

GROWING FORESTS FOR OUR FUTURE.

Made in the U.S.A!

OPERATING IN UNCERTAIN TIMES

RED, MARK & GEORGE
EMMERSON

Comments regarding SPI's operations reflect our status as of May 7, 2020. Our operating status could change due to market conditions, government restrictions and other unforeseen factors.

Our broad world community has been facing an extraordinary challenge: The increasing reach of the COVID-19 pandemic. We have weathered previous challenging times in our family's 70-plus years in the forest products industry. We are prepared to do the same, again. We could not have predicted the drastic measures that have been deployed with the critical goal to protect people's health and save lives. Nor can we predict what will happen tomorrow, or next month, or next year in the wake of this outbreak and the nation's response.

What we can be certain of is that this pandemic is a short-term crisis. It will end in weeks and months, not years. It is also a certainty that we will continue to rely on our values to guide our decisions, just as we have always done. This means that the health and well-being of our crew remains our top priority. And it means that we will do everything in our power to protect our business and your jobs for the long-term.

We are confident that the demand for our products and the factors that led the U.S. to having one of the strongest economies ever are fundamentally still in place. However, there is no doubt that people have been, and will be, economically hurt by the unprecedented curtailments of government, businesses and jobs, cancellation of schools and community events, and the many new restrictions placed on our daily lives.

We are fortunate our products are recognized as "essential" by the U.S. Department of Homeland Security and most governors across the country. People need the electricity, wood products and windows we manufacture, as well as the toilet paper, paper towels and other hygiene products

that come from the chips produced by our sawmills. While we continue to operate, this is definitely not business as usual. We have yet to understand all of the economic and cultural implications of COVID-19.

Continuing our operations comes with the responsibility to look after the health and safety of our crew. Our workplaces are generally situated in a manner that facilitates social distancing. We have strengthened policies to further enhance social distancing and implemented other measures to ensure our crew works in a safe environment. We will continue many of these measures for the foreseeable future as the country begins reopening for business.

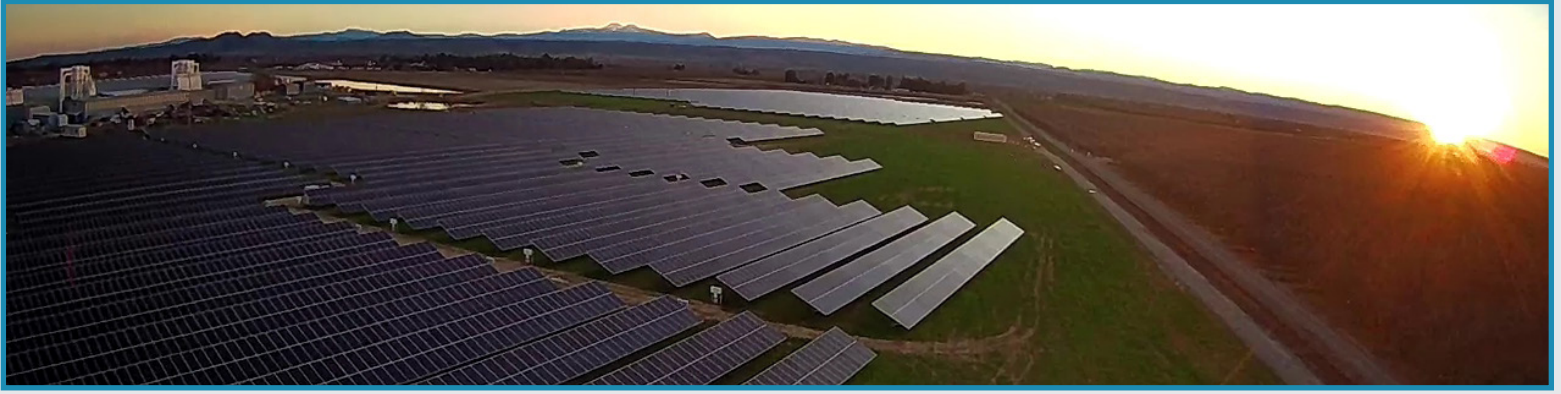
Due to a slowdown in housing construction and our construction markets in general, we did make temporary, operational reductions at three of our California mills in mid-April to align our production volume with the reduced market demand for our products. While those mills were running again by late April, we expect sustained volatility in our markets. We will continue monitor conditions and, if necessary, will make further operational changes.

