



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

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Company Name	Weyerhaeuser Company and Weyerhaeuser NR Company
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PQC Code	E01E
Contract Number	US2253181

Certification Audit:		Re-Certification Audit:	X	Surveillance Audit:	#	Scope extension audit:	
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Audit Summary

This report summarizes the results of the renewal audit conducted on Weyerhaeuser Company and Weyerhaeuser NR Company SFI program for fiber sourcing operations. Richard Boitnott, Bureau Veritas Certification lead auditor conducted the audit July 21-22, 2016. Mr. Boitnott is an SAF certified forester, a Texas accredited forester, an EMS lead auditor, and has wildlife management expertise.

Audit Scope, Objectives and Process

The scope of the audit is “fiber sourcing”. The audit was conducted against the SFI 2015-2019 Fiber Sourcing Standard. All applicable SFI indicators 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. 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.

Audit Plan

The audit began with a field audit July 22, followed by a ½ day document review the morning of July 22. An audit plan was developed and is on file with Bureau Veritas Certification.

Company Information

Weyerhaeuser Company and Weyerhaeuser NR Company fiber sourcing program is managed out of Columbia Falls, Montana. This program covers raw material purchased for the Columbia Falls MDF and Kalispell sawmill plywood manufacturing facilities. Weyerhaeuser Company and Weyerhaeuser NR Company facilities are sourced from company fee land and open market purchases, termed “purchased logs” by the company. Plum Creek does not operate a purchased stumpage program.

Multi-Site Requirements

N/A

Audit Results

The document review was conducted to determine if Plum Creek continues to operate an SFI program that meets the requirements of the SFI 2015-2019 Fiber Sourcing Standard. The field audit consisted of a review of four purchased log (open market) inspections. The results of this review are shown below.

Objective 1-Biodiversity in Fiber Sourcing:

Weyerhaeuser Company and Weyerhaeuser NR Company is involved in a number of efforts that address the conservation of biodiversity. The company's participation in the Montana SIC is part of this effort. Its efforts include the development of an "Inside Forests" brochure, and a "Conserving Biodiversity and Wildlife Habitat" brochure. The company and the SIC work with the Montana Natural Heritage Program to provide information on the conservation of biodiversity on private lands.

Objective 2-Adherence to Best Management Practices:

Weyerhaeuser Company and Weyerhaeuser NR Company has written agreements with all suppliers from whom it purchases wood. The written agreements contain a requirement for the use of BMPs. Wet weather guidelines are in place, and have been communicated to suppliers. The company has wet storage yards to store wood and builds inventory prior to spring breakup. Fiber sourcing policies are documented, and communicated to suppliers through an annual letter. The company has a program to randomly inspect tracts from which it has purchased logs to determine compliance with BMPs. A review of BMP compliance audits conducted on four sampled purchased log tracts demonstrated the company is effectively monitoring BMP compliance of its wood producers. A summary of BMP compliance audits is developed. Rates of compliance tend to be very high. These rates are verified through bi-annual BMP audits conducted by an interdisciplinary team, on which Plum Creek has representatives. These audits also show very high rates of compliance. The results of audit surveys are communicated to senior management, along with improvement goals. The company's goals have been most focused on increasing the percent of trained loggers, and addressing road maintenance issues, which has been found to occasionally need improvement during the company's BMP audit process.

Objective 3-Use of Qualified Resource and Qualified Logging Professionals:

Weyerhaeuser Company and Weyerhaeuser NR Company strongly encourages loggers to be trained. It tracks percent of wood from each of 3 different levels of training. The percent of wood from trained loggers has increased to 94%. The company maintains a list of qualified loggers, separated by the type of training level (basic, advanced, (preferred)). Most loggers used by Plum Creek are either preferred or advanced.

Objective 4-Legal and Regulatory Compliance: Weyerhaeuser Company and Weyerhaeuser NR Company has access to applicable laws and regulations. For a fiber sourcing organization, the primary exposure is the Montana SMZ law. While the fiber sourcing organization does not have direct exposure to many forestry related regulations, it monitors SMZ compliance of its contractors to ensure their compliance. Weyerhaeuser Company and Weyerhaeuser NR Company has received no adverse regulatory actions. Weyerhaeuser Company and Weyerhaeuser NR Company conducted a very robust risk assessment that determined the risk of procuring wood from illegal sources to be low.

Objective 5-Forestry Research, Science and Technology: Most of the evidence for this indicator is covered during the forest management central office audit, but the fiber sourcing organization did

provide evidence it is involved in a number of research efforts, including research on the northern long-eared bat. Weyerhaeuser Company and Weyerhaeuser NR Company uses the data from this study to inform landowners about their options to provide habitat beneficial to bats.

