



2016 SFI Public Summary Report

Stimson Lumber Company Sustainable Forestry Initiative® (SFI) Fiber Sourcing Standard [2015-2019] Sustainable Forestry Initiative® (SFI) Forest Management Standard [2015-2019]

Date: December 12, 2016

Project Scope and Objectives

PricewaterhouseCoopers LLP (PwC) completed a multi-site registration Maintenance Assessment on Stimson Lumber Company's ("the Company" or "Stimson") Forest Management on their "Western Operations" in the Forest Grove, Oregon area and Fiber Sourcing activities for their Forest Grove, Tillamook and Clatskanie, OR sawmills. Forest management is administered out of their Central Office in Forest Grove while Fiber Sourcing activities are managed by procurement staff in Forest Grove, Tillamook and Clatskanie. The Lead Assessor was Dan O'Brien, R.P.Bio, EMS (LA) and the second Assessor was James Lucas, EMS (LA) who is a Contract Assessor for PwC. The audit team was accompanied by Stimson's forestry consultant, Jim Brown and Scott Gray, Stimson's Director of Western Resources.

The primary objective of the assessment was to assess the Company's SFI management system and to evaluate the Company's implementation of the SFI Standard in the field.

Indicators

All of the indicators in the SFI Forest Management and Fiber Sourcing Standard were within the scope of the assessment, except for Performance Measure 8.2 within Objective 8 and Objective 13 for Forest Management, since none of the land managed by Stimson in the United States is public land. Objectives 11-13 for Fiber Sourcing were out of scope as the Company does not source logs from outside North America. There were no substitute indicators.

Assessment Process

On September 6-7th, 2016, the assessment team conducted interviews and reviewed appropriate documentation to assess policies and procedures, and tested the implementation of SFI program requirements at Stimson offices in Forest Grove, OR. Field assessments were conducted near Forest Grove on Stimson's North and Central fee lands and nearby Fiber Sourcing activities. During the field assessments, a total of 21 sites were visited which included 7 active or completed harvest sites (4 in North Unit, 3 in Central Unit), 5 road construction or upgrade sites, 5 silviculture sites and 4 procurement sites. In total, the audit team spent 2 auditor days in the office and 2 auditor days on-site for field assessments. The audit report was dated November 30, 2016.

Stimson has a multi-site SFI Certification that includes procurement for sites in Tillamook, Clatskanie and Forest Grove in Oregon and Priest River, St. Maries and Plummer in Idaho; as well as fee land management in Oregon, Eastern Washington and Idaho. PwC uses a rotational audit approach where the central office is audited annually and the sites are sampled on a rotating schedule that conforms to the International Accreditation Forum Inc.’s Mandatory Document 1.

Summary of Conformance, Findings, and Good Management Practices

A description of evidence used to assess conformity to the SFI 2015-2019 forest management standards are presented in the following table.

FOREST MANAGEMENT SFI 2015-2019

Objective	Performance Measure	Evidence of Conformity
<p>Objective 1. Forest Management Planning</p>	<p><i>Performance Measure 1.1 Program Participants shall ensure that forest management plans include long-term harvest levels that are sustainable and consistent with appropriate growth-and-yield modes.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson 5 year plan 2014-18, Stimson inventory book, GIS and LiDAR layers, visual management layers, 2015 Management Review for Stimson Shareholders, harvest review document</i></p> <p>Reviewed strategic (5 year) and long-term (50 year) planning processes with Stimson staff. Inventory is done on a 7 year cycle for Douglas Fir leading stands and a 5 year cycle for Coastal hemlock stands. The work is done in-house and by consultants where needed. In 2015, approximately 6500 acres were cruised with 6000 acres done by outside consultants. All cruising is check cruised. The long-term AAC is known and tracked on a yearly basis and the 2015 harvest level was slightly over the long-term AAC but still within acceptable parameters. At present annual harvest levels are falling slightly but long-term is projected to rise as stands age, the company acquires additional lands and Stimson’s aggressive silviculture program maximizes growth rates. A third party appraiser modelled various management scenarios which were presented to the Stimson Board of Directors.</p> <p>Lidar has been acquired recently for the whole land base. The State of Oregon did all the bare land, hillside (elevations) and canopy height analysis. All foresters are now using the imagery for field reconnaissance and unit design and Stimson’s GIS analyst is using it to improve accuracy of GIS including streams, roads and other features such as unstable slopes or other hazards. Stimson has a very robust GIS and a very good mapper and analyst. Soils maps are used for all harvest units and in the GIS and site specific reviews of soils including sensitivity is done for every unit.</p>
	<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>	
	<p><i>Performance Measure 1.2 Program Participants shall not convert one forest cover type to another forest cover type, unless in justified circumstances.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson 5 year plan 2014-18, Stimson inventory book, GIS and LiDAR layers, visual management layers, 2015 Management Review for Stimson Shareholders, harvest review document</i></p> <p>Stimson does not convert forest cover types from one type to another with the exception of conversion of hardwood riparian</p>