While the short-term risks present challenges, we have good reason to be confident for the long-term. Sierra Pacific is well-positioned to do our part in contributing to the economic recovery.

In the meantime, let's focus on taking care of each other at the workplace, at home and in our community. We have worked through this crisis together and we will recover together.

Red Mark George

30 ACRES OF SOLAR = \$1 MILLION ANNUAL SAVINGS



Our Red Bluff Millwork Division Manager Bill Carroll has been working on this exciting project for almost two years and construction was completed February 2020, with interconnection to the grid expected any day. This \$12 million dollar project is expected to provide at least 30 years of energy cost savings. "It will be in the neighborhood of a million dollars a year in savings," Carroll said. The installation consists of 30,240 solar panels installed on 30 acres of land on the back side of the Red Bluff Millwork plant. These panels are capable of producing 11 megawatts of DC power. This is a net zero project, meaning it will supply enough power to offset most of the power used by the Millwork plant and the neighboring Red Bluff Windows plant site. This is just one of the ways that SPI is committed to clean energy. North Sierra Community Relations Manager Kristy Lanham, noted in a local news article: "It is a part of an on-going commitment that started with our co-generation biomass energy plants to be sustainable and green, which has been going since 1986."

NEW LIBRARY FOR BURNEY CA



Mock-up of the new Burney library, highlighting the use of locally harvested and manufactured wood on the front facade.

The Sierra Pacific Foundation has made a donation of \$25,000 to the new Burney Library. "We are very grateful," said Library Board President Pat Pell. "We want to thank Sierra Pacific Foundation for this important gift which coincides with the opening of escrow on the new building on Main Street. We will see our new library in 2020."

The new building is more than double the size of the current library and in a more prominent location. It will offer a wider array of programs and services including free high-speed internet, color printing, hot-off-the-press collections, study rooms, smart classrooms, and a community meeting room. It will also allow improved library services to all age groups, young children, teens, and seniors. The new building will enable the library to be a valuable center for educational activities, literacy programs, computer resources, and just having a "good read."



Congratulations
ED BARNETT & POLENISIA PEAU
SPI SONORA
2019 Hi-Q Award
National Grading Rules for Dimension Lumber



RETIREMENT CERTIFICATES EXPLAINED!

On March 13, your supervisor handed you a retirement certificate that shows your retirement plan contributions for 2019. Pictured below is an **example** of a retirement certificate.

SIERRA PACIFIC INDUSTRIES EMPLOYEES' RETIREMENT PLAN RETIREMENT CERTIFICATE FOR 2019	
COMPANY CONTRIBUTION (40% VESTED)	\$1,843.08
EMPLOYEE 401(k) CONTRIBUTION (100% VESTED)	\$2,500.41
COMPANY 401(k) MATCH (40% VESTED)	\$1,750.00

You are currently vested 40% in your Company and 401(k) Match Accounts. If you continue your participation in the Plan, you will be fully vested as of December 31, 2022.

The total Contribution to your Sierra Pacific Industries Employees' Retirement Plan for 2019 is \$6,093.49.

This statement is issued for information only. Specific details of the Plan are included in the Plan Document.
The Vanguard Group is the Trustee of the Plan. Inquiries regarding account balances or asset allocation can be made by calling the Vanguard Group at 1-800-523-1188.

401(k)
The money you add to your retirement account each paycheck by payroll deduction.

COMPANY CONTRIBUTION
A pool of money that Sierra Pacific creates each year. This is shared among eligible crew members based on hours worked, years of service, and earnings for the year.

401(k) MATCH

The amount that Sierra Pacific contributes to your retirement, up to \$1,750, by matching what you put into your 401(k) during the year.

WHAT IS VESTING?

For Company Contribution and Match, vesting is the amount you are entitled to receive if you leave employment. Vesting is progressive, starting from 20% vested (2 years of service) to 100% vested (6 years of service).

BENE-FACTS

HOW MUCH HAVE YOU SAVED ON YOUR PRESCRIPTIONS?

"When I first took my prescription to the pharmacy it was \$446 and then with my Caremark Card it brought my total to \$286. I then presented a GoodRx coupon and ended up paying only \$42.00. I saved \$404 dollars on just one prescription!"

