obligations under supply chain legislation in other jurisdictions. The policies, procedures, and systems described in this Report have been adopted by PotlatchDeltic and the Subsidiaries.

PotlatchDeltic's common shares trade under the symbol PCH on the Nasdaq Global Select Market and our ISIN is US7376301039. PotlatchDeltic, headquartered in Spokane, Washington, U.S.A., is a leading timberland REIT operating in forestry and manufacturing entirely in the United States. We own nearly 2.2 million acres of timberland in seven states, six sawmills and an industrial grade plywood mill across four states, a residential and commercial real estate development business, and a rural timberland sales program. To learn more, visit our website at <http://www.potlatchdeltic.com>. During the Reporting Period, PotlatchDeltic Land & Lumber, LLC, an indirect subsidiary of PotlatchDeltic, did business in Canada and met the size-related thresholds of the Act.

As required by the Act, this Report summarizes the steps that the Company took during the Reporting Period to prevent and reduce the risk that forced labor or child labor was used in the Company's business operations and supply chain. This Report has been approved by the Board of Directors of the Company.

STEPS TAKEN TO PREVENT AND REDUCE RISKS OF FORCED LABOR AND CHILD LABOR

PotlatchDeltic's mission is to grow and produce the resources that build a foundation for our lives and improve the communities where we live, work, and play. Our corporate values are safety, inclusion and respect, integrity, operational excellence, community, and environmental stewardship. We comply with laws and regulations wherever we operate, and we practice a high standard of business and personal ethics.

¹ PotlatchDeltic controls its subsidiary PotlatchDeltic Forest Holdings, Inc. (EIN 20-3584816), which controls Potlatch Timberlands, LLC (EIN: 26-4578419), which controls PotlatchDeltic Land & Lumber, LLC (EIN: 01-0908967). In 2023, PotlatchDeltic Land & Lumber, LLC sold and delivered mill residuals to a customer in Canada.

Respect for human rights is a fundamental value of PotlatchDeltic and we strive to respect and promote human rights in our relationships with our stakeholders.

During the Reporting Period we continued to implement our approach to human rights. We have policies and practices in place regarding respecting human rights in our operations and supply chains including our Corporate Conduct and Ethics Code ("Ethics Code"), Supplier Code of Conduct ("Supplier Code"), Human Rights Policy, and a grievance hotline. During 2023, we continued to implement these policies and procedures through: enforcing contract terms, employee training, acknowledgement of the Ethics Code, acknowledgment and training of the Supplier Code, and raising awareness of our human rights policies and processes with senior management in each of our business units. In addition, in 2024, we have taken steps to prevent and reduce the risk of forced or child labor in our supply chains, through engaging with some of our largest suppliers on their forced labor and child labor risks and procedures during the Reporting Period.

OUR STRUCTURE AND ACTIVITIES

PotlatchDeltic Corporation, formerly known as Potlatch Corporation and also formerly known as Potlatch Holdings, Inc., was incorporated in Delaware in September 2005. The Company's history dates back to 1903 with the incorporation of Potlatch Lumber Company. Our business strategy encompasses an integrated operating model of growing timberlands, manufacturing wood products and capturing incremental value of our real estate holdings. Our operations are organized into three business segments: Timberlands, Wood Products, and Real Estate.

Timberlands Segment: We sustainably manage nearly 2.2 million acres of timberlands, including approximately 19,000 acres under long-term leases. At December 31, 2023, our timberlands consisted of 625,000 acres in Idaho and 1.536 million acres in the U.S. South.

Wood Products Segment: We are a top 10 softwood lumber manufacturer in the U.S. with 1.1 billion board feet of capacity. We also own an industrial grade plywood mill with 150 million square feet of capacity. Our Wood Products segment manufactures and sells lumber, plywood, and residual products at seven mills located in Arkansas, Idaho, Michigan, and Minnesota.

Real Estate Segment: The activities of our Real Estate segment consist primarily of the sale of rural land and real estate development and subdivision activity. We currently have identified approximately 158,000 acres of non-core timberland real estate in the United States that we intend to sell over time. The Real Estate segment also engages in real estate development and sales, and at times sells undeveloped acreage.

At December 31, 2023, we employed 1,384 employees across our businesses, entirely within the United States. All of our operations were in the United States, and we had no employees located in Canada.

Revenues from goods sold and delivered to customers in Canada represented approximately 0.1% of our consolidated gross 2023 revenues. Goods sold and delivered to our Canadian customers in 2023 consisted of approximately 8,000 bone dry tons of wood residuals from our Bemidji, Minnesota sawmill. Wood residuals are a by-product of our lumber production. Wood fiber for our Bemidji mill in 2023 was sourced

from Michigan, Minnesota, Wisconsin, and Canada. In addition, we sold approximately 1,600 board feet of lumber and over 8,700 dry tons of sawdust to customers from Canada who took possession of the goods in the United States and shipped them to their preferred locations in the United States, Canada, or elsewhere.