		cover to conifer which is acceptable under Oregon forest practice rules and seen as a “restoration” activity.
	<i>Performance Measure 1.3 Program Participants shall not have within the scope of their certification to this SFI 2015-2019 Forest Management Standard, forestlands that have been converted to non-forestland use.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson 5 year plan 2014-18, Stimson inventory book, GIS and LiDAR layers, visual management layers, 2015 Management Review for Stimson Shareholders, harvest review document</i> Stimson does not convert forest lands into non-forestland use with the exceptions of forest roads, trails and landings which are acceptable under the Standard.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 2. Forest Health and Productivity	<i>Performance Measure 2.1 Program Participants shall promptly reforest after final harvest.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, multiple active and closed harvest operations files including silviculture - 2015 and 2016 planting, site prep and spray records for North and Central planning units</i> After Harvest, a reforestation plan is developed and implemented. Activities include in the plan include intensive use of improved and older tree stock, fertilization and a variety of herbicide trials. Stimson’s Tree Growth Initiative (TGI) is being carried out in field trials and results are evaluated for success. Regeneration and survival surveys conducted following Spring or Summer after planting. Stimson has clear objectives for stocking at time of planting and future periods. If stocking adjustments are required then PCT is used to achieve targets.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 2.2 Program Participants shall minimize chemical use required to achieve management objectives while protecting employees, neighbors, the public and the environment, including wildlife and aquatic habitats.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, multiple active and closed harvest operations files including silviculture - 2015 and 2016 planting, site prep and spray records for North and Central planning units</i> Stimson foresters use in-house knowledge and trials to determine the minimum application rates and narrowest spectrum for chemical use for a given stand type. As part of Stimson’s TGI, the company has a number of initiatives under way to examine the effectiveness of narrow spectrum herbicides and is currently working with their chemical provider to develop specific prescriptions for various treatment types. All label requirements and BMP’s are following during spraying activities including on-site supervision, notification of neighbors, multilingual signs posted, buffers in effect on all water, GPS flight patterns provided and ODF permit number.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 2.3 Program Participants shall implement forest management practices to protect and maintain forest and soil productivity.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, multiple active and closed harvest operations files including silviculture - 2015 and 2016 planting, site prep and spray records for North and Central planning units</i> Foresters use soils maps in harvest planning. Soil

		management/disturbance issues are covered in the unit pre-work, site inspections and the contract close out. Wet weather policies are in effect and ensure that appropriate logging and hauling practices are used. No issues were observed in the field with excessive soil disturbance or rutting.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 2.4 Program Participants shall manage so as to protect forests from damaging agents, such as environmentally or economically undesirable wildfire, pests, diseases, and invasive exotic plants and animals, to maintain and improve long-term forest health, productivity, and economic viability.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, multiple active and closed harvest operations files including silviculture - 2015 and 2016 planting, site prep and spray records for North and Central planning units</i></p> <p>Stimson’s Integrated Pest Management (IPM) program includes a description of each pest, knowledge of the pest associations with forest management, and vectors. Treatment options are listed for each pest which include physical, mechanical and chemical treatment controls. When pests are identified, then this is used to develop the harvest and silviculture plan.</p> <p>Stimson foresters review State of Oregon overflight data for pest agents/ forest health issues. Stimson staff are aware of issues with regard to tree damage including fire, insects, fungus (root rot or rusts) and animal damage (elk, deer, bear, mountain beaver or porcupine) is monitored and addressed if found. As legally required, the company has a documented 2016 Fire Prevention Plan which is produced and provided to all contractors.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 2.5 Program Participants that deploy improved planting stock, including varietal seedlings, shall use best scientific methods.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, multiple active and closed harvest operations files including silviculture - 2015 and 2016 planting, site prep and spray records for North and Central planning units</i></p> <p>Stimson uses improved seed whenever possible.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 3. Protection and Maintenance of Water Resources	<i>Performance Measure 3.1 Program Participants shall meet or exceed all applicable federal, provincial, state and local water quality laws, and meet or exceed best management practices developed under Canadian or U.S. Environmental Protection Agency – approved water quality programs.</i>	<p><i>Evidence: Reviewed in the field.</i></p> <p>Stimson’s foresters visit field sites on a regular basis to supervise harvest operations on fee lands and stumpage sales and have a good level of communication with the contractors. Stimson has implemented annual logger training workshops that address key issues such as fire preparedness, spill preparedness, endangered species, BMPs and SFI principles, and these workshops are well attended. Roads are well maintained to current best management practices as operations shift around their land base. Stimson has a policy for operating in Adverse Weather Conditions, and foresters monitor weather and send out updates and recommendations to their suppliers. Stimson’s mills maintain adequate inventory in the mill yard to ensure that loggers can shut down deliveries if necessary during wet weather events.</p>