- Mark Emmerson



QUESTIONS? ASK HEALTH BENEFITS (530) 378-8200

CENTRALIA PLANER LINE UPGRADE

The Centralia division just completed a major upgrade of their entire planer line. Although this mill was originally purchased as a functioning mill, many portions have been changed and upgraded over time. This major overhaul was recently undertaken to increase productivity.

The process started in August 2018 when the building was extended and the package line moved into the building. During late November that year the stacker was moved 50 feet and the crew started the process of adding 9 sorter bins, which would eventually bring the total to 39. March 2019 brought the installation of a Comact Grade X, an updated grade scanner. In May new equipment including a Carbotech fence and double arbor trim saw were installed. In July a new Gilbert high speed 6 roll planer and splitter module, a slow-down and infeed chains were installed. The baghouse was upgraded in the fall to complete the project. "Working together, the crew from the Centralia Division and the Washington Fab Shop completed this project with no downtime in sawmill production. They did an incredible job," shared Scott North, Division Manager.



The upgrade has resulted in an increase in premium grade recovery (11%) and production per hour (6%). Planer run time has decreased 5%. These numbers will continue to improve as the crew works to fine tune the new equipment. Curt Adcock, Washington Operations Manager notes that "this is just another example of SPI's consistent investment in our facilities to continue to be a top quartile performing mill."

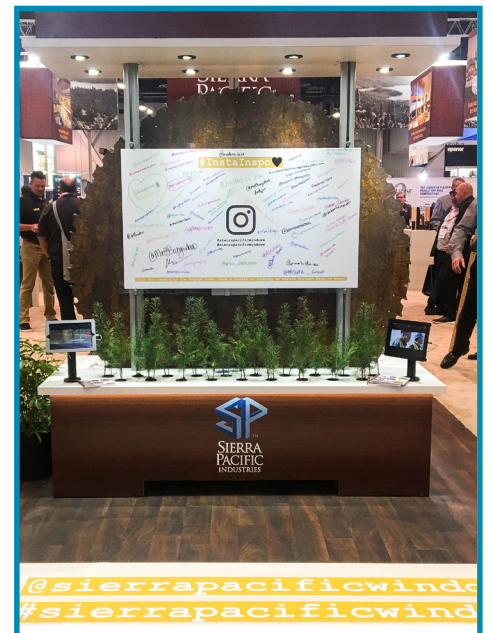
Section of new planer line including new Comact Grade X and new trimmer.
Photo Credit: Scott North

INTERNATIONAL BUILDERS SHOW

Our Windows Division exhibited for the fourth year at the NAHB International Builders' Show in Las Vegas, NV, in January. The show is the largest annual light construction show in the world. With more than 1,500 exhibitors in 600,000 net square feet, attendees gathered from around the globe to stay up-to-date and learn about the latest and most in-demand products and services. Our 3,000 square foot booth showcased recent and popular products around the perimeter, while the center was strategically left open to stimulate conversation. April Lucas, Director of Marketing, said: "Our booth strategy is that product is not sold in the booth, rather relationships are started in the booth. We wanted a space that highlighted our product, but our main goal was to allow for those important conversations to be had and capture those strong leads that will eventually be turned into sales."

Since we have such an amazing story to tell, highlighting our forestry and lumber background was a must. To help generate conversation about our vertical intergration, we created a key focal point to display front and center, comprised of a chop saw blade from one of our sawmills and live seedlings displaying the species that we grow. Another important aspect was to connect with our customers on Instagram. Whether they are builders, architects, or the end consumer, our customers are on Instagram and we want to interact with them. We asked attendees to sign a board with their Instagram handle to help expand our Instagram community. Doing this also extends our footprint of the booth beyond the show floor. Potential customers who were not able to attend the show were able to experience our booth through social media.

With high attendee numbers and strong leads captured, the show turned out to be another successful year for the Window's Division at the International Builders' Show. Orlando 2021 is up next.



The focal piece of our IBS booth highlighting: 6 foot chop saw blade, seedlings and Instagram community board.

SPOTLIGHT ON SUCCESS: DREAMS REIMAGINED

Dan Dixon had a good friend working at the Anderson Fab Shop who had been encouraging him for years that he should come work for SPI. But Dan didn't join the SPI family until after a huge life change. After working for the same company for 9 years as a structural Ironworker foreman, he was suddenly laid off. With Dan's hand forced, he applied for a position he was overqualified for but was available at the time, a welder. He was hired at the Anderson Fab Shop in May of 2011. At this point, this was a pretty significant step back in his career and pay, but Dan was thankful for the job and knew SPI's reputation as a great company to work for so, he put his head down and got to work.

Dan never could have anticipated the great opportunities that would be a part of his SPI story. After 2 years as a welder Dan moved into a role as a Fabricator, and then a year after that a position as a Millwright in the Fab Shop came available and he went for it. He was getting more responsibilities and opportunities the harder he worked and the more he looked for them. "Show up, work hard and look for your next step," said Dixon.

He began to take an interest in the mechanical design projects in the Fab Shop. In early 2014, while working in his Millwright position, with instrumental encouragement from Joe Kneer the Fab Shop Manager, Dan began to teach himself at home the 3D Modeling program Solidworks. He was given small projects at first, and then more and more challenging. This allowed him to prove to himself and to the team that he had the skills and would be a good fit. By the end of 2015 year, Dan was offered a position as a Mechanical Designer. "Work hard, it is a big part of the foundation for everything we do at Sierra Pacific, and those that work the hardest are usually the ones that are looked at first when opportunities for advancement arise," explained Dan.

**"SHOW UP, WORK
HARD AND LOOK FOR
YOUR NEXT STEP."**

Years back when Dan was in High School, he actually had an interest in engineering and had taken a few successive classes in career training education including: AutoCAD, Mechanical Drafting, Architectural Drafting, and Trigonometry. Dan had thought the opportunity to work in the engineering field was far gone after spending so many years in the workforce. Little did he know taking that entry-level job at the Fab Shop would lead him down a path to become a Mechanical Designer.

Since becoming a mechanical designer he has had the chance to work on some exciting projects. Not long after wrapping up his role assisting the project manager at the new Anderson Cogen, a position opened at the Shelton Fab Shop for a Mechanical Designer and he went for it. Dan, with his wife and kids made the move to Washington so he could be a part of new mill construction in Shelton. The Dixon family is loving their new community and are active in schools and sports with their four kids ranging from 2 -18 years in age.

Dan recently received a citizen commendation by the Shelton Police Department for saving a woman's life. One early November morning he arrived for work and heard from the parking lot what sounded like a woman moaning in distress from Goldbrough Creek that runs through the Shelton millsite. He could not see because it was still dark but figured it was someone struggling in the creek. He called his coworker Chad Mikelthun, told him the details and asked him to call 911, while he went into the creek to find and help the person. It was cold that day, about 30 degrees, and once in the creek, Dan found a woman about 6-8 feet out in the middle of the creek barely conscious. He was able to reach her and bring her safely to shore. Emergency personnel arrived shortly and rushed her to the hospital. She was expected to make a full recovery.

Dan is a great spotlight on success not only for his SPI story but for the grit and character that he displays in the workplace and community.



Hometown:	Chico, CA
Teams:	San Francisco: Giants and the 49ers
Hobbies:	Camping, golf and softball
Favorite Car:	1968 Dodge Dart
First Job:	Iron Worker
Activities:	Coaching his kids teams
Music:	All types of music!
Goal:	To provide his children with the tools they need to be successful adults in our society.

CONGRATULATIONS!

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

Red

Maui

George

40 Years!

Jim Lootens Sales & Service

35 Years!

Dennis Bentz Richfield Millwork
Mark Emmerson Anderson
Eddie McDonald Lincoln
Humberto Moreno Red Bluff Millwork
David Oleary Lincoln
John Perry Richfield Reman

30 Years!

Arnold Bennett Jr Anderson Sawmill
Cecilio Bonilla Richfield Millwork
Brian Bryant Burlington Sawmill
Pedro Griego Richfield Millwork
Dave Hinton Burney
Dennis Kramer Richfield Millwork
Shawn Moore Anderson Sawmill
Mario Moreno Red Bluff Millwork
Jack Smith Quincy

25 Years!

Mike Childers Sr. Burney
Mark Corbell Anderson Sawmill
Bill Fowler Anderson
Jon Luis Richfield Millwork
Jose Mejia Jr Richfield Millwork
Isidro Pahua Richfield Millwork
Zeke Ramirez Anderson Sawmill
Richard Reynolds Red Bluff Millwork
Jim Rydelius Shelton
Eric Shelby Sales & Service
Les Spearin Aberdeen Sawmill

