



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

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Company Name	Rayonier-Southeast Wood Procurement
Contact Person	Eric Lantz
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PQC Code	E01E

Contract Number:	US1049829	Certification Audit:		Re-Certification Audit:		Surveillance: (Indicate visit # or Pre-Assessment)	S2
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Audit Summary
<p>Introduction</p> <p>This report summarizes the results of the second surveillance and scope extension audit conducted on Rayonier Southeast Wood Procurement’s SFI program for wood procurement operations. Richard Boitnott, Bureau Veritas Certification Lead Auditor conducted the audit April 2, through April 4, 2014.</p>
<p>Audit Scope, Objectives and Process</p> <p>The scope of the audit is “wood procurement activities”. The audit was conducted against the SFI 2010-2014 Standard. SFIS Objectives 8 through 10, 16, 17, 19 and 20 were covered 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. In addition, the audit was conducted to scope in the activities of the Quitman fiber facility into the company’s certification program. 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.</p>
<p>Company Information</p> <p>Rayonier SEWP procures wood for two pulp mills located in Georgia and Florida. Wood is procured directly into sawmills and the pulp mill located in Fernandina Beach Florida. Wood is also procured into a number of chip mills located in Georgia and Virginia. These chips are fed into the two pulp mills. All wood is procured through gatewood purchases. The company does not purchase stumpage directly from landowners. It recently added a chipmill in Quitman Georgia to increase the footprint of its procurement program.</p>
<p>Multi-Site Requirements</p> <p>The company maintains a multi-site certification consisting of nine facilities as shown below. All facilities conduct the same activity-fiber procurement. Headquarters of the management system is at the Collins fiber facility office. The company qualifies as a multi-site certification since the</p>

management system is controlled and directed by the central office. There is one set of procedures that applies to the entire system, and the SFI manager is the sole person responsible for maintaining the procedures. Facilities covered during the audit were selected based on a randomized schedule developed by Bureau Veritas Certification at the time of renewal. Procurement activities for the Quitman fiber facility were covered as part of the scope extension. Rayonier operates one procurement system for all of its mills, so it is not uncommon to visit tracts where wood has gone to a number of different facilities.

Sites	Sites Audited During this Event
Collins GA fiber facility	X
Fernandina FL pulpmill	
Jesup GA pulpmill	
Jarratt VA fiber facility (chipmill)	
Barnesville GA fiber facility	X
Offerman GA fiber facility	X
Eastman GA fiber facility	
Fernandina FL fiber facility	
Quitman fiber facility	X

Audit Plan

The audit consisted of a ½ day document review at the Collins fiber facility office on the morning of April 2. Field audits were conducted the afternoon of April 2, and the entirety of April 3 and 4. A closing meeting was held at the end of the day on the 12th. An audit plan was developed and is maintained on file by Bureau Veritas Certification.

Audit Results

The document review was conducted to determine if Rayonier SEWP’s system documentation continues to meet the requirements of the SFI 2010-2014 Standard. The field audit consisted of a review of eight gatewood tracts which had previously been monitored by the company.

Objective 8-Landowner Outreach: Rayonier does not purchase stumpage directly from landowners, but it does provide landowner packets to its suppliers for their use. The Georgia landowner brochure is very well done, and meets the requirements of the SFI Standard.

Objective 9-Use of Qualified Resource and Qualified Logging Professionals: Rayonier requires all loggers delivering to company facilities to complete logger training and maintain continuing education. The company maintains a list of trained loggers.

Objective 10-Adherence to Best Management Practices: Contracts contain a requirement to comply with BMPs. Wet weather contingency plans are in place. The construction of the new chipmill in Quitman Georgia was done to increase its procurement footprint. Rayonier also has a chipmill in Virginia to provide even greater geographical exposure.

Rayonier uses the BMP auditing program of the state forestry commissions to monitor BMP compliance of its suppliers. Rayonier also randomly visits approximately 100 tracts per year, most of which are done with the supplier who purchased the tract. Of the 8 gatewood tracts visited during the audit, two exhibited discrepancies between the audit form and on-the-ground conditions, questioning the veracity of the company’s BMP monitoring data. A non-conformance was issued to correct this deficiency.

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

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

Objective 14-Legal and Regulatory Compliance: Not audited

Objective 15-Forestry Research, Science, and Technology: Not audited

Objective 16-Training and Education: Procurement foresters and all loggers delivering to Rayonier facilities are required to maintain SIC-approved training in the state in which they operate. Records reviewed during the audit indicate both employee and logger training met the company's requirements.

Objective 17-Community Involvement in the Practice of Sustainable Forestry: Rayonier is quite active in the SICs in the states in which it operates. The company produced evidence of its involvement in a number of public educational opportunities, both on its own and in conjunction with the SIC. Its involvement in the SIC includes support for an inconsistent practices program. Reports of inconsistent practices are reviewed at each SIC meeting. There was one report in the state of Georgia in 2013. Rayonier has its own process for responding to public inquiries.

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

Objective 19-Communications and Reporting: A review of the SFI, Inc. website provided evidence Rayonier submitted its previous renewal 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, which is submitted in conjunction with the land management division. An e-mail transmission from SFI, Inc. provided evidence the company submitted the 2013 annual progress report in a timely manner.