OUR SUPPLY CHAIN

During the Reporting Period, we procured over \$615 million in goods and services from 3,903 suppliers. Wood fiber accounted for 24% of overall procurement spend, with goods accounting for 29%, and services comprising the remaining 47%. When logging and hauling spending is combined with the procurement of wood fiber, over 45% of procurement is related to fiber sourcing. The suppliers of logs to our wood products facilities and the contractors supporting our timberlands operations are typically local to our geographic locations.

In our timberlands, suppliers or contractors are retained for growing or providing seedlings from a nursery, reforestation, silviculture work after the harvest, and managing insects and disease. Planting is performed by silviculture contractors, which may employ migrant workers under H-2B visa programs that authorize them to work in the United States. Timber is harvested by local contractors and delivered either to our wood products facilities or other forest products facilities. Our procurement foresters purchase wood fiber for our wood products facilities from our timberlands or from private, state, and federal sources in a relatively limited geographic area. Other 2023 purchases of goods by the wood products facilities included freight, energy, equipment, and other goods. In addition, contractors perform a wide range of services, such as environmental testing, maintenance work and other services, providing supplies, transporting wood residuals to other end-users, and supporting capital projects. Our real estate development activity supply chain in 2023 largely consisted of services by local contractors surrounding lot development in the states of Arkansas and Idaho, and rural land sales. Our Chenal Valley real estate development in Little Rock, Arkansas is a premier, upscale master planned community, with approximately 4,800 acres of residential and commercial properties centered around a country club with two championship golf courses. The country club is managed by a third-party contractor.

POLICIES AND DUE DILIGENCE IN RELATION TO FORCED LABOR AND CHILD LABOR

Corporate Conduct and Ethics Code: Our [Ethics Code](#) reaffirms our continuing 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. We work to instill the concepts of our Ethics Code in every employee. In 2023, we maintained our practice of having employees acknowledge their review of the Ethics Code at the time of their onboarding and to have certain employees, including management, supervisors, and procurement leads, complete an annual review of the Ethics Code, including an attestation of their compliance. The Ethics Code requires, among other things, that each subject person complies with applicable laws, rules and regulations and the Company's policies and procedures. We also expect our suppliers and contractors to uphold the same legal and ethical standards.

Human Rights Policy: We comply with applicable domestic human rights laws, and though we do not have international operations, we respect and support internationally recognized human rights principles. In that spirit, our Human Rights Policy is guided by frameworks such as the U.N. Guiding Principles on Business and Human Rights and the United Nations Universal Declaration of Human Rights. PotlatchDeltic prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, modern forms of slavery and any form of human trafficking. We do not use child labor and only employ workers who are authorized by law to work in the jurisdiction where the work is performed (all of which is in the United States) and who meet the legal age of employment according to the Fair Labor Standards Act and applicable state or local law. We comply with all local applicable laws and regulations relating to hiring children and we do not employ children or support the use of child labor.

Supplier Code of Conduct: In addition to compliance with the Code of Ethics, PotlatchDeltic required key suppliers and contractors within our operational business segments to comply with our Human Rights Policy and our Supplier Code of Conduct, including observing the same respect for human rights in their actions and relationships with PotlatchDeltic. As part of our standard contract terms and operating procedures, key contractors in our timberlands and wood products facilities are provided with our Supplier Code and asked to verify that they have read and comply with its components. In addition, we provide training to these contractors of the Supplier Code.

Due Diligence: We incorporated due diligence in relation to forced labor or child labor principles through supplier selection and relationship management using various means, including pre-qualification, requests for proposals ("RFP"), proposal evaluations, and contracts. In 2024, we also asked some of our larger suppliers and contractors in our business segments to complete a questionnaire regarding 2023 goods and services delivered to the Company. The survey asks if the supplier had any forced labor or child labor risks or incidents and any action plans to determine if there were risks or incidents of forced labor or child labor and the policies, procedures, and grievance mechanisms that were in place. PotlatchDeltic also provides a hotline, maintained by an independent third party, for stakeholders to anonymously report any suspected violation of the law or breach of established policies and procedures.

RISKS OF FORCED LABOR AND CHILD LABOR IN OUR OPERATIONS AND SUPPLY CHAINS

We believe the risk of forced labor and child labor in our operations and supply chain in 2023 was low. Our commitment to respecting human rights and our expectation that our contractors and suppliers do the same is embedded throughout our corporate policies, practices, and expectations.