	<p>No Nonconformities were identified related to this performance measure.</p> <p>Two Opportunities for Improvement were identified which included:</p> <ul style="list-style-type: none"> • Considering a regular review of FERNS (ODF’s on-line program for harvest notification) as harvest unit’s progress or are closed out to ensure that feedback from ODF foresters are understood and addressed as necessary. • Emphasizing the importance of contract requirements regarding spill kits when conducting pre-work and on-site inspections with contractors. 	
	<p><i>Performance Measure 3.2 Program Participants shall implement water, wetland and riparian protection measures based on soil type, terrain, vegetation, ecological function, harvesting system, State Best Management Practices (BMPs), provincial guidelines and other applicable factors.</i></p>	<p><i>Evidence: Reviewed in the field.</i></p> <p>All Stimson contracts require adherence to BMPs and forest practice rules, and contractors for fee land sales are required to be certified in the appropriate State logger certification program.</p>
	<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>	
<p>Objective 4. Conservation of Biological Diversity</p>	<p><i>Performance Measure 4.1 Program Participants shall conserve biological diversity.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, State Level Wildlife Action Plans, Biodiversity Spreadsheet, ArcGIS inventory and resource value coverages, Harvest Plans and Wildlife, Forest Biodiversity Data (LOCAT OR) maintained by ODF and ORBIC data, analysis of estimated forest land area by stand age class and ownership based on FIA plot data for NW Oregon 2005-2014, SLC Western Resources 2016 RMZ Cruise Report</i></p> <p>Company policy and State laws direct management guidelines for Threatened & Endangered (T&E) species. Foresters and contractors are provided training to identify T&E species. If any are encountered in the field that are not in the database, these are recorded and input into the Stimson’s coverages. These are then provided to the State to incorporate in their databases. Implementation guidelines in Stimson’s forest principles includes managing for multiple resource values, including wildlife, ecological diversity.</p>
	<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>	
	<p><i>Performance Measure 4.2 Program Participants shall protect threatened and endangered species, Forests with Exceptional Conservation Values (FECV) and old-growth forests.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, State Level Wildlife Action Plans, Biodiversity Spreadsheet, ArcGIS inventory and resource value coverages, Harvest Plans and Wildlife, Forest Biodiversity Data (LOCAT OR) maintained by ODF and ORBIC data, analysis of estimated forest land area by stand age class and ownership based on FIA plot data for NW Oregon 2005-2014, SLC Western Resources 2016 RMZ Cruise Report</i></p> <p>Stimson foresters use State and Stimson databases to identify T & E species as well as field identification. The company also</p>

		uses State-wide Wildlife Action Plans to coordinate with larger efforts to identify areas where industry can support coordinated action to protect FECV's and other rare habitats.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 4.3 Program Participants shall manage ecologically important sites in a manner that takes into account their unique qualities.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, State Level Wildlife Action Plans, Biodiversity Spreadsheet, ArcGIS inventory and resource value coverages, Harvest Plans and Wildlife, Forest Biodiversity Data (LOCAT OR) maintained by ODF and ORBIC data, analysis of estimated forest land area by stand age class and ownership based on FIA plot data for NW Oregon 2005-2014, SLC Western Resources 2016 RMZ Cruise Report</i> Stimson foresters use State and Stimson databases and field identification to identify T & E species on the land base. The HASP reviews and documents potential listed species in the unit and provides mitigation measures which are considered during operations. Forest Biodiversity Data (LOCAT OR) maintained by ODF and ORBIC data are used to identify ecologically important sites.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 4.4 Program Participants shall apply knowledge gained through research, science, technology, and field experience to manage wildlife habitat and contribute to the conservation of biological diversity.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, State Level Wildlife Action Plans, Biodiversity Spreadsheet, ArcGIS inventory and resource value coverages, Harvest Plans and Wildlife, Forest Biodiversity Data (LOCAT OR) maintained by ODF and ORBIC data, analysis of estimated forest land area by stand age class and ownership based on FIA plot data for NW Oregon 2005-2014, SLC Western Resources 2016 RMZ Cruise Report</i> Wildlife Action plans are used to help guide forest management planning. Stimson also uses the Biodiversity Spreadsheet by watershed which identifies forest management actions to address T&E species. Observed in the HASP for the Black Bull harvest unit.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 5. Management of Visual Quality and Recreational Benefits	<i>Performance Measure 5.1 Program Participants shall manage the impact of harvesting on visual quality.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, ArcGIS inventory and terrain modelling for Spartacus & Commando units, Harvest Plan for Commando unit</i> GIS layers are used to identify visually sensitive areas which are generally along travel corridors or in areas with other features such as urban populations. Visual management is reviewed during engineering and a summary of visual issues and mitigations is captured in the HASP document for all units.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 5.2 Program Participants shall</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, ArcGIS inventory and terrain modelling for</i>

	<i>manage the size, shape and placement of clear-cut harvests.</i>	<i>Spartacus & Commando units, Harvest Plan for Commando unit, field review of Hovel unit</i> Stimson assesses visual quality issues on a unit by unit basis. In visually sensitive areas, foresters will modify harvest design to make units less visually sensitive. On the Hovel unit, which was adjacent to Highway 26, techniques such as leaving large tree buffers along unit edge, retaining brush species along roadside and scattered leave trees within the unit made the unit less visually sensitive. Additionally, on an adjacent unit, Commando, the forester left a roadside strip of 50-75 feet to keep units profile down along an adjacent road (not Highway 26 but a smaller road). Stimson Principles state clear cuts will average 80 acres or less and legal requirements permit a maximum 120 acre size in Oregon. For 2015 average cut block size was 45 acres in the Western Region.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 5.3 Program Participants shall adopt a green-up requirement or alternative methods that provide for visual quality.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, ArcGIS inventory</i> State requirements for green-up are 4 years and 4 feet while SFI is 3 years and 5 feet. Stimson follows State requirements for green-up.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 5.4 Program Participants shall support and promote recreational opportunities for the public.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson Recreational Policy</i> A recreation policy is posted on Stimson’s website. The policy allows non-motorized activities after 5 pm and weekends until high fire season. Some lands are open lands for motorized access during hunting seasons. Stimson supports the Outdoor Dream Foundation which takes terminally ill kids elk hunting, salmon fishing, and crabbing. No issues observed with access during the audit.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 6. Protection of Special Sites	<i>Performance Measure 6.1 Program Participants shall identify special sites and manage them in a manner appropriate for their unique features.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, ArcGIS inventory</i> Stimson foresters review the GIS and do field reconnaissance to monitor and manage for special sites during harvest planning and operations. Reviewed various layers in the GIS with Stimson GIS analyst during the audit. Additionally, the State will review proposed harvest units for special sites as well in the notification process.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 7. Efficient Use of Fiber Resources	<i>Performance Measure 7.1 Program Participants shall employ appropriate forest</i>	<i>Evidence: Reviewed in the field.</i> Stimson foresters review fiber utilization during on-site

	<i>harvesting technology and in-woods manufacturing processes and practices to minimize waste and ensure efficient utilization of harvested trees, where consistent with other SFI 2015-2019 Forest Management Standard Objectives.</i>	inspections. Loggers have incentives to maximize log use and quality and where feasible slash is used for firewood or chunking for pulp mills.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 8. Recognize and Respect Indigenous Peoples' Rights	<i>Performance Measure 8.1 Program Participants shall recognize and respect Indigenous Peoples' rights.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff</i> Stimson has a written policy which acknowledges a commitment to recognize and respect the rights of Indigenous Peoples. Where identified, Stimson will protect sites which are important to Native Americans.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 8.2 Program Participants with forest management responsibilities on public lands shall confer with affected Indigenous Peoples with respect to sustainable forest management practices.</i>	<i>N/A – Stimson does not manage public lands</i>
	<i>Performance Measure 8.3 Program Participants are encourage to communicate with and shall respond to local Indigenous Peoples with respect to sustainable forest management practices on their private lands.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff</i> Stimson is in regular communication with Indigenous Peoples' in areas where Stimson's private lands intersect traditional territories, and have participated in joint projects with local tribes for stream improvement. Stimson has worked with the Grande Ronde tribe and a Consultant provided training on Potential Archaeological Sites on Stimson lands.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 9. Legal and Regulatory Compliance	<i>Performance Measure 9.1 Program Participants shall comply with applicable federal, provincial state and local forestry and related social and environmental laws and regulations.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, Gatewood & Stumpage Supplier list from 2015-2016, Log purchase agreement, log price updates and supplier letters</i> All State and Federal legislation is available online and printed copies are located in Stimson's offices for reference. All staff are competently trained and have a good understanding of applicable legislation in both OR & WA. In OR, all projects are carried out under a notification process where ODF staff review planning logging activities prior to commencement. Written plans are required for operations with cable yarding and road building in Riparian Management Areas, in-stream work, and

