

Forest Certification UPDATE



Norbord Inc. **SFIS 2010 - 2014**

BACKGROUND

Norbord Inc. operations are located in the United States and have a central office function for this certification located in Solway, Minnesota. During the period of February 18, 19 and 25 – 27, 2014, Norbord Inc. underwent an audit to the Sustainable Forestry Initiative (SFI®) Standard 2010-2014. The registration cycle is over 3 years with surveillance audits conducted annually. Based on the Sampling Plan for 2014, the Central Office, Cordele, GA Mill and Nacogdoches, TX Mill were audited (12 month surveillance audit). Additionally, Norbord, Inc. requested that a new site, the Jefferson, TX Mill be included in the SFIS certification. Therefore, a Readiness Audit (Stage 1) and Registration Audit (Stage 2) were conducted for the Jefferson, TX Mill. This report summarizes the audit process and results of those audits by SAI Global.

SCOPE OF CERTIFICATION

Procurement of fiber from the Southeast US and Minnesota - Objectives 8-20

EXECUTIVE SUMMARY

The SFI Program third-party audit 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 Norbord 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 Cordele, GA; Nacogdoches, TX; and Jefferson, TX mills. The audit also assessed the SFIS documentation and records at the three mill offices and Solway, MN office (central 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

One non-conformance was identified during the audit at the Jefferson, TX mill. Objective 10, Performance Measure 10.1, Indicator 1 – No program to ensure that raw materials are purchased from qualified logging professionals.

KEY OPPORTUNITIES FOR IMPROVEMENT

Four opportunities for improvement were identified.

For the Jefferson TX Mill

- PM 10.1, Indicator 5 – Consider identifying and implementing methods to make the Norbord Wood Procurement Policy available to suppliers.
- PM 19.2, Indicator 2 – Consider better recordkeeping methods for information supplied to corporate for the SFI annual progress report.

For all sites

- PM 15.3, Indicators 1 and 2 - Consider establishing additional means to broaden the awareness of climate change impacts on forests, wildlife and biological diversity.
- PM 17.1, Indicators 4 and 5 – Consider establishing additional means to support and promote conservation of managed forests, and to become knowledgeable about credible regional conservation planning.

POSITIVE ASPECTS

- Norbord Georgia LLC – Support of logger training by setting up speakers and topics for continuing education classes
- All sites – Posting of SFIS supporting documentation on SharePoint site

EVIDENCE OF CONFORMITY

Evidence that was assessed to determine the Norbord Inc. conformity with the SFIS 2010-2014 standard, Objectives 8 - 20 appears below:

SFI-08 Land Outreach:

Distribution of Landowner Outreach documents and support of American Tree Farm system; Interviews

SFIS 2010-2014

Periodic Assessments

Major non-conformances: 0
Minor non-conformances: 1
Opportunities for Improvement: 4
Positive Aspects: 2

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-09 Use of Qualified Resource and Logging Professionals:

Norbord Wood Procurement Policy; State Forestry Association websites; Interviews

SFI-10 Adherence to Best Management Practices:

Norbord Wood Procurement Policy; Master Timber Contracts and Timber Purchase Agreements; Adverse weather policies; State BMP monitoring data; Interviews and field inspections of the following sites: Starlin, Crisp, Christian, Robert Bruce Langston, Don Langston, Myrta Ann Garrett, Jan and Margene Par, Partnership, Snider Industries and Whatley

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

Norbord Inc. does not source fiber from outside North America

SFI-12 Avoidance of Controversial Sources including Illegal Logging:

Norbord Inc. does not source fiber from outside North America

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

Norbord Inc. does not source fiber from outside North America

SFI-14 Legal and Regulatory Compliance:

Internet access to applicable State BMPs; annual wood procurement meeting; internal audit records; Government compliance and enforcement records; Norbord Environmental Policy; Norbord Wood Procurement Policy; Norbord Values and Beliefs; and Norbord Code of Business Conduct

SFI-15 Forestry Research & Technology:

Sample of funded research projects, cooperative research projects, and meeting notes and reports; Interviews

SFI-16 Training and Education:

Norbord Wood Procurement Policy; Training documentation for employees; Staff training records; Logger Training databases; Interviews and field inspections of the following sites: Starlin, Crisp, Christian, Robert Bruce Langston, Don Langston, Myrta Ann Garrett, Jan and Margene Par, Partnership, Snider Industries and Whatley

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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