

2015 SFI Public Summary Report

BOISE CASCADE COMPANY Sustainable Forestry Initiative® (SFI) Fiber Sourcing Standard [2015-2019]

Date: January 15, 2016

Project Scope and Objectives

PricewaterhouseCoopers LLP (PwC) completed a multi-site Transition Assessment on Boise Cascade Company's (the Company) Wood Fiber Procurement in North America for the Eastern Region which includes the states of Georgia, North Carolina, South Carolina and Virginia. The fiber sourcing activities are managed by the Central Office in Boise, Idaho. The Lead Assessor was Joann Cox, EMS (LA). The audit team member was Karen Boyd, EMS (A), PwC Contract Assessor. The audit team was accompanied by Boise Cascade's SFI Representatives, Brad Holt, Wayne Steffen and Billy Barnette.

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 Fiber Sourcing Standard in the field. There have been changes to the scope of the multi-site certification since the last public summary. Boise Cascade was previously certified to the 2010 version of the Standard and has transitioned to the new 2015 – 2019 version of the Standard this year.

Indicators

All of the indicators in the SFI Fiber Sourcing Standard were within the scope of the assessment, except for Objective 8, since none of the land managed by the Company is public land. There were no substitute indicators.

Assessment Process

On October 13, 2015, the assessment team conducted interviews and reviewed appropriate documentation to assess policies and procedures, and tested the implementation of SFI program requirements at the Central Office in Chester, South Carolina. On October 13 to 14, 2015, the assessment team conducted field assessments in North Carolina and South Carolina. In total, the audit team spent 1 day at the central office and 1.5 days on-site for field assessments. The audit report was dated January 15, 2016.

Boise Cascade Company has a multi-site certification for the three geographical wood fiber procurement areas in North America that include the following Regions: Eastern, West (Western Oregon, Inland, and Northeast Washington), and Louisiana Timberlands. PwC uses a rotational audit approach where the central office is audited annually and three geographical areas are sampled on a 3 year rotating schedule that conforms to the International Accreditation Forum Inc.'s Mandatory Document 1.



Summary of Conformance, Findings, and Good Management Practices

Objective	Performance Measure	Evidence of Conformity
Objective 1: Biodiversity in Fiber Sourcing	<i>Performance Measure 1.1. Promotion and conservation of biological diversity.</i>	<i>Evidence: Interviews with Boise staff, suppliers and loggers and documentation review confirm Boise has developed a comprehensive program to promote and conserve biological diversity through the development of state specific biodiversity flyers that are provided to landowners and suppliers, and involvement in local conservation efforts and education programs. The NatureServe Explorer online database tool, pre-harvest forms and onsite pre-harvest meetings are all part of their program to address Forests with exceptional Conservation Value in the harvest of purchased stumpage.</i>
	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>	<i>Evidence: Interviews with Boise staff, suppliers and loggers, and documentation review confirm Boise has a program to require BMPs for both purchased stumpage tracts and delivered purchases that include written agreements, wet weather contingencies, written fiber sourcing policies and process for making the policies available to their wood suppliers.</i>
	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>	<i>Evidence: Interviews with Boise staff, suppliers and loggers, documentation review and on-site assessment confirm Boise has a verifiable monitoring system that includes the monitoring of purchased stumpage, random monitoring of delivered purchases, and review and follow-up of state BMP monitoring programs.</i>
One Minor Nonconformity and five Opportunity for Improvement were identified related to this performance measure. The Minor Nonconformity observed poorly located and implemented water turnouts and an oil spill that did not adhere to State BMPs. The Opportunity for Improvements observed include: 1) consistent interpretation on the use of tract inspections forms; 2) inclusion of all states within the Eastern Regions' statewide BMP compliance reports, 3) consider including clause to retain permission to visit producer's site to complete inspections; 4) consider listing special contract conditions on Pre Harvest Plan checklist, and 5) re-evaluate the timber deed product inspection requirement statement in the Standard Operation Procedure. Evidence of the action plans being implemented was provided and these findings are closed.		
Objective 3: Use of Qualified Resource and Qualified Logging Professionals	<i>Performance Measure 3.1. Program Participants shall encourage landowners to utilize the services of qualified logging professionals, certified logging professionals (where available), qualified</i>	<i>Evidence: Interviews with Boise staff, suppliers and loggers and documentation review confirm Boise promotes the use of qualified logging professionals and qualified resource professionals to forest landowners through their contracts, contract terms and conditions and procurement policy. State lists of qualified logging professionals are reviewed to verify training credentials, and suppliers are contacted if it is found that a logger has let his training lapse or a new logger has not completed</i>