In 2023, we utilized an Enterprise Risk Management (ERM) framework to identify, assess and mitigate significant risks facing the Company, including risks related to corporate responsibility topics. The Audit Committee of the Board of Directors and senior management have primary responsibility for the oversight of risks facing the Company. Specific risks were identified, assessed, and mitigated where feasible as part of our ERM process. In addition, our Environmental Management System and Corporate Responsibility review, which is conducted annually at the business unit level, evaluated business risks.

In 2024, we sent certain large direct suppliers a survey to help us assess, mitigate and prevent the risks of forced labor and child labor violations in our supply chain. In assessing activities during the Reporting

Period, we engaged with some our largest suppliers, the largest suppliers in the supply chain of wood residuals we sold and delivered to a customer in Canada, and suppliers where we have identified potential higher risk. This includes our timberlands supply chain, where planting and silviculture work was conducted by contractors who largely rely on migrant workers under H-2B visas, which authorize them to work in the United States.

MEASURES TAKEN TO REMEDY ANY USE OF FORCED LABOR OR CHILD LABOR

During the Reporting Period, no cases of forced labor or child labor were identified or reported. Any allegations, disclosures or discoveries of forced labor or work involving children in supply chains would be taken very seriously by the Company, which would ensure that an investigation is conducted promptly and that appropriate corrective action is taken.

MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES THAT RESULT FROM ANY MEASURE TAKEN TO ELIMINATE THE USE OF FORCED LABOR OR CHILD LABOR IN THE ACTIVITIES.

During the Reporting Period, the Company was not aware of any loss of income to the most vulnerable families due to the application of measures to eliminate the use of forced labor or child labor. However, any allegations, disclosures, or discoveries of such loss of income would be taken very seriously by the Company, which would ensure that an investigation is conducted promptly and that appropriate action is taken.

TRAINING FOR EMPLOYEES ON FORCED LABOR AND CHILD LABOR

Our Human Rights Policy includes training as a component of our approach to respecting and supporting the fundamental principles of human rights for workers and others impacted by our operations. In 2023, the Company provided training to all salaried employees, including those in procurement, on components of the Human Rights Policy. We also provide training to key operations contractors and suppliers about our Supplier Code of Conduct, which includes our Human Rights Policy.

METHOD USED TO ASSESS EFFECTIVENESS

We regularly undertake internal audits and reviews of various aspects of our business operations. The effectiveness of our business practices and compliance with applicable laws are in scope for these assessments. In 2023, our timberlands and fiber sourcing for our wood products facilities were third-party certified. The third-party certification standards include requirements surrounding sustainable forest management and compliance with applicable laws, including social laws surrounding human rights.

Contractors and subcontractors working in our timberlands were on our approved contractor list and our foresters tracked their performance. We used an online safety and compliance management system to pre-clear certain of our contractors and subcontractors working onsite at our wood products facilities.

In 2023, to assess the effectiveness of our approach to forced labor and child labor risks, we relied on input from relevant internal and external stakeholders, including investors, customers, employees, and members of our communities. We maintained our hotline, which provides an important channel of feedback to assess our effectiveness in preventing and mitigating these risks. We have introduced a number of measures to prevent and reduce the risks of forced labor and child labor. However, in 2023, no formal mechanism had been established to assess the effectiveness of our measures.

FORWARD-LOOKING STATEMENTS

This Report contains certain forward-looking statements within the meaning of the federal securities laws. Words such as “annual,” “as soon as possible,” “believe,” “continue,” “commitment,” “currently,” “ensure,” “expectation,” “intend,” “mission,” “over time,” “plan,” “regularly,” “strive,” “typically,” “would,” and similar expressions are intended to identify such forward-looking statements. These statements reflect management’s views of future events based on assumptions and are therefore subject to known and unknown risks, uncertainties, and other factors, and are not guarantees of future conduct, results, or policies. Please view the Cautionary Statement Regarding Forward-Looking Information on page 35 of PotlatchDeltic’s 2023 Corporate Responsibility Report and on pages 1-2 of PotlatchDeltic’s 2023 Annual Report on Form 10-K, both of which are available at: www.potlatchdeltic.com.

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REPORT APPROVAL

This Report has been approved by the Board of Directors of PotlatchDeltic Corporation pursuant to subparagraph 11(4(b)(ii) of the Act. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Dated this 15th day of May, 2024.



Name: **Eric J. Cremers**

Title: **Board Member, President and Chief Executive Officer**

I have the authority to bind PotlatchDeltic Corporation and the Subsidiaries