Objective 6-Training and Education: A statement of commitment to the SFIS 2015-2019 standard was in evidence in the Sustainability Report. A Montana training program identifies requirements for fiber sourcing personnel. Training records verified training has occurred as required. Weyerhaeuser Company and Weyerhaeuser NR Company requires loggers to be trained if operating on fee land, and strongly encourage purchased log loggers to be trained. It tracks percent of wood from each of 3 different levels of training. Weyerhaeuser Company and Weyerhaeuser NR Company written agreement with loggers operating on company land contains a requirement of the use of qualified loggers. A wood producers training document provided evidence the logger training program in Montana meets the requirements of PM 6.2, Ind. 1. The Montana logger training program has a continuing education requirement.

Objective 7-Community Involvement and Landowner Outreach: Weyerhaeuser Company and Weyerhaeuser NR Company provided evidence of financial support of the Montana SIC. The landowner information brochure contains the requirements of PM 7.1, Ind. 1, including information on the reduction of wildfire risk. This addresses an opportunity for improvement issued during the previous audit. Weyerhaeuser Company and Weyerhaeuser NR Company presented ample evidence of its involvement in educational efforts. The company's participation in the Montana SIC includes support for an inconsistent practices program. Weyerhaeuser Company and Weyerhaeuser NR Company has a procedure for handling inquiries and complaints from the public.

Objective 8-Public Land Management Responsibilities: N/A

Objective 9-Communications and Public Reporting: A review of the SFI, Inc. website provided evidence the fiber sourcing organization of Plum Creek submitted its previous 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. An e-mail transmission from SFI, Inc. provided evidence the company submitted the 2015 annual progress report in a timely manner.

Objective 10-Management Review: Weyerhaeuser Company and Weyerhaeuser NR Company has a management review process in place. Procedures are in place to provide for the information that is presented to management to evaluate the company's commitment to the SFI Standard. One of the procedures used to evaluate commitments is an internal audit and monitoring program. Weyerhaeuser Company and Weyerhaeuser NR Company has a rigorous audit program, the results of which are examined at the annual management review meeting.

Objective 11-Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Conservation Wilderness Areas: N/A

Objective 12-Avoidance of Controversial Sources including Illegal Logging: N/A

Objective 13-Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws: N/A

Findings

Previous non-conformances:

No non-conformances were issued during the previous audit.

Non-conformances:

No non-conformances were issued during this audit.

Opportunities for Improvement:

No opportunities for improvement were issued.

Notable Practices:

No notable practices were issued

Logo/label use:

Weyerhaeuser Company and Weyerhaeuser NR Company uses the SFI certified sourcing label with approval from SFI, Inc. The SFI logo is used for promotional purposes, also with approval. No unauthorized use of the SFI logo was observed. The company does not use the Bureau Veritas Certification logo.

SFI reporting:

The 2015 surveillance audit report was found on the SFI, Inc. website as required for public review.

Conclusions

Results of the audit indicate Weyerhaeuser Company and Weyerhaeuser NR Company continues to implement a program that meets the requirements of the SFI 2015-2019 Fiber Sourcing Standard. Weyerhaeuser Company and Weyerhaeuser NR Company fiber sourcing program is recommended for renewed certification to the SFI 2015-2019 Fiber Sourcing Standard.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:										
Audit Date(s):		From: July 21, 2016				To: July 22, 2016				
Number of SF02's Raised:				Major:		0		Minor:		0
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 type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
Proceed to/Continue Certification			Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Date:	July 22, 2016
All NCR's Closed			Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
Standard audit conducted against:										
1)	SFI 2015-2019 FS Standard			3)						
2)				4)						
Team Leader (1):			Team Members (2,3,4...)							
Richard Boitnott; CF, AF, EMS (LA)			2)							
			3)							
			4)							
			5)							
Scope of Supply: (scope statement must be verified and appear in the space below)										
Fiber Sourcing under purchased stumpage and open market programs										
Accreditation's		ANAB								
Number of Certificates		1								
Proposed Date for Next Audit Event										
Date	July 2017									
Audit Report Distribution										
Bureau Veritas Certification: Dawn Komnick-dawn.komnick@us.bureauveritas.com										
Weyerhaeuser Company and Weyerhaeuser NR Company: Rosemary Daszkiewicz: rosemaryd.aszkiewicz@weyerhaeuser.com										

Clause	Audit Report
Opening Meeting	Participants: Jim Kranz, Lorin Hicks, Jared Richardson 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: Jim Kranz, Lorin Hicks, Jared Richardson John 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 - 0 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:		<u>SF02#:</u>	
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
Date:	Standard and Clause #:	Team Member:	
Major	Minor	Other Documents (if applicable):	Company Representative:
REQUIREMENT OF AUDITED STANDARD:			
OBSERVED NONCONFORMITY:			
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN (To be completed by the Company. Plan to be submitted in 30 days)			
Corrective Action Plan Date:		Company Representative:	
Root Cause Analysis and Corrective Action			
Root Cause:			
Corrective Action Plan:			
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 <input type="checkbox"/> 1 Year <input type="checkbox"/>			
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: