

NSF International Forestry Program Public Summary Audit Report WestRock

The SFI Program of WestRock has achieved continuing conformance with the 2014-2015 Standard® and the major changes to the SFI 2015-2019 Standards and Rules®, Section 3 and Appendix 1 - Certified Sourcing and Section 9, Appendix 1 -Multi-Site Requirements according to the NSF Audit Process.

NSF initially certified RockTenn to the SFIS in October 2011 and recertified them in 2014. After the merger with MeadWestvaco, the Company's name was changed to WestRock. This report describes the first Surveillance Audit designed to focus on changes in the standard, changes in operations, the management review system, and efforts at continuous improvement. In addition, a portion of the relevant SFI requirements were selected for detailed review.

Under this certification, WestRock consists of eleven (11) corrugated packaging paper and pulp mills that process hard and soft wood into paper and other products. The facilities are located in La Tuque, Quebec Province, Canada, Coshocton, Ohio, Fernandina Beach and Panama City, FL, Florence, SC, Hodge, LA, Hopewell and West Point, VA, Demopolis and Stevenson, AL and Tacoma, WA. The company's SFI program is managed by Ann Duff and Aaron Plaughter and the central office is located in Norcross, GA. The company utilizes ten (10) procurement groups to source the mills. This audit involved the procurement groups in Florence and La Tuque and the central office functions at the corporate facility.

The Surveillance audit was performed by NSF in Florence on August 12-13, 2015, in La Tuque on September 1-3, 2015 and at the central office on September 23, 2015 by an audit team headed by Norman Boatwright, Lead Auditor. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits. The objective of the audit was to assess conformance of the firm's SFI Program to the requirements of the Standards listed above.

The scope of the SFIS Audit included procurement operations. Forest practices that were the focus of field inspections including those that have been conducted in the past twelve months. A sample of procurement operations since that time was reviewed to ensure that SFI Procurement Standards were met. In addition, a subset of SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were reexamined during the audit. Use of the SFI logo and the requirement to provide a public of audit reports were also reviewed.

As with the initial certification, several of the SFI Performance Measures were outside of the scope of the SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Indicator 5.2.2: The Company does not conduct research on genetically engineered trees.
- Objective 8: The Company does not have Public Land Management responsibilities.
- Objectives 11-13: The Company does not procure wood outside of the U.S. and Canada

SFIS Surveillance Audit Process

The review was governed by a detailed audit protocol designed to enable the audit team determine conformance with the applicable SFI requirements. The process included the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices. Documents describing

these activities were provided to the auditor in advance, and a sample of the available audit evidence was designated by the auditor for review.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of SFIS Conformance. NSF also randomly selected a sample of field sites for inspection and requested that Varn foresters pick additional sites based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF SFI SOP. NSF also selected and interviewed stakeholders such as contract loggers, landowners and other interested parties, and interviewed employees within the organization to confirm that the SFI Standard was understood and actively implemented.

The possible findings for specific SFI requirements included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the SFIS.

Overview of Audit Findings

The Company's SFI Program was found to be in basic conformance with the SFI Standard. A minor non-conformance and transitional minor non-conformance were identified. No opportunities for improvement were identified.

Minor non-conformance:

CI 20.1.2 System for collecting, reviewing, and reporting information to management regarding progress in achieving SFI 2010-2014 Standard objectives and performance measures.

Finding: This is a multi-site certification and there was no internal audit report available for La Tuque at the time of the audit.

Transitional minor non-conformance:

CI 6.1.5 Program Participants shall have written agreements for the use of qualified logging professionals and/or certified logging professionals (where available) and/or wood producers that have completed training programs and are recognized as qualified logging professionals.

Finding: The Harvest Agreement has not been updated to incorporate this requirement for La Tuque.

The next Surveillance Audit should be scheduled for late summer 2016.



General Description of Evidence of Conformity

NSF's audit team used a variety of evidence to determine conformance. A general description of this evidence is provided below, organized by SFI Objective.

Objective 9. Use of Qualified Resource and Qualified Logging Professionals - To broaden the practice of sustainable forestry by encouraging forest landowners to utilize the services of forest management and harvesting professionals.

Summary of Evidence – RockTenn encourages its landowners and consultants to use qualified logging professionals and requires that its contract loggers be trained that that its wood suppliers use trained loggers.

Objective 10. Adherence to Best Management Practices - To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.

Summary of Evidence – Field observations and review of BMP monitoring records were the primary evidence used to assess adherence to BMPs. No issues were identified.

Objective 15. Forestry Research, Science, and Technology - To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence –Financial records were confirmed by a review of check requisitions.

Objective 16. Training and Education -To improve the implementation of sustainable forestry practices through appropriate training and education programs.

Summary of Evidence – Training records of selected personnel and stakeholder interviews were the key evidence for this objective.

Objective 17. Community Involvement in the Practice of Sustainable Forestry -

To broaden the practice of sustainable forestry by encouraging the public and forestry community to participate in the commitment to sustainable forestry, and publicly report progress.

Summary of Evidence – Mailing lists, agendas for meetings, and selected summaries of comments were sufficient to assess the requirements.

Objective 19. Communications and Public Reporting - To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence –Reports filed on time with SFI Inc. provided the key evidence.

Objective 20. Management Review and Continual Improvement - To promote continual improvement in the practice of sustainable forestry, and to monitor, measure, and report performance in achieving the commitment to sustainable forestry.

Summary of Evidence – Records of program reviews, agendas and notes from management review meetings, internal audits and interviews with personnel from all involved levels in the organization were assessed.

Relevance of Forestry Certification

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

1. Sustainable Forestry

To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.

2. Forest Productivity and Health

To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain long-term forest and soil productivity. In addition, to protect forests from economically or environmentally undesirable levels of wildfire, pests, diseases, invasive exotic plants and animals and other damaging agents and thus maintain and improve long-term forest health and productivity.

3. Protection of Water Resources

To protect water bodies and riparian areas, and to conform with forestry best management practices to protect water quality.

4. Protection of Biological Diversity

To manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, and ecological or natural community types.

5. Aesthetics and Recreation

To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.

6. Protection of Special Sites

To manage lands that are ecologically, geologically or culturally important in a manner that takes into account their unique qualities.

7. Responsible Fiber Sourcing Practices in North America

To use and promote among other forest landowners sustainable forestry practices that are both scientifically credible and economically, environmentally and socially responsible.

8. Legal Compliance

To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

9. Research

To support advances in sustainable forest management through forestry research, science and technology.

10. Training and Education

To improve the practice of sustainable forestry through training and education programs.

11. Community Involvement and Social Responsibility

To broaden the practice of sustainable forestry on all lands through community involvement, socially responsible practices, and through recognition and respect of Indigenous Peoples' rights and traditional forest-related knowledge.

12. Transparency

To broaden the understanding of forest certification to the SFI Standard by documenting certification audits and making the findings publicly available.

13. Continual Improvement

To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to sustainable forestry.

14. Avoidance of Controversial Sources including Illegal Logging in Offshore Fiber Sourcing

(Applies only to the SFI 2015-2019 Fiber Sourcing Standard)

To avoid wood fiber from illegally logged forests when procuring fiber outside of North America, and to avoid sourcing fiber from countries without effective social laws.

Source: Sustainable Forestry Initiative® (SFI) Standard, 2015–2019 Edition.