20 Years!

Tony Anaya Richfield Millwork
Scott Brown Sonora
Dale Darrah Anderson Sawmill
Steve DeBonis Forestry
Ignacio Gamez Lincoln
Brian Hoznour Richfield Reman
Steve Kafka Forestry
Ron Keebler Trucking
Donald Kimball Red Bluff Millwork
Mario Lomas Chinese Camp
Jorge Lopez Lincoln
Robert Morales Richfield Millwork
James Patty Lincoln

Randy Penn
Katie Rust
Wes Smith
Fred Strube
Dan Wagenman
Chuck Westmoreland III
Douglas Young

15 Years!

Jose Barajas
Rigo Baron
Mike Bodner
Ricardo Camarena
Arnie Camarena Jr
Steve Casey
William Colledge Jr
Justin Courtright
Mike Cummings
Carl Duff
Daniel Gaebe
Humberto Galvan
Eddie Godoy
Mikael Harned
David Heller
Lorena Herrera
Merv Hilpert
K.C. MacMillan
Ana Pasillas
Eleazar Rodriguez
Jason Swan
Ramon Tapia
Eric Van Winkle
Brent Vandiver

10 Years!

Chad Burnett
Dave Clark
Kenneth Eckerson
Christopher Gonzalez
Steven Gonzalez
Joshua Hayertz
Gary Hoon
Luis Martinez
Angel Mendez
Samuel Nash
Dan Nolan
Eric Ocegüera
Wes Owens
Jayme Peters
Renee Rickert
Osvaldo Ruvalcaba

Quincy
Aberdeen Sawmill
Red Bluff Millwork
Red Bluff Millwork
Red Bluff Millwork
Lincoln
Fiber Products

Red Bluff Millwork
Aberdeen Sawmill
Burney
Trucking
Red Bluff Millwork
Quincy
Burney
Burney
Trucking
Anderson Sawmill
Red Bluff Millwork
Red Bluff Millwork
Richfield Millwork
Lincoln
Window Sales - Colorado
Windows Red Bluff
Quincy
Aberdeen Sawmill
Windows Red Bluff
Red Bluff Millwork
Quincy
Windows Red Bluff
Shasta Lake
Shelton

Centralia Sawmill
Trucking
Centralia Sawmill
Burney
Richfield Millwork
Burlington Sawmill
Trucking
Centralia Sawmill
Centralia Sawmill
Fab Shop Shelton
Richfield Reman
Richfield Millwork
Centralia Sawmill
Windows Red Bluff
Sales & Service
Trucking

5 YEAR ACHIEVEMENTS

Russ Allen	Anderson
Michael Amelino	Lincoln
Rod Anderson	Windows Medford
Nathan Andrew	Oroville
Raul Armenta Lugo	Windows Red Bluff
Tina Ayala	Anderson Sawmill
Anthony Boicelli	Windows Red Bluff
Deonta Brown	Shasta Lake
Joseph Burnett	Windows Merrill
Jose Caldera III	Red Bluff Millwork
Juan Caro	Richfield Millwork
Carolina Carrillo-Hernandez	Windows Red Bluff
Lane Church	Trucking
Zackary Debo	Centralia Sawmill
Jose Diaz-Curiel	Windows Red Bluff
Bryan Dubois	Sonora
Wendy Duesing	Windows Medford
Brock Emmerich	Windows Medford
Jim English	Windows Medford
Tyler Estes-Akers	Red Bluff Millwork
Manuel Flores	Trucking
Alejandro Garcia	Windows Red Bluff
Robert Giese	Windows Merrill
Brennen Guth	Burney
Dean Harper	Burney
Gregory Heier	Windows Medford
Rodney Hempel	Windows Medford
Tony Johnson	Trucking
Robbie Johnson	Trucking
Tony Kauer	Windows Medford
Rachel Kell	Windows Medford
Preston Knowlton	Quincy
Paul Kolecheck	Windows Medford
Kevin Linebaugh	Trucking
Mel Lockie	Windows Red Bluff
James Marks	Quincy
Kent Mayer	Windows Medford
William McMaster	Window Sales - Northeast
Larry Newton	Window Sales - Southern CA
Rick Parsons	Oroville
Douglas Pousard	Sonora
Amber Prather	Windows Red Bluff
Jacki Rau	Windows Medford
Thomas Roberts	Anderson Poles
Ben Robinson	Sonora
Travis Rogers	Windows Red Bluff
Rudy Salazar-Yanez	Trucking
William Scholl	Quincy
Troi Shilts	Sales & Service
Matthew Short	Windows Red Bluff
Tina Smith	Windows Medford
Miguel Solis-Garcia	Windows Red Bluff
Val Sova	Windows Medford
Michele Strohman	Red Bluff Millwork
Shana Surtees	Windows Red Bluff
Mark Tidball	Trucking
Todd Wojcik	Windows Medford
James Woodside	Forestry

NO LOST TIME IN 2019!

