



Foley Cellulose LLC Public SFI Recertification Audit Report

The SFI Program of Foley Cellulose LLC of Perry, Florida has demonstrated conformance with the Sustainable Forestry Initiative Standard®, 2015-2019 Edition (SFIS), according to the NSF SFIS Certification Audit Process.

The forest land has been under certification since 2012 and was sold to Foley Cellulose LLC. This report describes the Recertification Audit designed to focus on the existing land management operations on approximately 21,201 acres located in the Perry, FL area. The procurement organization is certified under Georgia-Pacific WFS LLC.

This audit was performed by NSF on February 10, 2015 by Norman Boatwright, Lead Auditor. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits contained in the Sustainable Forestry Initiative® Audit Procedures and Qualifications (SFI APQ). The objective of the audit was to assess continuing conformance of the firm's SFI Forest Management Program to the requirements of the Sustainable Forestry Initiative® Standard, 2015-2019 Edition.

The scope of the SFIS Audit included land management operations. In addition, SFI obligations to promote sustainable forestry practices 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 Foley Cellulose LLC's SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Additional Requirement 1.2: The Company does not use the SFI label or logo
- CI 2.1.3: The Company does not plant exotic species
- CI 2.1.5: The Company does not afforest non-forested landscapes
- CI 2.3.4: The Company does not currently thin its pine plantations or cut in hardwood stands
- CI 8.2.1: The Company does not manage public land
- CI 10.1.2: The Company does not purchase or research genetically engineered trees
- Obj 13: The Company does not have management responsibilities on public lands
- CI 14.2.3: The Company recently purchased the property

No indicators were modified.

SFIS Recertification 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.

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

Foley Cellulose LLC's SFI Program was found to be in full conformance with the SFIS Standard. No non-conformances were identified. An opportunity for improvement was identified:

PM 10.3 *There is an opportunity to improve the awareness of climate change impacts by monitoring information generated by regional climate models.*

This finding does not indicate a current deficiency, but serves to alert the company to areas that could be strengthened or which could merit future attention.

NSF also identified the following areas where forestry practices exceed the basic requirements of the SFI Standard:

CIs 4.1.3.1, 4.1.3 and 4.1.6

The Company has developed a Statement on Forest Protection and Sustainable Practices.. The Company is taking a scientific approach to identify and map these areas.

The next Surveillance audit is scheduled for January 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 1. Forest Management Planning - To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion. The Company is using Area Regulation and harvest levels are well below growth.

Summary of Evidence – The Company's forest management plan and supporting documentation and the associated inventory and growth data were the key evidence of conformance

Objective 2. Forest Health and Productivity -To ensure long-term forest productivity, carbon storage and conservation of forest resources through prompt reforestation, afforestation, minimized chemical use, soil conservation, and protecting forests from damaging agents.

Summary of Evidence – Field observations and associated records were used to confirm practices. The Company has a program for reforestation, for protection against insects and diseases and

wildfire, and for careful management of activities which could potentially impact soil and long-term productivity.

Objective 3. Protection and Maintenance of Water Resources - To protect the water quality of rivers, streams, lakes, wetlands and other water bodies through meeting or exceeding best management practices.

Summary of Evidence – Field observations of a range of sites were the key evidence. Auditor visited portions of many field sites that were proximate to water resources.

Objective 4. Conservation of Biological Diversity - To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote a diversity of types of habitat and successional stages, and the conservation of forest plants and animals, including aquatic species, as well as threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.

Summary of Evidence – The Company’s Endangered Forest Project and T/E programs are the key elements.

Objective 5. Management of Visual Quality and Recreational Benefits - To manage the visual impact of forest operations and provide recreational opportunities for the public.

Summary of Evidence – Field observations of completed operations were assessed during the evaluation.

Objective 6. Protection of Special Sites - To manage lands that are geologically or culturally important in a manner that takes into account their unique qualities.

Summary of Evidence – Field observations of completed operations and records of special sites were all assessed during the evaluation.

Objective 7. Efficient Use of Fiber Resources - To minimize waste and ensure the efficient use of fiber resources.

Summary of Evidence – Field observations of completed operations, contract clauses, and discussions with supervising field foresters provided the key evidence.

Objective 8. Recognize and Respect Indigenous Peoples’ Rights -To recognize and respect Indigenous Peoples’ rights and traditional knowledge.

Summary of Evidence – The Company’s attempts to solicit input from Indigenous Peoples provided the key evidence.

Objective 9. Legal and Regulatory Compliance - To comply 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 Florida Forest Service.

Objective 10. Forestry Research, Science and Technology -To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity.

Summary of Evidence – The Company’s investment in forest research and attention to biodiversity provided the key evidence.

Objective 11. 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 Florida SIC and its development of education and logger training programs.

Objective 12. 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 financial and physical support of the Florida SIC and its development of handouts for forest landowners.

Objective 13. Public Land Management Responsibilities - To participate and implement sustainable forest management on public lands.

Summary of Evidence – Not applicable.

Objective 14. Communications and Public Reporting - To increase transparency and to annually report progress on conformance with the SFI Forest Management Standard.

Summary of Evidence – Confirmed audit report was filed on time with SFI Inc.

Objective 15. Management Review and Continual Improvement - To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.

Summary of Evidence – Records of program reviews, agendas and notes from management review meetings.

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

For Additional Information Contact:

Norman Boatwright
Forestry Program Manager, NSF-ISR
P.O. Box 4021
Florence, SC 29502
843-229-1851
nboatwright12@gmail.com

David E Brabham
Georgia-Pacific WFS LLC
PO Box 860
Brunswick, GA 31521
912.264.5022
david.brabham@gapac.com