



# RoyOMartin®

# 2019

## Accomplishments

### Corporate

- The following individuals assumed new or expanded roles in 2019: Chairman, CEO, and CFO Roy O. Martin III; President and COO E. Scott Poole; Executive Vice President of Manufacturing and Product Sales Terry Secrest; and Vice President of Plywood Jeremy Burford.
- Announced \$30 million in capital expenditures for modernization projects at RoyOMartin's Oakdale, La. OSB and Chopin, La. manufacturing plants.
- Received two awards at the Central Louisiana Regional Chamber of Commerce's annual Bizzy Awards: Cleco Innovation Award and Rapides Regional Medical Center Community Benefit Award.
- The late Jonathan E. Martin, former chairman, received the Alexandria Rotary Club's Service Above Self Award.
- Roy O. Martin III was named a Louisiana Legend by Louisiana Public Broadcasting.
- Produced and sold more than 1.9 BSF of OSB and plywood.

### Safety

- 12 years recordable-free for the land and timber department.
- Completed English and Spanish contractor safety videos for use at all manufacturing locations.
- RoyOMartin-Plywood has been APA's safest plywood plant in North America for 6 out of the last 7 years. The team also identified and corrected more than 150 hazards through a 2019 process-hazard analysis.
- Corrigan OSB, L.L.C. was inducted into APA's Incident Free Honor Society for 2018 and earned the RoyOMartin Health, Safety, and Environmental Chairman's Award from the late Jonathan E. Martin.
- Updated Corporate Safety Policy for distribution company-wide.
- Implemented new safety-management system.

### Environmental

- Marked another year of excellent environmental compliance.
- Obtained environmental permits for a dust-collection project at RoyOMartin-Plywood to improve air quality for employee health.
- All manufacturing facilities completed the National Fire Protection Agency's Dust Hazard Analysis.

### Benefits

- Completed first year of being 100% tobacco-free at all RoyOMartin locations.
- Offered RightNow Media @ Work, a video-streaming service for employees and family members.
- Introduced new credit union to promote financial wellness.
- Prescriptions filled at Legacy Pharmacy increased 20% from 2018.
- Expanded Legacy Health & Wellness to provide new-hire and annual onsite audiograms and respiratory clearance.
- Implemented mental-health services at Legacy.
- 78% of employees participated in the company wellness program.
- Had nearly 11,500 health-services patient encounters, a record number, and a 3% increase from 2018.

### Profit-Sharing & Accounting

- Prepared and distributed more than 250 financial statements.
- Implemented a Roth component to the retirement plan and had a greater than 97% participation rate. The average savings rate was more than 6%.

### Human Resources

- Launched "I Believe" multimedia employee-engagement and recruiting initiative to include a program overview, culture video, employee testimonials, and a TV commercial. The most-viewed corporate video of 2019 was an employee testimonial, earning more than 5,000 views.
- "I Believe in Leadership" and "I Believe in Our Future" programming included expanded succession plans for critical positions and departments; new Personal Growth Plans offering one-on-one leadership coaching sessions; a revamped RoyOMartin University Leadership Essentials Program; and the deployment of several computer-based training and development tools.
- Through the Pay for Knowledge and Skills (PKS) advancement program, production team members earned 553 skills, with both OSB facilities holding steady at 100% participation and RoyOMartin-Plywood participation increasing by 18% to 97%.
- RoyOMartin-OSB in Oakdale completed four maintenance multi-craft classes, allowing 23 millwrights and electricians to achieve Multi-Craft Level 1 certification.
- Created company-wide Maintenance Training Plan with Central Louisiana Technical Community College and other vendors to increase the skill levels of mechanical and electrical team members.
- Launched a new website landing page for careers. Employment-related webpages at royomartin.com had a 76% increase in online traffic from 2018.
- RoyOMartin Women in Manufacturing Day celebrated its third year, and the number of women employed company-wide increased by 13%.
- WoodWorks industry-based curriculum marked its 12th anniversary, with 17 schools across Louisiana and Texas participating for the 2019/2020 school year.
- Completed \$250,000 grant to cover technical-skills training at SOWELA community college.
- Won Student Choice Award, 2nd Place, Zone 3 at the Students Exploring Career Opportunities expo.
- Corrigan OSB, L.L.C. was honored with the Corrigan-Camden Independent School District's Stand Up for Texas Public Schools Award.

