Canfor Southern Pine, Inc.
2022 SFI® Fiber Sourcing Public Summary Audit

Introduction

Canfor Southern Pine of Mobile, Alabama has demonstrated conformance to SFI® 2022 Fiber Sourcing Standard in accordance with the NSF certification process.

Canfor Southern Pine is a forest Products Company with the US corporate headquarters located in Mobile, AL that operates fourteen (14) southern yellow pine manufacturing facilities in located in Alabama, Arkansas, the Carolinas, Georgia, and Mississippi. The company utilizes six (6) procurement groups to source the mills. Inputs are sourced as gatewood and purchased stumpage. The Company has a robust verifiable monitoring system to maintain rates of conformance to best management practices and to identify areas for improved performance. The system includes conducting BMP inspections on purchase stumpage tracts, reviewing state BMP data, and inconsistent practices reports from the state SIC, and communicating the findings annually to management. Canfor Southern Pine has begun developing a program to address Forests with Exceptional Conservation Value (critically imperiled and imperiled species and ecological communities) for all harvest operations. This is a new requirement and understanding and participation with the SIC is progressing. Canfor has identified the counties from which they receive raw material through Scale Tickets. North Carolina has Natural Heritage data for procurement counties. Collection of information has begun. Data is also being collected from IPAC from US F&W.

The audit was performed by NSF on June 20-23, 2022, by an audit team headed by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2022 Procedures and Auditor Qualifications and Accreditation.

The objective of the audit was to assess conformance of the firm's SFI Program to the requirements of the SFI Fiber Sourcing Standard.

The scope of the audit included procurement operations. Procurement operations occurring in the past 12 months were reviewed to ensure that SFI Procurement Standards were met, in addition to SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.
The SFI Standard was used without modifying any requirements.

Several of the SFI Section 3 requirements were outside of the scope of Canfor Southern Pine's SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Objective 8 - Canfor Southern Pine does not have public land management responsibilities.

No indicators were modified.

Audit Process

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable requirements. The plan provided for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of conformance. NSF also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF protocols. NSF selected and interviewed stakeholders such as contract loggers, landowners and other interested parties, and interviewed employees within the organization to confirm that the SFI Standard was understood and actively implemented.

The possible findings of the audit included conformance, major non-conformance, minor non-conformance, opportunities for improvement, and practices that exceeded the requirements of the standard.

Overview of Audit Findings

Canfor Southern Pine, LLC was found to be in conformance with the standard. NSF determined that there were no non-conformances.

Four opportunities for improvement were also identified, and included:

- Program to address Forests with Exceptional Conservation Value (critically imperiled and imperiled species and ecological communities) for all harvest operations has begun to be developed. This is a new requirement and understanding and participation with the SIC is progressing. (SFI® 2022 Fiber Sourcing Standard, Performance Measure 1.2)

- Program to assess and manage the risk of sourcing fiber from controversial sources has begun to be developed. This is a new requirement and understanding and participation with the SIC is progressing. (SFI® 2022 Fiber Sourcing Standard, Objective 11; SFI® 2022 Certified Sourcing Standard, Part 7: Due Diligence System to Avoid Controversial Sources)
- An oil drip was identified during site visits. A procedure for the clean-up of oil drips should be developed and implemented. (SFI® 2022 Fiber Sourcing Standard, Objective 2,2.1 a)
- A new system is being installed to print the SFI logo on lumber at the Graham Plant. They are working for the logo to print clearly and correctly. (SFI® 2022 Certified Sourcing Standard, Indicator 6.3)

These findings do not indicate a current deficiency but served to alert Canfor Southern Pine, LLC to areas that could be strengthened, or which could merit future attention.

The next Surveillance Audit is scheduled for the week of June 19, 2023.

General Description of Conformity to SFI 2022 Fiber Sourcing Standard Objectives

A summary of the evidence of the organization's conformance to the SFI 2022 Fiber Sourcing Standard Objectives follows:

Objective 1.   Biodiversity in Fiber Sourcing

To address the practice of sustainable forestry by conserving biological diversity.

Why it Matters: Conserving biological diversity protects wildlife habitat and ensures heathy forests.

Notes: Review of Company policies; stumpage files containing T & E species and FECV checks and plans. Viewed landowner pamphlets indicating State SICs promotion of biodiversity.

Objective 2.   Adherence to Best Management Practices

To broaden the practice of sustainable forestry through best management practices to protect water quality.

Why it Matters: Protecting water quality and quantity helps ensure safe and abundant drinking water for all.

Notes: The Company has a verifiable monitoring system to maintain rates of conformance to best management practices and to identify areas for improved performance. The system includes conducting BMP inspections on purchase stumpage tracts, reviewing state BMP data and communicating the findings annually to management.

Objective 3.   Use of Qualified Resource Professionals, Qualified Logging Professionals and SFI-Certified Logging Companies

To promote and utilize qualified logging professionals, qualified resource professionals and SFI-certified logging companies.

Why it Matters: Training logging professionals helps landowners implement effective forest management practices.

Notes: Not reviewed during 2022 Surveillance Audit.

Objective 4.   Legal and Regulatory Compliance

To comply with all applicable laws and regulations including international, federal, provincial, state, and local.

Why it Matters: Compliance with all laws ensures the protection of the environmental and social values of forests.

Notes: The Company provides Equal Employment Opportunities, and an Employee Relations staff to work with employees. An Employee Handbook is provided to all employees with training on employment issues and benefits.

Objective 5.   Forestry Research, Science, and Technology

To invest in research, science, and technology, upon which sustainable forest management decisions are based.

Why it Matters: Investing in forest research means healthier, more productive forests.

Notes: Viewed contribution receipts; company policies, and documentation of involvement in State SIC's.

Objective 6. Training and Education

To improve the implementation of sustainable forestry practices through appropriate training and education programs.

Why it Matters: Training and educating foresters means forest management plans are more accurately implemented, ensuring the well-being of our forests.

Notes: Not reviewed during 2022 Surveillance Audit.

Objective 7.   Community Involvement and Landowner Outreach

To broaden the practice of sustainable forestry through public outreach, education, and involvement and to support the efforts of SFI Implementation Committees.

Why it Matters: Outreach and education improves the public's understanding of how important sustainable forestry is to local and global issues.

Notes: Not reviewed during 2022 Surveillance Audit.

Objective 8.   Public Land Management Responsibilities

To participate and implement sustainable forest management on public lands.

Why it Matters: Protects the environmental, social, and economic values of public forests.

Notes: Canfor Southern Pine, Inc. does not have responsibilities for forest management on public lands.

Objective 9.   Communications and Public Reporting

To increase transparency and to annually report progress on conformance with the SFI Fiber Sourcing Standard.

Why it Matters: Reporting the results of third-party audits increases the public's understanding of forest certification.

Notes: Summary Audit Report witnessed on SFI, Inc. website. Review of Annual Progress Report confirms record keeping is adequate and that reports are submitted on time.

Objective 10.   Management Review and Continual Improvement

To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.

Why it Matters: Encouraging continual improvement of sustainable forestry practices, a cornerstone of sustainable forestry.

Notes: Records of program reviews, agendas, and notes from management review meetings and interviews with personnel from all involved levels in the organization were assessed.

Objective 11.   Avoid Controversial Sources

To manage the risk of sourcing fiber products from controversial sources.

Why it Matters: A due diligence system minimizes the risk of sourcing from controversial sources whether in the United States, Canada or offshore.

Notes: Purchase Authorizations, raw Scale Ticket data, and Definitions of controversial sources is used for the assessment for controversial sources.

Contact Information

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