

Forest Certification UPDATE



Domtar Paper Company, LLC **SFIS 2010 - 2014**

Domtar Paper Company, LLC operations are located in the United States and Canada and have a central office function for this certification located in Fort Mill, South Carolina. The company's Sustainable Forest Management program has been registered to the SFI Standard since October 15, 2004 and has undergone annual 3rd party surveillance audits since the date of initial registration.

BACKGROUND

During the period of June 5 – 7; August 20 – 23, 28, 29; and November 7, 2013, the Domtar Paper Company, LLC underwent a re-registration audit to the Sustainable Forestry Initiative (SFI[®]) Standard 2010-2014. Based on the Sampling Plan for 2013, the Marlboro, SC mill; Plymouth, NC mill; and Johnsonburg, PA mill were audited. The registration cycle is over 3 years with surveillance audits conducted annually. This report summarizes the audit process and results of the SAI Global re-registration audit.

SCOPE OF CERTIFICATION

Procurement of fiber from Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, Quebec, New Brunswick, Ontario, Manitoba, and British Columbia. – Objectives 8 – 20.

EXECUTIVE SUMMARY

The SFI Program third-party re-registration was undertaken by SAI Global. SAI Global is an independent third party registrar that is accredited by the ANSI-ASQ National Accreditation Board (ANAB) for registrations to SFIS 2010-2014. This ensures the integrity and credibility of the audit process.

The audit assessed conformity by interviewing Domtar procurement foresters, contractors, and suppliers; as well as observing the results of harvesting, road maintenance and construction, and silvicultural activities, as applicable, on harvest operations associated with the Marlboro, SC, Plymouth, NC and Johnsonburg, PA

mills. The audit also assessed the SFIS documentation and records at the three mill offices and Fort Mill, SC office.

THE AUDITORS

The SAI Global audit team who performed the audit consisted of Ms. Lynn Penniman CEP, EMS (LA).

KEY AREAS OF NON-CONFORMANCE

No non-conformances were identified

KEY OPPORTUNITIES FOR IMPROVEMENT

No opportunities for improvement were identified

POSITIVE ASPECTS

- Marlboro Mill and Plymouth Mill – Good documentation on follow up with suppliers on items identified as part of State BMP audits
- Marlboro Mill and Plymouth Mill – Providing training facility and support for NC ProLogger and SC TOP Logger training classes
- Marlboro Mill – Mill produced pamphlets on Sustainable Forestry and You provided to suppliers
- Marlboro Mill – Monthly summary of SFI Activities

EVIDENCE OF CONFORMITY:

Evidence that was assessed to determine the Domtar Paper Company, LLC conformity with the SFIS 2010-2014 standard, Objectives 8 - 20 appears below:

SFI-08 Land Outreach:

Annual distribution of Landowner Outreach documents and interactions; FECV program for purchased stumpage; Interviews.

SFI-09 Use of Qualified Resource and Logging Professionals:

Domtar Fiber Sourcing Standard; State Forestry Association websites; Interviews.

SFI-10 Adherence to Best Management Practices:

Domtar Fiber Sourcing Standard; Domtar Forestry Policy; Domtar Fiber Use and Sourcing Policy; Fiber Purchase Agreement; SIC inconsistent practices; State BMP monitoring data; interviews and field inspections of the following sites: Williams/Cummins; Baxter Melton; Simpson; Milliken 6287; NCT14580220; NCT14730099; Pamlico Investments; Whichard; and CD Jones.

SFIS 2010-2014

Periodic Assessments

Major non-conformances:	0
Minor non-conformances:	0
Opportunities for Improvement:	0
Positive Aspects:	4

Major Non-Conformances

Pervasive or critical to the achievement of the SFI objectives.

All major non-conformances require an action plan to be implemented by the auditee within 90 days of an initial audit and subsequently 60 days or registration cannot be achieved/maintained

Minor Non-Conformances

Isolated incidents that are non-critical but must be addressed before the next surveillance audit to maintain compliance to the SFI standard.

Opportunity for Improvement

Are not non-conformances but are comments on specific areas where improvements can be made.

Positive Aspects

Areas that are deemed to be of best practices

SFI-11 Promote Conservation of Biological Diversity, Biodiversity Hotspots and Major Tropical Wilderness Areas:

Domtar Paper Company, LLC does not source fiber from outside North America.

SFI-12 Avoidance of Controversial Sources including Illegal Logging:

Domtar Paper Company, LLC does not source fiber from outside North America.

SFI-13 Avoidance of Controversial Sources including Sources without Effective Social Laws:

Domtar Paper Company, LLC does not source fiber from outside North America.

SFI-14 Legal and Regulatory Compliance:

Internet access to applicable State BMPs; annual wood procurement meeting, conference calls and email with regulatory updates; Internal audit records; Government compliance and enforcement records; Domtar Forestry Policy; Domtar Fiber Use and Sourcing Policy; Domtar Environmental Policy; Domtar Statement on Sustainable Growth; Domtar Occupational Health and Safety Policy; Domtar Human Rights Policy; and Domtar Whistleblower Protection Policy.

SFI-15 Forestry Research & Technology:

Sample of funded research projects, cooperative research projects, and meeting notes and reports; Domtar 2012 Sustainable Growth Report; Inspection records; Interviews.

SFI-16 Training and Education:

Domtar Fiber Sourcing Standard; Training documentation for employees; Staff training records; Logger Training databases; Interviews and field inspections of the following sites: forest Service – Hornet; ATL 2; Bowater 4; Williams/Cummins; ZV Pate; Baxter Melton; Simpson; Catoe; TIAA_CA-1149A; Freeman; NCT00730010; NCT14580220; NCT14730099; Porter; Pamlico Investments; Lawrence; Cameron; Whichard; CD Jones; Josey; Oak Hill; National Forest; Woodwise; Land Vest; and Conservation Forestry.

SFI-17 Community Involvement in the Practice of Sustainable Forestry:

SIC meeting minutes; SIC annual reporting of inconsistent practices; Landowner Outreach documents; SIC SFI Brochures; Education/community involvement records; Interviews.

SFI-18 Public Land Management Responsibilities:

Not Applicable

SFI-19 Communications and Public Reporting:

Annual SFI reports and supporting documentation; Interviews.

SFI-20 Management Review and Continual Improvement:

Review meeting associated input/output records; internal audit records; Corrective Action Plans; Interviews.

SAI Global forestry specialist group registers/certifies forest companies to ISO 14001, OHSAS 18001, CSA Z809 and CSA Z804 SFM, SFIS, SFI CoC, PEFC CoC. QMI-SAI Global registers/certifies forest companies to FSC FM and CoC The group, led by Sylvain Frappier, Technical Manager - Forestry, consists of a highly qualified team of professional foresters, technical and industry experts. Contact certification.americas@saiglobal.com for more information.

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