The following facilities had NO LOST TIME in 2019. Congratulations to these dedicated crew members and thank you for your commitment to safety!

Anderson Poles

Fab Shop Anderson

Fab Shop Shelton

Fiber Products

Burlington

Oroville

Shasta Lake

Windows Merrill



RETIREES



ERIC ARCHER

Retires as a Edge Glue Operator from Richfield Millwork after 15 years. The first order of business for Eric will be spending lots of time with grandchildren and a lot of time fishing. Thank you, Eric, for your years of service!



ALAN LARSON

Alan is retiring after 7 years as a build up crew member at Red Bluff Windows. He is looking forward to what ever, whenever he wants to. Mostly just relaxing and taking his boat out on the river or enjoying a round of golf. Have a great retirement, Alan!



ARNOLD BENNETT

After 30 years of service Arnold is leaving his position running the Anderson Cogen to be able to do all the things he enjoys most in life; hunting, fishing and spending time at his mountain cabin. His plans will gravitate around what is in season and hoping to take down and catch the big one. He is also looking forward to cocktail hour. Thank you Arnold, and cheers!



TOM MODRELL

After nearly four decades of Forestry in Sonora, Tom has decided to retire. He looks forward to being able to devote more time to his family and as a pastor to his local church. He also plans on working on his Model A, attending car shows and doing some traveling. Thank you for your 36 years service, Tom! Enjoy your retirement, you have earned it!



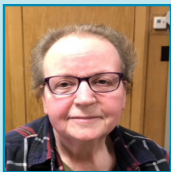
PATTI CARNAHAN

Application Developer for Sales and Service at the Anderson Main Office, Patti has retired after 22 years. She is looking forward to more time for oil painting, gardening, home improvements, studying Astronomy and loving life with no alarm clock! Oh, and also having nothing she "has" to do. You've earned it, Patti!



RONALD OLIVAS

After 18 years of combined service Ron is ready to retire from his successful sales career in Windows & Doors. He says "wow my calendar is filling up with life!" That includes joining a couple clubs, more times with family, taking up fishing, keeping up with his property and dedicating more time with his beloved Gibson -LesPaul! Congrats Ron and as The Eagles song says, "Take it easy!"



CATHY CHARITON

After more than 44 years with SPI, Cathy recently retired from her Clad Info Control position at SPW Medford. Cathy has a long list of things she plans to do, including traveling to states on her bucket list, more crafts, photography, reading more books and visiting friends and family. Sounds like a great plan, Cathy!



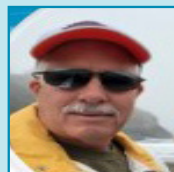
JAY SANGUINET

Jay is retiring from his role as the Shipping Supervisor for Sonora after 28 years. He says "I plan on spending some real quality time with my best friend of almost 40 years, my wife Tracey." He is going to kick back and decompress and perhaps decide on a 7 or 8 iron when he is 150 yards out. Enjoy your retirement!



GARY GRAZIOLI

Chinese Camp Mill will miss Gary as he retires as a non-certified grader after 24 years. He is looking forward to spending time working on his 1950 Chevy 1/2 ton pickup. He is glad to be able to have more time to travel and fish and work on his honey-do-list. Congratulations Gary - Enjoy!



ROD SCOTT

After nearly 12 years as a Windows Sales Manager, Rod is retiring to the Phoenix metro area where he'll spend quality time with family, especially his granddaughter. Rod looks forward to enjoying Arizona weather and spring training baseball games. When the weather heats up, Rod and his wife plan to visit family and travel along the cooler southern California beaches. Enjoy your travels, Rod!



HAROLD JONES

Harold has hauled shavings out of Richfield/Red Bluff for over 30 years and almost 18 at SPI. He is going to wash the dust out of his eyes, burn his boots and hit the road. He looks forward to spending quality time with family, friends and a fishing pole. Great job Harold, happy retirement and Fish ON!



