



**BUREAU
VERITAS**

**Bureau Veritas Certification
North America, Inc.
SFI Audit Report**

390 Benmar Drive, Suite 100
Houston, TX 77060

Phone (281) 986-1300: Toll Free (800) 937-9311

Company Name	Anthony Forest Products
Contact Person	Buddy Rosser
Address	309 North Washington, El Dorado, AR 71730
Phone / Fax	Phone: (903) 796-4464 Fax: (903) 796-4464
PQC Code	E01E

Contract Number:	US1417575	Certification Audit:		Re-Certification Audit:		Surveillance: (Indicate visit # or Pre-Assessment)	S2
------------------	-----------	----------------------	--	-------------------------	--	---	----

Audit Summary

Introduction

This report summarizes the results of the second surveillance audit conducted on Anthony Forest Product's SFI program for fiber sourcing. Richard Boitnott, Bureau Veritas Certification Lead Auditor conducted the 5/14/2015 through 5/15/2015.

Audit Scope, Objectives and Process

The scope of the audit is "wood procurement". The audit was conducted against the SFI 2010-2014 standard. SFIS Objectives 8 through 10, 14, 15, 19 and 20 were reviewed during the audit. There was no substitution or modification of indicators. Specifically, two objectives of the SFI audit were to verify that the Program Participant's SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor access website.

Audit Plan

The audit consisted of a review of program documentation at the company headquarters the morning of 5/14, followed by field reviews of purchased stumpage and gatewood tracts during the afternoon. Field visits were also performed on 5/15, with a closing meeting held at the end of business on the 15th. An audit plan was developed and is maintained on file by Bureau Veritas Certification.

Company Information

Anthony Forest Products operates a sawmill in Urbana Arkansas. The company is headquartered in El Dorado Arkansas. The company procures wood from Louisiana and Arkansas. Much of its wood supply comes from an SFI certified landbase the company previously owned. However, it also procures wood through other purchased stumpage and gatewood.

Multi-Site Requirements

The company has a central office located at El Dorado Arkansas, and a field office located at the Urbana Arkansas sawmill. The SFI program is centrally controlled, with one set of procedures. The company does not have an internal audit program. Both sites are audited during each audit event.

Sites	Sites Audited During this Event
El Dorado, Arkansas	X
Urbana, Arkansas	X

Audit Results

Anthony elected to be audited to the SFI 2010-2014 Standard. The document review was conducted to determine if Anthony’s system documentation continues to meet the requirements of the existing standard. The field audit consisted of a review of four purchased stumpage and four gatewood tracts.

Objective 8-Landowner Outreach: Anthony continues to distribute the Louisiana and Arkansas landowner brochures, and tracks the distribution of these to landowners from whom they have purchased wood. These brochures contain all the requirements of the SFI standard. The company has gathered data on potential FECVs in the area in which it procures wood. It considers these areas when looking at a tract of timber for purchase.

Objective 9-Use of Qualified Resource and Qualified Logging Professionals: Anthony requires all loggers operating on purchased stumpage to complete logger training. The company maintains a list of trained loggers.

Objective 10-Adherence to Best Management Practices: Contracts contain a requirement to comply with BMPs. A policy to ensure the company continues to meet its SFI commitment during adverse weather is in place, and has been tested the past few months due to excessively wet weather. The company has a program to ensure BMP compliance on purchased stumpage tracts. A review of purchased stumpage tracts during the audit indicated compliance with Louisiana and Arkansas BMPs. Gatewood tracts reviewed during the audit provided evidence Anthony is effectively monitoring BMPs throughout its wood supply chain.

Objective 11- Promote Conservation of Biological Diversity, Biodiversity Hotspots, and High-Biodiversity Wilderness Areas: Not applicable-Anthony does not source fiber outside the U.S. and Canada.

Objective 12- Avoidance of Controversial Sources including Illegal Logging: Not applicable-Anthony does not source fiber outside the U.S. and Canada.

Objective 13- Avoidance of Controversial Sources including fiber sourced from areas without effective social laws: Not applicable-Anthony does not source fiber outside the U.S. and Canada.

Objective 14-Legal and Regulatory Compliance: Anthony has access to applicable legal and regulatory requirements. The company has pre-harvest planning and harvest inspection processes to ensure regulatory compliance. No adverse regulatory action information is in evidence. No BMP audits have been performed on any of AFP’s logging jobs in the past couple of years. The company has written policies covering social laws. No interested parties have communicated with the company relative to ILO core conventions.