	<i>resource professionals and to apply principles of sustainable forest management to their lands.</i>	<i>training as required. Boise sponsors annual continuing education training to facilitate up-to-date training credentials for their foresters, suppliers and loggers. The company strives for 100% use of qualified logging professionals and reviews progress as part of their annual Management.</i>
	One Opportunity for Improvement was identified related to this performance measure to consider including a copy of the list of Georgia's Master Timber Harvesters.	
Objective 4: Legal and Regulatory Compliance	<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>	<i>Evidence: Interview with Boise staff and documentation review of Risk Assessments determined Eastern Region procurement area to be "low risk" for acquiring material through illegal logging. Contract requirements, ongoing verification of the source of delivered purchases, and monitoring of BMPs both from state and internal processes and ongoing communications with suppliers also confirm "low risk". Processes are in place to address significant risk in the raw material supply if found.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	<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>	<i>Evidence: Interviews with Boise staff, suppliers and documentation review of written contracts confirm Boise employees have access to relevant laws and regulations through websites, contract language, state SIC participation and legal service providers. They achieve compliance with applicable laws through communication and enforcement of company policies, contract provisions, and contract monitoring.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 5: Forestry Research, Science and Technology	<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 products.</i>	<i>Evidence: Interview with Boise staff and outside stakeholders, and documentation review confirm Boise, individually and through active state SIC participation, provides funding for various forest research activities such as NCASI and NC State University research efforts. They also utilize state forest action plans and assessments as well as state BMP practices, implementation and conformance data to support their sustainable forestry programs. Available climate change data is monitored, and employees have participated in training on climate change impacts on wildlife and biodiversity. Boise Cascade Company does not engage in forest tree biotechnology research</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</i>	<i>Evidence: See comments in 5.1.</i>

	<i>Committees, associations or other partners develop or use state, provincial or regional analyses in support of their sustainable forestry programs.</i>	
	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: See comments in 5.1</i>
	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: Interviews with Boise staff and documentation review confirm the organization requires appropriate training of employees and contractors in order to implement sustainable forestry practices. The use of qualified logging professionals is required per written contract terms and conditions for purchased stumpage tracts and delivered purchases of raw material.</i>
	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 appropriate agencies or others in the forestry community to foster improvement in the professionalism of wood producers.</i>	<i>Evidence: Interviews with Boise staff and outside stakeholders confirms active participation in state SICs include support of initial training and continuing education classes for wood producers. The organization also sponsors continuing education training for wood producers within their procurement areas, and provides results of random BMP monitoring to SICs for further training class refinement.</i>
	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,</i>	<i>Evidence: Interviews with Boise staff and outside stakeholders confirm Boise financially supports and actively participates in NC and SC state SICs. Through SIC support and participation, NC and SC have published updated SFI Landowner Guides that meet SFI 2015 - 2019 standard requirements. The organization also developed NC and SC biodiversity flyers. Landowner Guides and biodiversity flyers are given directly to landowners on purchased stumpage tracts and given to wood suppliers who are encouraged to distribute to landowners. Organization foresters participate individually in various</i>