Objective 20-Management Review and Continual Improvement: Rayonier has a management review process in place. Meeting minutes provided evidence the company conducts management review on an annual basis. BMP monitoring results and goals to maintain or improve BMP compliance are included as part of the management review process.

Findings

Previous non-conformances: No non-conformances were identified during the previous audit.

Non-conformances: There was one minor non-conformance issued during this audit against Performance Measure 10.2, Indicator 2. The SF02 nonconformity report is shown below

Opportunities for Improvement: No opportunities for improvement were issued

Notable Practices: No notable practices were issued.

Logo/label use:

The company does not use the Bureau Veritas Certification logo. No unauthorized use of the SFI logo was observed.

SFI reporting:

The 2013 surveillance audit report for Rayonier SEWP was found on the SFI website.

Conclusions

Results of the audit indicate Rayonier SEWP continues to effectively implement its SFI program, with the exception of one minor non-conformance. The company will be recommended for continued certification to the SFI 2010-2014 standard contingent upon submission of an acceptable corrective action plan to address the non-conformance. The corrective action plan is due to Melissa Marchese within 30 days of the closing meeting. The lead auditor also issued a recommendation to include the Quitman Georgia fiber facility in Rayonier's certification program upon clearance of the non-conformance.

Follow-up

Rayonier submitted an acceptable corrective action plan on 4/25/2014. The company is recommended for continued certification to the SFI 2010-2014 Standard.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:										
Audit Date(s):			From: 4/2/2014				To: 4/4/2014			
Number of SF02's Raised:				Major:		0		Minor:		1
Is a follow up visit required:			Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Date(s) of follow up visit:			
Follow-up visit remarks:										
Team Leader Recommendation:										
Corrective Action Plan (s) Accepted			Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Date:		4/26/2014	
Proceed to/Continue Certification			Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Date:		4/26/2014	
All NCR's Cleared			Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Date:		N/A	
Standard audit conducted against:										
1)	SFIS 2010-2014			3)						
2)				4)						
Team Leader (1):			Team Members (2,3,4...)							
Richard Boitnott; CF, RF, 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		The next audit is a renewal audit to be conducted in April 2015.								
Audit Report Distribution										
Bureau Veritas Certification: Melissa Marchese-melissa.marchese@us.bureauveritas.com										
Rayonier: Eric Lantz-eric.lantz@rayonier.com										

Clause	Audit Report
Opening Meeting	Participants: Eric Lantz, Ben Cazell Discussions: <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Eric Lantz, Brad Henslin, Steve Worthington Discussions: <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 - 1 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:		SF02#:	
Rayonier SEWP		S2-01	
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
US1101124	Surveillance #2	Richard Boitnott	
Date:	Standard and Clause #:	Team Member:	
4/4/2014	SFI PM 10.2, Ind. 1		
Major	Minor	Other Documents (if applicable):	Company Representative:
	X		Eric Lantz
REQUIREMENT OF AUDITED STANDARD:			
PM 10.2, Ind. 1 requires the organization to have a verifiable monitoring system to monitor the use of best management practices by wood producers supplying the program participant			
OBSERVED NONCONFORMITY AND, for FSC only, CORRECTIVE ACTION REQUEST:			
Two of the eight gatewood tracts reviewed during the audit exhibited discrepancies between on-the-ground conditions and the results recorded on the Gatewood Monitoring form. In one instance, the tract obviously had no stream courses, but the monitoring form indicated SMZs were established in accordance with Georgia BMPs. In another instance, the gatewood tract was a 900 acre land clearing operation for construction of a lake. The Corps of Engineers had issued a variance to preclude the use of BMPs. The BMP monitoring form once again indicated SMZs to be established in accordance with BMPs. It was acknowledged a variance was issued, but the SMZs were by no means established according to BMPs. Observations of these two tracts called into question the veracity of the BMP monitoring data gathered by Rayonier.			
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN (To be completed by the Company. Plan to be submitted in 30 days)			
Corrective Action Plan Date:	4/25/2014	Company Representative:	Eric Lantz
Root Cause Analysis and Corrective Action			
Root Cause: See attached letter from Rayonier			
Corrective Action Plan: See attached letter from Rayonier			
ROOT CAUSE AND CORRECTIVE ACTION PLAN ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Verify effective identification of Root Cause and acceptance of Corrective Action Plan)			
Root Cause:			
Corrective Action Plan:			
Plan Accepted:	Yes	No	Comments:
Auditor:			Date:
CORRECTIVE ACTION IMPLEMENTATION			
To be completed by Company – Provide objective evidence. Not to exceed: 90 Days SFI, PEFC <input type="checkbox"/> ; 1 year FSC <input checked="" type="checkbox"/> ; other <input checked="" type="checkbox"/> 90 Days			
Corrective Action Completion Date:		Company Representative:	
Corrective Action Implementation: Method used to verify effectiveness of action taken:			
CORRECTIVE ACTION IMPLEMENTATION ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Acceptance of Corrective Action taken)			
Accepted:	Yes	No	Nonconformance Closed: Yes No
Follow Up Comments:			
Auditor:			Date:

