

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

## Appendix 2

# NSF International Forestry Program Public Summary Audit Report

## SFI Fiber Sourcing

The SFI Program of Mondi Pine Bluff, LLC of Pine Bluff, AR has demonstrated conformance with the SFI 2015-2019 Standards and Rules, Section 3 – Fiber Sourcing, according to the NSF Certification Process.

Mondi Pine Bluff, LLC is located in Pine Bluff, Arkansas. It is one of eleven mills owned by Mondi. It is the only mill in North America. Their Pine Bluff Mill manufactures sack kraft - brown kraft paper for use in grocery bags and multi-wall applications. Roundwood for the mill is procured in Arkansas and processed at a contract chip mill in Star City, AR. Only chips are received at the mill. The primary specie used in the manufacturing process is pine. Mondi Pine Bluff, LLC's SFI Program is managed by Glen Hendrix, Wood Supply Manager.

The audit was performed by NSF on May 18, 2016 by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2015-2019 Standards and Rules, Section 9 – Audit Procedures and Auditor Qualifications and Accreditation.

The scope of the audit included procurement operations. Procurement operations occurring in the past 12 months were reviewed to ensure that SFI Procurement Standards were met, in addition to SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.

Several of the SFI Performance Measures were outside of the scope of Mondi Pine Bluff, LLC's SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Indicator 1.1.2 – Mondi Pine Bluff, LLC does not purchase stumpage.
- Indicator 2.1.1 – Mondi Pine Bluff, LLC does not purchase stumpage.
- Indicator 5.1.2 - Indicator 1.1.2 – Mondi Pine Bluff, LLC does not conduct research on genetically engineered trees.
- Indicator 6.2.3 – Arkansas does not have a logger certification program.
- Objective 8 – Mondi Pine Bluff, LLC does not have public land management responsibilities.
- Objectives 11 - 13 Mondi Pine Bluff, LLC does not source fiber outside Canada and the US.

No indicators were modified.

## Audit Process

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable requirements. The plan provided for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of conformance. NSF also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF protocols. NSF 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.

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

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

### **Overview of Audit Findings**

Mondi Pine Bluff, LLC was found to be in conformance with the standard. NSF determined that there were no minor non-conformances. No opportunities for improvement were also identified.

The next audit is a Surveillance Audit scheduled to be conducted during the week of May 22, 2017.

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

## 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 1 Biodiversity in Fiber Sourcing

To address the practice of *sustainable forestry* by conserving *biological diversity*.

**Summary of Evidence:** *Review of records, interviews with landowners and participation in the State SIC.*

### Objective 2 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:** *The Company clearly defines and implements policies to ensure that facility inventories and fiber sourcing activities do not compromise adherence to the principles of sustainable forestry. Field observations did not identify any BMP issues.*

### Objective 3 Use of Qualified Resource and Qualified Logging Professionals

To encourage forest landowners to utilize the services of *qualified logging professionals, certified logging professionals* (where available) and *qualified resource professionals*.

**Summary of Evidence:** *Training records of selected personnel, records associated with harvest sites audited, and landowner interviews were the key evidence for this objective.*

### Objective 4 Legal and Regulatory Compliance

Compliance with applicable federal, provincial, state and local laws and regulations.

**Summary of Evidence:** *Field reviews of ongoing and completed operations were the most critical evidence. Regulatory organizations contacted included the State Forestry Commission.*

### Objective 5 Forestry Research, Science, and Technology

To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

**Summary of Evidence:** *Confirmed via review of records on file and interviews that the SFI team is aware of the effects of climate change of forest and wildlife and that the Company has funded forestry research.*

### Objective 6 Training and Education

To improve the implementation of *sustainable forestry* practices through appropriate training and education programs.

**Summary of Evidence:** *Confirmed by the Company's financial and physical support of the State SIC and its development of education and logger training programs.*

### Objective 7 Community Involvement and Landowner Outreach

To broaden the practice of *sustainable forestry* through public outreach, education, and involvement and to support the efforts of *SFI Implementation Committees*.

**Summary of Evidence:** *Confirmed by the Company's financial and physical support of the State SIC and its development of handouts for forest landowners.*

### Objective 9 Communications and Public Reporting

To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

**Summary of Evidence:** *Confirmed audit report was filed on time with SFI Inc. and that the Company maintains copies of previous reports.*

### Objective 10 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.

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

**Summary of Evidence:** *The Company's SFI Team annually meets to review the Sustainable Forestry Policy and Procurement Program to evaluate their effectiveness and has a system for annually collecting, reviewing and reporting information addressing progress in achieving the SFI Standard.*

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

## 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 *Fiber Sourcing* 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*.

Only those documents viewed through the AESOP system are officially controlled. All other copies, whether viewed through another computer program or a printed version, are not controlled and therefore NSF assumes no responsibility for accuracy of the document

---

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

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

**For Additional Information Contact:**

Norman Boatwright

NSF Forestry Program Manager

PO Box 4021

Florence, SC 29502

843-229-1851

nboatwright12@gmail.com

Daniel Freeman

NSF Project Manager

789 N. Dixboro Road

Ann Arbor, MI 48105

734-214-6228

dfreeman@nsf.org

Mr. Glen Hendrix

Wood Supply Manager

1701 Jefferson Parkway

Pine Bluff, AR 71612

870-540-7982

Glen.Hendrix@mondigroup.com