ROY TREMOUREUX

Roy is retiring from window sales and his is first trip will be to the coast to enjoy time with his grandchildren and some fresh seafood! He plans to spend lots of time skiing in the winter and golfing in the summer, with plenty of hiking trips mixed in. He has also recently began to sketch portraits in black and white and is excited to have more time to explore this new hobby. We wish Roy the best in retirement.

GET#CONNECTED

Congratulations to SPI Burlington's gang operator Matt Jennings for sharing the most popular crew member photo of the quarter. Matt sent this photo of the sunrise through the gang to our social media team via HR coordinator Lydia Houston. The photo was viewed 2,118 times and earned a combined 87 likes, 5 comments, and 3 shares.

Get **#CONNECTED**. Forward your photo via Facebook message or directly to kluther@spi-ind.com with permission to re-post and you might see your photo here! Stay in touch with your **#spifamily**!



BOARDTALK



SIERRA
PACIFIC
INDUSTRIES

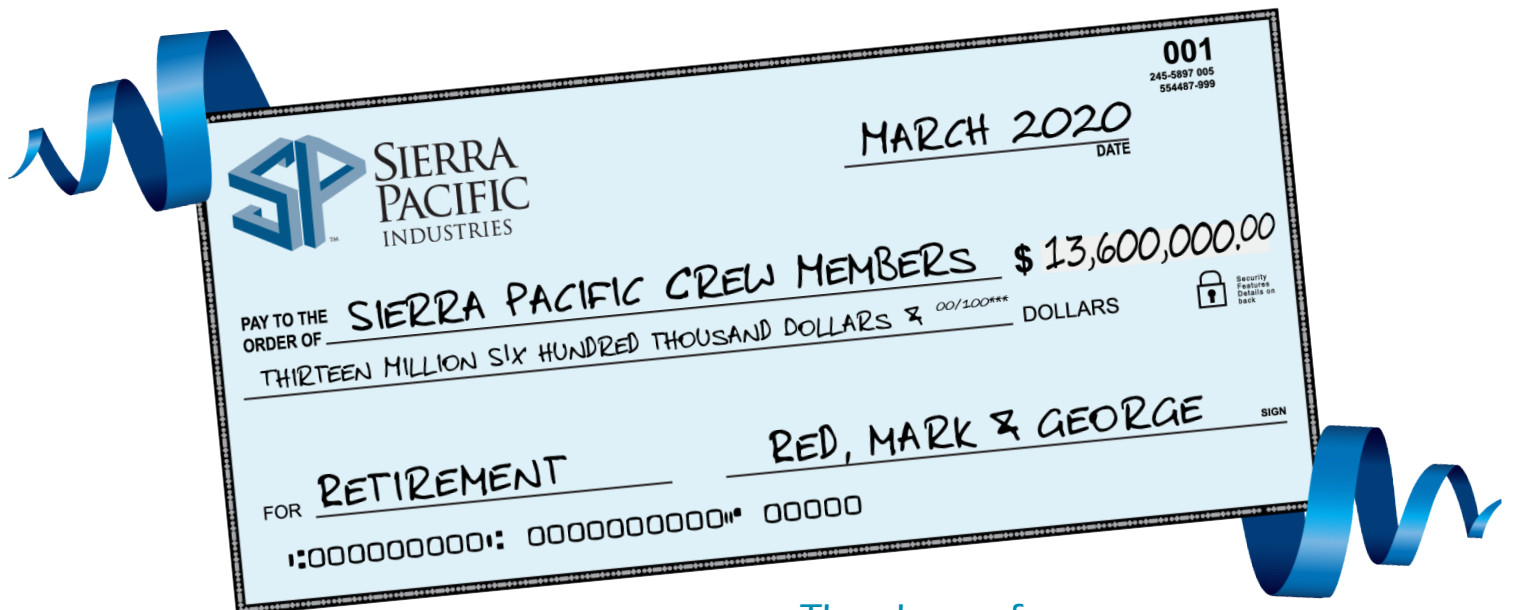
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YOUR SIERRA PACIFIC RETIREMENT PLAN

For 2019, Sierra Pacific will contribute \$13.6 million to the retirement accounts of eligible crew members. We are very pleased to be able to offer this great retirement plan, including a combined amount of both the 401(k) Match and Company Contribution, for the future of you and your family.



Thank you for your
dedication and commitment
to Sierra Pacific.