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## Land & Timber

- Regenerated more than 7,000 acres, a 63% increase from 2018.
- Planted more than 3.6 million trees, 58% more than last year.
- Harvested 1,236,048 total tons of products to all destinations combined.
- Thinned 22,236 acres of pine plantations, a 31% increase.
- Conducted harvest operations on more than 30,700 acres, a 19% increase.
- Total stumpage sales were 103,000 tons.
- Sourced 3.8 million tons of raw materials to RoyOMartin and Corrigan OSB, L.L.C. facilities, a 31% increase.
- Completed annual audit and have maintained Forest Stewardship Council® (FSC®) certification since 2002.

## OSB Sales & Production

- Increased production volume by 67.9% for both Oakdale and Corrigan plants.
- Increased sales volume by 68.4%. Value-added products made up 25.1% of total OSB sales in 2019
- Production cost / msf was down 3.9% at Oakdale and 40% at Corrigan.
- Received APA verification on 15/32" structural-1 and 19/32" panels manufactured at Corrigan.
- Created an American Institute of Architects course on FSC® wood and follow-up campaign for its more than 1,000 participants.
- The July launch of the website product blog targeting builders and homeowners led to more than 4,000 pageviews.

## Plywood Sales & Production

- Increased plywood sales by more than 4 million sq. ft. 3/8" basis, the highest sales volume in plant history.
- Increase volume of sanded and siding by 1%.
- Product grade yield matched the best year on record.
- Pressed volume was the third-highest in plant history.
- Introduced mariner ply and 7/16" siding to market.

## Timber Mill Sales & Production

- Completed \$8 million expansion of the timber mill at Chopin, adding an additional dry kiln.
- Increased timbers sales volume by 16%.
- Increased timbers production by 18%.
- Improve timber fiber recovery by 3%.
- Experienced 86% sales growth in mulch, introduced in 2018.

## Supply Chain

- Transported more than 1.7 billion feet of finished goods and 1 billion pounds of residual products.
- Achieved significant cost savings on purchases of spare parts and supplies and through inventory adjustments.

## Information Technology

- Processed the largest-ever company-wide payroll.
- Implemented new order-management system for sales, credits/debits, and accounting.
- Facilitated organization-wide system upgrade, impacting all phone lines, high-speed connections, and internet.

## Legal

- Helped avoid unintended adverse legal consequences through due diligence and early consideration of legal implications for multi-department decision-making through expanding daily consultations and providing in-house legal training for leaders.
- Partnered with various companies, departments, and subsidiaries to complete a variety of noteworthy activities involving safety; employment; hunting leases; land transactions; and more.

## Communications

- Won the Award of Excellence, Campaign & Strategic Programs: Internal Communications from the Public Relations Association of Louisiana – Central Chapter for the video honoring the Martin family's 95 years in the wood-products business.
- Scripted and produced 25 corporate videos with 113 finished minutes of footage produced.
- 12,753 Facebook, LinkedIn, Twitter, and Instagram followers led to 102,842 engagements with unpaid social-media posts—a 249% increase in engagement.
- Had a 20% increase in the number of online media mentions, reaching 682% more readers of trade and business publications.
- Visits to royomartin.com rose 56% from 2018.

## Philanthropy

- The Martin Foundation provided major funding to 14 social programs, 12 cultural programs, 2 libraries in Central Louisiana, and a reading program in Polk County, Texas.
- The Martin Foundation issued 115 scholarships across Louisiana and Texas.
- In 15 years, raised nearly \$2.5 million through the BHA Guns & Golf Classic for the Louisiana Baptist Children's Home.
- Opened Fort Martin, a new playground at Indian Creek Recreation Area in Woodworth, Louisiana, as a partnership with the Louisiana Department of Agriculture and Forestry.
- RoyOMartin began a partnership with Operation FINALLY HOME to provide building products for use in homes for veterans.
- Received the Workplace Health Achievement, Silver Recognition, by the American Heart Association. Named Top Fundraising Team for the Cenla Heart Walk by the American Heart Association – Central Louisiana Chapter by raising \$35,500.