	<i>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>conservation efforts. Landowners are encouraged to participate in forest management certification programs through state SFI Landowner Guides and the organization's support and participation in the ATFS.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	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>Evidence: Interviews with Boise staff and outside stakeholders and documentation review confirm Boise employees actively engage with the public in numerous outreach activities, and Boise Cascade is to be commended for their exemplary involvement in their respective home communities.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
	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 public or other Program Participants regarding practices that appear inconsistent with the SFI 2015-2019 Fiber Sourcing Standard principles and objectives.	<i>Evidence: Interviews with Boise staff and review of state SICs website confirm the respective State SICs have processes in place to receive and respond to public inquiries that appear inconsistent with this standard.</i>
	One minor Nonconformity was identified related to this performance measure. A review of the SC Inconsistent Practices website did not contain a phone number or contact information. An action plan has been received and accepted. Evidence of the action plan being implemented was provided and this finding is closed.	
Objective 8. Public Land Management Responsibilities	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>This Objective is not applicable. Boise does not have forest management responsibilities on public lands.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 9. Communications and Public Reporting	Performance Measure 9.1. A Program Participant shall provide a summary audit report, prepared by the certification body, to	<i>Evidence: Interviews with Boise staff and documentation review confirm the organization provided a summary audit report prepared by their certification body to SFI Inc. after the completion of their 2014 surveillance audit. Plans are to provide a similar summary at the conclusion</i>

	<i>SFI Inc. after the successful completion of a certification, recertification or surveillance audit to the SFI 2015-2019 Fiber Sourcing Standard.</i>	<i>of the 2015 surveillance assessment that meets SFI 2015 - 2019 Fiber Sourcing Standard requirements.</i>
	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: Interviews with Boise staff and documentation review confirm the organization has a process for collecting information for SFI's annual Progress Report and the 2014 SFI Progress Report was sent to SFI Inc. in a timely manner. Copies of past reports are maintained by the organization to document progress and improvements and demonstrate conformance to the standard.</i>
	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: Interviews with Boise staff confirm the Eastern Region raw material is sourced from the USA. Process and procedures are in place in the event that raw material is purchased from sources outside the USA and Canada.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas	<i>Performance Measure 11.1. Program Participants shall ensure that their fiber sourcing programs support the principles of sustainable forestry, including efforts to promote conservation of biological diversity.</i>	<i>Evidence: Interviews with Boise staff confirm the Eastern Region raw material is sourced from the USA. Process and procedures are in place in the event that raw material is purchased from sources outside the USA and Canada.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
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: Interviews with Boise staff confirm the Eastern Region raw material is sourced from the USA. Process and procedures are in place in the event that raw material is purchased from sources outside the USA and Canada.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 13.	<i>Performance Measure</i>	<i>Evidence: Interviews with Boise staff confirm the Eastern</i>

<i>Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws</i>	<i>13.1. Program Participants shall avoid controversial sources and encourage socially sound practices.</i>	<i>Region raw material is sourced from the USA. Process and procedures are in place in the event that raw material is purchased from sources outside the USA and Canada.</i>
	No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	

Good management practices are noted in the following areas:

- Efforts to communicate Boise’s Environmental Policy and Terms and Conditions to wood suppliers and qualified logging professionals via emails that requested acknowledgment of receipt.
- Promoting Boise’s commitment to responsible fiber sourcing practices by including the following statement on all Eastern Region’s email signature: *“The success of Boise Cascade depends on responsible environmental stewardship. Our sustainability policies are the foundations of our commitments. For further information, please refer to the Sustainability Policies found on the respective corporate pages via <http://bc.com/sustainability/sustainability-policies/>”*.
- Meeting and exceeding BMPs and efforts to enhance biodiversity:
 - The final harvest of a mature, predominantly bottomland hardwood stand on a purchased stumpage tract was accomplished with little to no rutting observed, excellent utilization, and a wider than required stream buffer established along a valuable water feature.
 - Focusing extra attention to water quality protection by protecting the functions and values of ephemeral streams, which often exceed state BMPs.
 - Proactively requesting evidence from landowners in regards to the presence/absence of hibernacula for the recently federally listed threatened Northern Long-eared Bat (NELB) on four purchased stumpage tracts.
 - The source/location of each delivered purchase tract purchased in the Eastern Region was verified through physical visits to the harvest sites. In addition to location, landowner and trained logger information, HCVF presence or absence was confirmed.
- Wood producers and qualified logging professionals voluntarily requesting courtesy BMP exams to make sure their operations are in compliance with environmental laws, regulations and state BMPs.

Conclusion

The Company has maintained conformance with the requirements of the SFI Fiber Sourcing Standard. The Certificate can be can be obtained by contacting Brad Holt, Forest Certification Manager, of Boise Cascade Company at 208-805-1296. More information on Boise Cascade Company’s sustainable forestry program can be found at: <http://www.bc.com/sustainability>