Objective 15-Forestry Research, Science, and Technology: Anthony contributes to the Texas A&M Forest Pest Management Cooperative. Participation in the Arkansas and Louisiana SICs includes the development of biodiversity conservation information for family forest landowners. The company also has access to BMP monitoring done by Arkansas and Louisiana. Anthony has access to information on the potential impacts of climate change on forest health and productivity, and wildlife

and wildlife habitat.

Objective 16-Training and Education: Not audited

Objective 17-Community Involvement in the Practice of Sustainable Forestry: Not audited

Objective 18-Public Land Management Responsibilities: Not applicable-Anthony does not have management responsibilities on public land.

Objective 19-Communications and Reporting: A review of the SFI, Inc. website provided evidence Anthony submitted its previous surveillance audit report as required for public review. The company has procedures in place to provide for all the pieces of information needed to complete the SFI annual progress report. An e-mail transmission from SFI, Inc. provided evidence the company submitted the 2014 annual progress report in a timely manner.

Objective 20-Management Review and Continual Improvement: Anthony has a management review process in place. Meeting minutes provided evidence the company conducts management review on an annual basis. In reality, Anthony is a small company, so management review occurs on a frequent basis.

Findings

Previous non-conformances:

Two non-conformances were issued during the previous audit, one due to a BMP violation on a purchased stumpage tract, and the other due to lack of evidence the Arkansas logger training program met the requirements of the SFI standard. Both non-conformances were closed after the previous surveillance audit. A review of purchased stumpage tracts during this audit indicate the company continues to effectively implement its program to ensure BMP compliance. Evidence is also available that the Arkansas logger training program continues to meet the SFI Standard.

Non-conformances:

No non-conformances were issued during this audit.

Opportunities for Improvement:

One opportunity for improvement was issued. This should be considered in light of how it may affect conformance in the future.

1. PM 17.1, Ind. 1: While Anthony contributes financially to the Louisiana SIC, meeting the requirements of the SFI Standard, it does not participate or receive copies of meeting minutes. Anthony should consider at least receiving meeting minutes to be aware of activities of the Louisiana SIC.

Notable Practices:

No notable practices were issued.

Anthony Forest Products uses the SFI certified sourcing logo upon approval by SFI, Inc.. No unauthorized or inappropriate use of the logo was observed. The company does not use the Bureau Veritas Certification logo.

SFI reporting:

The previous surveillance audit report was found on the SFI, Inc. website as required for public review.

Conclusions

Since no non-conformances were issued during this audit, Anthony Forest Products was issued a recommendation for continued conformance to the SFI 2010-2014 Standard effective immediately.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: May 14, 2015				To: May 15, 2015			
Number of SF02's Raised:			Major:		0		Minor:		0
Is a follow up visit required:		Yes		No		Date(s) of follow up visit:			
Follow-up visit remarks:									
Team Leader Recommendation:									
Corrective Action Plan(s) Accepted		Yes		No		N/A	X	Date:	
Proceed to/Continue Certification		Yes	X	No		N/A		Date:	5/15/2015
All NCR's Closed		Yes		No		N/A	X	Date:	
Standard audit conducted against:									
1)	SFIS 2010-2014			3)					
2)				4)					
Team Leader (1):			Team Members (2,3,4...)						
Richard Boitnott; CF, EMS(LA)			2)						
			3)						
			4)						
			5)						
Scope of Supply: (scope statement must be verified and appear in the space below)									
Wood procurement									
Accreditation's		ANAB							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date	Renewal audit should be conducted in April, 2016								
Audit Report Distribution									
Bureau Veritas Certification: Dawn Komnick-dawn.komnick@us.bureauveritas.com									
Anthony: Buddy Rosser-brosser@anthony.com									

Clause	Audit Report
Opening Meeting	<p>Participants: Buddy Rosser, Steve Barham, Doug Vandevender, Scotty Booth, Mark Beasley</p> <p>Discussions:</p> <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 2. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	<p>Participants: Buddy Rosser, Doug Vandevender, Scotty Booth, Mark Beasley</p> <p>Discussions:</p> <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Nonconformances - 0 ➤ Date for next audit. ➤ Reporting protocol and timing