		for chemical use and burning for site preparation.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 9.2 Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state and local levels in the country in which the Program Participant operates.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, Gatewood & Stumpage Supplier list from 2015-2016, Log purchase agreement, log price updates and supplier letters</i> Stimson's SFI Principles document commits to complying with social laws and labor laws including the International Labor Organization (ILO) core conventions.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 10. Forestry Research, Science and Technology	<i>Performance Measure 10.1 Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners provide in-kind support or funding for forest research to improve forest health, productivity and sustainable management of forest resources, and the environmental benefits and performance of forest products.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report</i> Stimson continues to support a wide variety of research initiatives in its Inland & Western operations including: cooperatives for tree improvement, growth and yield, assessments of effectiveness of forest management practices, and NCASI. The Company also supports land conservation through completion of land sales and easements with conservation organizations. Financial contributions are summarized in SFI Annual Report and external contributions total more than \$130K.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 10.2 Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners – develop or use state, provincial or regional analyses in support of their sustainable forestry programs.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report, Oregon & Idaho SIC websites, SIC dues</i> Stimson's Director of Western Resources was past Chair of the OR SIC and now sits as a member.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 10.3 Program Participants shall – individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners – broaden the</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report, Oregon SIC websites, Climate and Stress Interactions in Western Forest Ecosystems presentation</i> Stimson's Director of Western Resources attended a climate change presentation at the last OR SIC meeting. A copy of presentation has been disseminated to Stimson by email. The

	<i>awareness of climate change impacts on forests, wildlife and biological diversity.</i>	presentation reviewed synthesis of Climate Change impacts – the key message for forest managers is to use appropriate stock/species for sites.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 11. Training and Education	<i>Performance Measure 11.1 Program Participants shall require appropriate training of personnel and contractors so that they are competent to fulfill their responsibilities under the SFI 2015-2019 Forest Management Standard.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI website, Stimson Timber Times publication</i></p> <p>Stimson supports SFI publically in its website and communicates its support with employees, customers and staff through a variety of means including the monthly newsletter (Timber Times). Andrew Miller President and CEO communicates SFI commitment statement to Staff through Timber Times (email publication).</p> <p>The Stimson Principles document outlines the roles of Fee lands and Procurement staff related to SFI. Roles/responsibilities are not defined by job positions but the expectation is that all roles have responsibility for SFI objectives, and will contribute. Employee annual performance goals include SFI requirements. All staff participate in development of SFI Policies and Principles.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 11.2 Program Participants shall work – individually and/or with SFI Implementation Committees, logging or forestry associations, or appropriate agencies or others in the forestry community – to foster improvement in the professionalism of wood producers.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Oregon SFI SIC website, AOL website</i></p> <p>All contractors are Qualified Logging Professionals (QLP) – which requires training. Training requirements include: Oregon Forest Practices training, safety and operator equipment training & fire and spill response.</p> <p>Stimson also holds periodic contractor meetings include a tour of the mill, includes discussion of SFI, pipe placement, log quality, spills and fire response. At least one person from each company that works with Stimson must attend. All fee contractors and core TOC (Timber Only Contract/ Stumpage) attend.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 12. Community Involvement and Landowner Outreach	<i>Performance Measure 12.1 Program Participants shall support and promote efforts by consulting foresters, state, provincial and federal agencies, state or local groups, professional societies, conservation organizations, Indigenous Peoples and governments, community groups, sporting</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson website,</i></p> <p>Stimson’s website is the main vehicle for disseminating information on the above. Information is provided which includes: Reducing Wildfire Risk, Best Management Practices (BMP's), Reforestation/Afforestation, Visual Quality Management, Habitat Conservation, Conservation of Biodiversity, Forests with Exceptional Conservation Value, Invasive Exotic Plant and Animal Control, Special Sites, American Tree Farm System, Forest Certification, Qualified</p>

	<i>organizations, labor, universities, extension agencies, the American Tree Farm System® and/or other landowner cooperative programs to apply principles of sustainable forest management.</i>	Logging Professionals, Qualified Resource Professionals, Other Landowner Resources.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 12.2 Program Participants shall support and promote, at the state, provincial or other appropriate levels, mechanisms for public outreach, education and involvement related to sustainable forest management.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson website,</i> Stimson’s website is the main vehicle for disseminating information on the above. Information is provided which includes: Reducing Wildfire Risk, Best Management Practices (BMP’s), Reforestation/Afforestation, Visual Quality Management, Habitat Conservation, Conservation of Biodiversity, Forests with Exceptional Conservation Value, Invasive Exotic Plant and Animal Control, Special Sites, American Tree Farm System, Forest Certification, Qualified Logging Professionals, Qualified Resource Professionals, Other Landowner Resources.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 12.3 Program Participants shall establish at the state, provincial or other appropriate levels, procedures to address concerns raised by loggers, consulting foresters, employees, unions, the public or other Program Participants regarding practices that appear inconsistent with the SFI 2015-2019 Forest Management Standard principles and objectives.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Oregon SFI SIC website</i> Information on SIC website for addressing concerns over logging quality. There is a partnership with Oregon Department of Forestry and if they receive a complaint from the public, then they notify the SIC.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 13. Public Land Management Responsibilities	<i>Performance Measure 13.1 Program Participants with forest management responsibilities on public lands shall participate in the development of public land planning and management processes.</i>	<i>N/A – Stimson does not manage public lands</i>
Objective 14. Communications and Public Reporting	<i>Performance Measure 14.1 A Program Participant shall provide a summary audit report, prepared by the</i>	<i>Evidence: SFI Public Summary Reports</i> A public summary report is prepared by PwC as part of the audit and submitted to SFI for posting on its website.

