
Ashton Lewis Lumber Company, Inc.

2018 SFI Fiber Sourcing Public Summary Audit Report

Introduction

The SFI Program of Ashton Lewis Lumber Company of Gatesville, North Carolina has demonstrated conformance with the SFI 2015-2019 Standards and Rules, Section 3 – Fiber Sourcing, including Appendix 1: Certified Sourcing Standard according to the NSF Certification Process

Ashton Lewis Lumber Company consists of a pine sawmill in the northeastern part of North Carolina that processes southern yellow pine into lumber, chips and other products. The facilities are sourced by a single procurement forester. Inputs are from purchased stumpage and gatewood and are sourced from North Carolina and Virginia. The Company's SFI program is managed by Conner Good.

The audit was performed by NSF on June 4-6, 2018 by Norman Boatwright, Lead Auditor in conjunction with an SFI Chain of Custody audit. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2015-2019 Standards and Rules, Section 9 – Audit Procedures and Auditor Qualifications and Accreditation.

Ashton Lewis Lumber Company has a verifiable monitoring system for the use of best management practices by wood producers supplying raw material to their plants. The system includes conducting BMP monitoring inspections on purchase stumpage tracts. This information is supplemented with state data.

The scope of the audit included procurement operations. Procurement operations occurring in the past 4 months were reviewed to ensure that SFI Procurement Standards were met. In addition, SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.

Several of the SFI Section 3 requirements were outside of the scope of Evergreen Packaging, Inc.'s SFI program and were excluded from the scope of the Audit as follows:

- Indicator 5.1.2 – The Company does not support or conduct research on genetically engineered trees.
- Indicator 6.2.3 – North Carolina and Virginia do not have a logger certification program.
- Objective 8 – The Company does not have forest management responsibilities on public lands.
- Objectives 11 – 13 – The Company does not purchase fiber outside Canada and the US.

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 was developed as part of the Readiness Review process. 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

Ashton Lewis Lumber Company was found to be in basic conformance with the standard. There were four minor non-conformances and two opportunities for improvement was identified:

Minor Non-Conformances

CI 1.1.1: The Company implemented its SFI program March 1, 2018 and has purchased 3 tracts since then. Interview confirms letters have not been sent to these 3 landowners.

CI 2.1.2: The Company's SFI Program was implemented March 1st. A review of suppliers delivering material since then indicated the following do not have a signed agreement: Tanner logging.

CI 2.2.1: The state data wasn't reviewed during the management review.

CI 6.1.5 The Company's SFI Program was implemented March 1st. A review of suppliers delivering material since then indicated the following do not have a signed agreement: Tanner logging.

Opportunities for Improvement

CI 1.1.2: There is an opportunity to improve the documentation of checking the databases.

PM 5.3: Interview confirms the Company has not attempted to monitor more recent and/or regional climate change data.

The 2019 surveillance audit is scheduled for the week of June 3, 2019.

General Description of Evidence of Conformity

NSF's audit team used a variety of evidence to determine conformance. A general description of this evidence is provided below, organized by SFI Objective.

Objective 1 Biodiversity in Fiber Sourcing

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

Summary of Evidence: *The Company provides regionally appropriate SFI information addressing the conservation of wildlife biodiversity, as well as other information about sustainable forestry, to its wood producers. Where the company purchases wood from outside wood producers, the company encourages those wood producers to pass SFI informational brochures and other information on to landowners from whom they purchase wood. The SFI Program Manager and/or the procurement foresters have accessed the Natural Heritage Databases in the respective States of North Carolina and Virginia for the wood supply areas where purchased stumpage tracts are located. They have developed lists of G1 or G2 species that may be impacted by their procurement activities and become aware of the habitats of key species. Most species listed are found in wetland habitats not normally impacted by harvesting.*

Objective 2 Adherence to Best Management Practices

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

Summary of Evidence: *Adherence to BMPs is addressed through written agreements with BMP clauses for wood producers, planning for adverse weather conditions, and monitoring state BMP implementation data. BMP inspections are conducted on purchase stumpage tracts. The results of the Company's BMP inspections as well as NC and VA BMP data are reviewed annually.*

Objective 3 Use of Qualified Resource and Qualified Logging Professionals

To encourage forest landowners to utilize the services of *qualified logging professionals, certified logging professionals* (where available) and *qualified resource professionals*.

Summary of Evidence: *The Company requires all contractors and suppliers to complete state SFI logger training programs.*

Objective 4 Legal and Regulatory Compliance

Compliance with applicable federal, provincial, state and local laws and regulations.

Summary of Evidence: *The Company's SFI Policy specifies a commitment to achieving compliance with applicable environmental, forestry, and social laws and regulations. The company has a system to encourage its wood suppliers to comply with such laws and regulations.*

Objective 5 Forestry Research, Science, and Technology

To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence: *The Company financially supports the NC State Forest Productivity Cooperative.*

Objective 6 Training and Education

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

Summary of Evidence: *Written commitment states the Company's commitment to training and education. Training was witnessed for employees, as well as contractors.*

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*.

Summary of Evidence: *The Company supports the development of landowner information materials through the SIC and other state associations and agencies. The Company is also a member of the NCFCA which supports landowner outreach and education. Confirmed by review of paid dues.*

Objective 9 Communications and Public Reporting

To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence: *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, and to monitor, measure, and report performance in achieving the commitment to sustainable forestry.

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

Relevance of Forestry Certification

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

1. Sustainable Forestry

To practice *sustainable forestry* to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates *reforestation* and the managing, growing, nurturing and harvesting of trees for useful products and *ecosystem services* such as the *conservation* of soil, air and water quality, carbon, *biological diversity*, *wildlife* and *aquatic habitats*, recreation and aesthetics.

2. Forest Productivity and Health

To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain *long-term* forest and soil *productivity*. In addition, to protect forests from economically or environmentally undesirable levels of wildfire, pests, diseases, *invasive exotic plants and animals* and other damaging agents and thus maintain and improve *long-term forest health* and *productivity*.

3. Protection of Water Resources

To protect water bodies and *riparian areas* and to conform with forestry *best management practices* to protect water quality.

4. Protection of Biological Diversity

To manage forests in ways that protect and promote *biological diversity*, including animal and plant species, *wildlife habitats*, and ecological or natural community types.

5. Aesthetics and Recreation

To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.

6. Protection of Special Sites

To manage lands that are ecologically, geologically or *culturally important* in a manner that takes into account their unique qualities.

7. Responsible Fiber Sourcing Practices in North America

To use and promote among other forest landowners *sustainable forestry* practices that are both scientifically credible and economically, environmentally and socially responsible.

8. Legal Compliance

To comply with applicable federal, provincial, state, and local *forestry* and related environmental laws, statutes, and regulations.

9. Research

To support advances in sustainable forest management through *forestry* research, science and technology.

10. Training and Education

To improve the practice of *sustainable forestry* through training and education *programs*.

11. Community Involvement and Social Responsibility

To broaden the practice of *sustainable forestry* on all lands through community involvement, socially responsible practices, and through recognition and respect of *Indigenous Peoples' rights* and *traditional forest-related knowledge*.



12. Transparency

To broaden the understanding of forest certification to the *Fiber Sourcing* Standard by documenting certification audits and making the findings publicly available.

13. Continual Improvement

To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to *sustainable forestry*.

14. Avoidance of *Controversial Sources* including *Illegal Logging in Offshore Fiber Sourcing*

To avoid wood fiber from *illegally logged* forests when procuring fiber outside of North America, and to avoid sourcing *fiber from countries without effective social laws*.

Source: Sustainable Forestry Initiative® (SFI) Standard, 2015-2019 Edition

For Additional Information Contact:

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