	<i>certification body, to SFI Inc. after the successful completion of a certification, recertification or surveillance audit to the SFI 2015-2019 Forest Management Standard.</i>	Two complaints from public received through the SIC website. Neither related to Stimson.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 14.2 Program Participants shall report annually to SFI Inc. on their conformance with the SFI 2015-2019 Forest Management Standard.</i>	<i>Evidence: SFI Annual Reports</i> Annual reports are submitted to SFI as required and records and past reports maintained.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 15. Management Review and Continual Improvement	<i>Performance Measure 15.1 Program Participants shall establish a management review system to examine findings and progress in implementing the SFI 2015-2019 Forest Management Standard, to make appropriate improvements in programs, and to inform their employees of changes.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Audit Committee Meeting Minutes Dec 16, 2015, 2016 SFI Internal Audit for Stimson's Western operations.</i> Reviewed the Annual Management Review Meeting minutes which included updates to SFI procedures and issues covered in the Internal and External Audit.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	

FIBER SOURCING

Objective	Performance Measure	Evidence of Conformity
Objective 1: Biodiversity in Fiber Sourcing	<i>Performance Measure 1.1. Promotion and conservation of biological diversity.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales</i></p> <p>Stimson’s procurement group purchases stumpage from a variety of sources and in 2016 more than 90% of stumpage sales were from State sales which include the Oregon Department of Forestry (ODF) and occasional Washington State Department of Natural Resources (DNR). Other key sources are medium sized landowners in the Forest Grove, Clatskanie and Tillamook area, some of which are SFI and ATFS certified. In general, any issue with HCVF’s are addressed in the planning processes which are conducted by the state or federal agencies. All stumpage sales are reviewed by Stimson on staff on the ground through timber cruising and assessment that looks at environmental issues and potential challenges with the units. Conservation issues are identified at this stage including HCVF. Once timber sales commence operations, Stimson staff are on site weekly to ensure that contractors meet plan specifications for all stumpage sales including protecting all habitat requirements.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 2: Adherence to Best Management Practices	<i>Performance Measure 2.1. Program Participants shall clearly define and implement policies to ensure that facility inventories and fiber sourcing activities do not compromise adherence to the principles of sustainable forestry.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales</i></p> <p>All sales from which Stimson accesses fiber are covered under the Oregon Forest Practice Rules or Federal regulations on US Forest Service lands. Timber Harvesting Plans for stumpage sales require compliance with BMPs and contracts include requirements for legal compliance. Stimson log purchase agreements have a clause on BMP compliance in main body of document.</p>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 2.2. Program Participants shall monitor the use of best management practices.</i>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, 1:20 inspection reports for various landowners</i></p> <p>In addition to the State agency monitoring of timber sales, Stimson conducts weekly inspections of all stumpage sales to review operations, which are documented in inspection forms. Stimson staff monitor all stumpage operations by on-site review of issues with contractors and landowners, whether those landowners are State (ODF, DNR) or private (large industrial). On Gatewood purchases, Stimson conducts 1:20 inspections of tracts from which it received logs. Staff pass this information on to landowners if issues are noted.</p>
No Nonconformities or Opportunities for Improvement were identified related to this performance measure.		

<p>Objective 3: Use of Qualified Resource and Qualified Logging Professionals</p>	<p><i>Performance Measure 3.1. Program Participants shall encourage landowners to utilize the services of qualified logging professionals, certified logging professionals (where available), qualified resource professionals and to apply principles of sustainable forest management to their lands.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, Gatewood & Stumpage Supplier list from 2015-2016, Log purchase agreement, log price updates and supplier letters</i></p> <p>Stimson procurement staff only use loggers who are members in good standing of the AOL training program. The Company keeps a roster of contractors for OR which includes certification in the logger training program.</p>
<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>		
<p>Objective 4: Legal and Regulatory Compliance</p>	<p><i>Performance Measure 4.1. Program Participants shall comply with applicable federal, provincial, state and local forestry and related social and environmental laws and regulations and take steps to avoid illegal logging.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, Gatewood & Stumpage Supplier list from 2015-2016, Log purchase agreement, log price updates and supplier letters</i></p> <p>All State and Federal legislation is available online and printed copies in and pamphlets in the office for reference. All staff are competently trained and have a good understanding of applicable legislation in both OR & WA. In OR, all projects are carried out under a notification process where ODF staff review planning logging activities prior to commencement. Written plans are required for operations with cable yarding and road building in Riparian Management Areas, in-stream work, and for chemical use and burning for site preparation.</p>
<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>		
	<p><i>Performance Measure 4.2. Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state and local levels in the country in which they Program Participant operates.</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Reviewed procurement data/contracts and conducted field visits to active stumpage timber sales, Gatewood & Stumpage Supplier list from 2015-2016, Log purchase agreement, log price updates and supplier letters</i></p> <p>Stimson’s SFI Principles document commits to complying with social laws and labor laws including the International Labor Organization (ILO) core conventions.</p>
<p>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</p>		
<p>Objective 5. Forestry Research, Science and Technology</p>	<p><i>Performance Measure 5.1. Program Participants shall – individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners – provide in-kind support or funding for forest research to improve forest health, productivity, and sustainable management of forest resources, and the environmental benefits and performance of forest</i></p>	<p><i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report</i></p> <p>Stimson continues to support a wide variety of research initiatives in its Inland & Western operations including: cooperatives for tree improvement, growth and yield, assessments of effectiveness of forest management practices, and NCASI. The Company also supports land conservation through completion of land sales and easements with conservation organizations. Financial contributions are summarized in SFI Annual Report and external contributions total more than \$130K.</p>

	<i>products.</i>	
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 5.2. Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners develop or use state, provincial or regional analyses in support of their sustainable forestry programs.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report, Oregon & Idaho SIC websites, SIC dues</i> Stimson's Director of Western Resources was past Chair of the OR SIC and now sits as a member.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 5.3. Program Participants shall individually and/or through cooperative efforts involving SFI Implementation Committees, associations or other partners broaden the awareness of climate change impacts of forests, wildlife and biological diversity.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Report, Oregon SIC websites, Climate and Stress Interactions in Western Forest Ecosystems presentation</i> Stimson's Director of Western Resources attended a climate change presentation at the last OR SIC meeting. A copy of presentation has been disseminated to Stimson by email. The presentation reviewed synthesis of Climate Change impacts – the key message for forest managers is to use appropriate stock/species for sites.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 6. Training and Education	<i>Performance Measure 6.1. Program Participants shall require appropriate training of personnel and contractors so that they are competent to fulfill their responsibilities under the SFI 2015-2019 Fiber Sourcing Standard.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI website, Stimson Timber Times publication</i> Stimson supports SFI publically in its website and communicates its support with employees, customers and staff through a variety of means including the monthly newsletter (Timber Times). Andrew Miller President and CEO communicates SFI commitment statement to Staff through Timber Times (email publication). The Stimson Principles document outlines the roles of Fee lands and Procurement staff related to SFI. Roles/responsibilities are not defined by job positions but the expectation is that all roles have responsibility for SFI objectives, and will contribute. Employee annual performance goals include SFI requirements. All staff participate in development of SFI Policies and Principles.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 6.2. Program Participants shall work individually and/or with SFI Implementation Committees, logging or forestry associations, or</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Oregon SFI SIC website, AOL website</i> All contractors are Qualified Logging Professionals (QLP) – which requires training. Training requirements include: Oregon Forest Practices training, safety and operator equipment training

	appropriate agencies or others in the forestry community to foster improvement in the professionalism of wood producers.	& fire and spill response. Stimson also holds annual Spring contractor meetings include a tour of the mill, includes discussion of SFI, pipe placement, log quality, spills and fire response. At least one person from each company that works with Stimson must attend. All fee contractors and core TOC (Timber Only Contract/ Stumpage) attend.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 7. Community Involvement and Landowner Outreach	<i>Performance Measure 7.1. Program Participants shall support and promote efforts by consulting foresters, state, provincial and federal agencies, state or local groups, professional societies, conservation organizations, Indigenous Peoples and governments, community groups, sporting organizations, labour, universities, extension agencies, the American Tree Farm System® and/or other landowner cooperative programs to apply principles of sustainable forest management.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson website,</i> Stimson’s website is the main vehicle for disseminating information on the above. Information is provided which includes: Reducing Wildfire Risk, Best Management Practices (BMP's), Reforestation/Afforestation, Visual Quality Management, Habitat Conservation, Conservation of Biodiversity, Forests with Exceptional Conservation Value, Invasive Exotic Plant and Animal Control, Special Sites, American Tree Farm System, Forest Certification, Qualified Logging Professionals, Qualified Resource Professionals, Other Landowner Resources.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 7.2. Program Participants shall support and promote, at the state, provincial or other appropriate levels, mechanisms for public outreach, education and involvement related to sustainable forest management.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson website,</i> Stimson’s website is the main vehicle for disseminating information on the above. Information is provided which includes: Reducing Wildfire Risk, Best Management Practices (BMP's), Reforestation/Afforestation, Visual Quality Management, Habitat Conservation, Conservation of Biodiversity, Forests with Exceptional Conservation Value, Invasive Exotic Plant and Animal Control, Special Sites, American Tree Farm System, Forest Certification, Qualified Logging Professionals, Qualified Resource Professionals, Other Landowner Resources.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 7.3. Program Participants shall establish, at the state, provincial, or other appropriate levels, procedures to address concerns raised by loggers, consulting foresters, employees, unions, the</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Oregon SFI SIC website</i> Information on SIC website for addressing concerns over logging quality. There is a partnership with Oregon Department of Forestry and if they receive a complaint from the public, then they notify the SIC.

	public or other Program Participants regarding practices that appear inconsistent with the SFI 2015-2019 Fiber Sourcing Standard principles and objectives.	
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 8. Public Land Management Responsibilities	<i>Performance Measure 8.1. Program Participants with forest management responsibilities on public lands shall participate in the development of public land planning and management processes.</i>	<i>N/A – Stimson does not manage public lands</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 9. Communications and Public Reporting	<i>Performance Measure 9.1. A Program Participant shall provide a summary audit report, prepared by the certification body, to SFI Inc. after the successful completion of a certification, recertification or surveillance audit to the SFI 2015-2019 Fiber Sourcing Standard.</i>	<i>Evidence: SFI Public Summary Reports</i> A public summary report is prepared by PwC as part of the audit and submitted to SFI for posting on its website.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<i>Performance Measure 9.2. Program Participants shall report annually to SFI Inc. on their conformance with the SFI 2015-2019 Fiber Sourcing Standard.</i>	<i>Evidence: SFI Annual Reports</i> Annual reports are submitted to SFI as required and records and past reports maintained.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 10. Management Review and Continual Improvement	<i>Performance Measure 10.1. Program Participants shall establish a management review system to examine findings and progress in implementing the SFI 2015-2019 Fiber Sourcing Standard, to make appropriate improvements in programs, and to inform their employees of changes.</i>	<i>Evidence: Stimson Forest Principles and Policies. Interview with Stimson staff, Stimson SFI Audit Committee Meeting Minutes Dec 16, 2015, 2016 SFI Internal Audit for Stimson’s Western operations.</i> Reviewed the Annual Management Review Meeting minutes which included updates to SFI procedures and issues covered in the Internal and External Audit.
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 11. Promote Conservation of Biological Diversity,	<i>Performance Measure 11.1. Program Participants shall ensure that their fiber sourcing programs support the principles of sustainable</i>	<i>Evidence:</i> Not applicable as Stimson does not make off shore log purchases.

Biodiversity Hotspots and High-Biodiversity Wilderness Areas	<i>forestry, including efforts to promote conservation of biological diversity.</i>	
Objective 12. Avoidance of Controversial Sources including Illegal Logging	<i>Performance Measure 12.1. Program Participants shall ensure that their fiber sourcing programs support the principles of sustainable forestry, including efforts to reduce the risk of illegal logging.</i>	<i>Evidence:</i> Not applicable as Stimson does not make off shore log purchases.
Objective 13. Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws	<i>Performance Measure 13.1. Program Participants shall avoid controversial sources and encourage socially sound practices.</i>	<i>Evidence:</i> Not applicable as Stimson does not make off shore log purchases.
Appendix 1	Appendix 1 – Rules for Use of SFI Certified Sourcing Label.	<i>Evidence: Stimson’s Website</i> Stimson is incorrectly using the SFI logo on their website.
	Stimson’s use of the SFI logo on their websites are not in conformance with the SFI label use rules for off-product marks.	

Specific Good management practices are noted below:

- Stimson is demonstrating a high level of investment and resource protection on its roads network. Examples observed included the replacement of 3 culverts on a seldom used road a road rehabilitation project.
- Continued work on broadcast burns on some harvest units demonstrates a commitment to keeping the use of fire as a tool for management on the land base.
- Visuals management on one unit visible from Highway 26 was well done and included leave trees along unit edges, slash management and the use of shrubs along the roadside to screen the unit.
- Alfalfa was planted on the “Camp McGregor” site as means to encourage alternatives for elk forage.
- The use of the Wilbur Ellis Forest Herbicide Information and Stimson’s own Site Preparation and Target Species and Rates forms as guidelines for foresters to minimize herbicide use relative to maximum label doses and for various competing vegetation types.
- The Maxwell unit was planted within 2 weeks of harvest as a means to address Scotch Broom, which is a challenging competitor species.
- Stimson’s log procurement group sends out a monthly summary of log supplier information which includes updates on verifiable monitoring inspections as well as various topics of interest to landowners such as: visual quality management, engaging forestry help and invasive plants and animals.

Conclusion

Stimson has maintained conformance with the requirements of the Sustainable Forestry Initiative Fiber Sourcing Standard [2015-2019] / Sustainable Forestry Initiative Forest Management Standard [2015-2019]. The Certificate can be obtained by contacting Scott Gray of Stimson Lumber Company at 503-359-3413. More information on Stimson’s sustainable forestry program can be found at: www.stimsonlumber.com .