



Evergreen Packaging SFI Summary Surveillance Audit Report

The SFI Program of Evergreen Packaging of Canton, North Carolina has achieved conformance with the SFI Standard®, 2010-2014 Edition, according to the NSF-ISR SFIS Certification Audit Process.

NSF-ISR initially certified Evergreen Packaging to the SFIS on July 9, 2008. This report describes the 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 subset of SFI requirements were selected for detailed review.

Evergreen Packaging Inc. operates the Canton Mill in Canton, North Carolina and the Pine Bluff Mill in Pine Bluff, Arkansas. Fiber procured for the Canton Mill includes pine and hardwood, primary and residual wood chips purchased from indirect and open market suppliers in North Carolina, South Carolina, Georgia, Virginia, and Tennessee. Fiber procured for the Pine Bluff Mill includes pine and hardwood purchased from independent contract loggers. The procurement basin extends into parts of Arkansas, Missouri, and Oklahoma. Canton Mill makes bleached board for beverage containers, coated roll stock, uncoated paper, and paper carton. Pine Bluff Mill makes bleached board for beverage packaging and coated publication paper for magazine stock. Evergreen Packaging, Inc.'s SFI Program is managed by Ron Heatherly, Fiber Procurement Agent.

The Surveillance Audit was performed by NSF-ISR on May 20-22, 2014 for the Canton Mill by an audit team headed by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits of "Section 9. SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation" contained in Requirements for the SFI 2010-2014 Program: Standards, Rules for Label Use, Procedures, and Guidance.

The objective of the audit was to assess conformance of the firm's SFI Program to the requirements of the Sustainable Forestry Initiative® Standard, 2010-2014 Edition.

The scope of the SFIS Audit included procurement operations. Procurement operations that were the focus of field inspections included those that have been conducted since the previous field audit conducted May 13-17, 2013 for the Canton Mill and May 8-9, 2013 for the Pine Bluff Mill. Additionally, 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 Evergreen Packaging's SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Objective 1-7 – Evergreen Packaging does not own or control forestland.
- Objective 11-13 – Evergreen Packaging does not obtaining fiber from outside the US or Canada.
- Indicator 14.2.2 – Evergreen Packaging does not employ hourly forestry employees.
- Indicator 15.1.2 – Evergreen Packaging does not perform research or deploy trees derived from genetically improved planting stock or biotechnology.
- Indicator 16.1.5 – Evergreen Packaging does not own land or control forestland.
- Indicator 16.2.2 – States in the procurement basin of Evergreen Packaging currently do not have a logger certification program.
- Objective 18 – Evergreen Packaging does not have forest management responsibilities on public land.

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-ISR reviewed a sample of the written documentation assembled to provide objective evidence of SFIS Conformance. NSF-ISR 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-ISR SFI-SOP. NSF-ISR also selected and interviewed stakeholders such as 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. Surveillance Audits generally focus on conformance issues and do not generally address exceptional practices.

Overview of Audit Findings

Evergreen Packaging's SFI Program was found to be in full conformance with the SFIS Standard. At the conclusion of the 2013 Surveillance Audit visit, the following CARs remained open:

- Prior to the purchase of stumpage a complete check is not being made for existing FECV. Visual verification is being made. Databases are not being verified for the tract purchased. (Indicator 8.1.2) Stumpage is purchased by Suncrest Chip Mill, Valwood Chip Mill and Bristol Chip Mill. During the 2014 Surveillance Audit it was confirmed that a combination of visual checks and database searches are made for FECV on tracts of purchase stumpage. Witnessed for Bristol Chip Mill. CAR closed.
- On one tract visited by Evergreen Packaging for the monitoring of BMPs by wood producers supplying Evergreen Packaging, an issue was identified for a potential BMP non-conformance. It was noted that a follow-up visit should be made. No follow-up visit was made and a BMP issue developed. (Indicator 10.2.1) Following the audit, the wood producer was contacted and the site was visited with the wood producer. Implementation of BMPs on the tract and correct BMP implementation were discussed. Corrective action was discussed and implemented. BMP monitoring and follow-up action was also discussed by Evergreen Packaging. CAR closed.

The NSF-ISR SFI Certification Audit Process determined that there were no new non-conformances or opportunities for improvement.

The next Re-Certification audit is scheduled for May, 2015.

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 broaden the implementation of sustainable forestry by ensuring long-term forest productivity and yield based on the use of the best scientific information available.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

Objective 2. Forest Productivity - To ensure long-term forest productivity, carbon storage and conservation of forest resources through prompt reforestation, soil conservation, afforestation and other measures.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

Objective 3. Protection and Maintenance of Water Resources - To protect water quality in streams, lakes and other water bodies.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

Objective 4. Conservation of Biological Diversity including Forests with Exceptional Conservation Value 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 habitat diversity and the conservation of forest plants and animals, including aquatic species.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

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 – N.A. - Evergreen Packaging does not own or control forestland.

Objective 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.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

Objective 7. Efficient Use of Forest Resources - To promote the efficient use of forest resources.

Summary of Evidence – N.A. - Evergreen Packaging does not own or control forestland.

Objective 8. Landowner Outreach - To broaden the practice of sustainable forestry by forest landowners through fiber sourcing programs.

Summary of Evidence – Interviews with staff and stakeholders and review of programs offered (newsletters and brochures on file) were used to confirm these requirements.

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 – Training records of selected personnel, records associated with harvest sites audited, and stakeholder interviews were the key evidence for this objective.

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.

Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas - To broaden the practice of sustainable forestry by conserving biological diversity, biodiversity hotspots and high-biodiversity wilderness areas.

Summary of Evidence – N. A. - Evergreen Packaging does not obtaining fiber from outside the US or Canada.

Objective 12. Avoidance of Controversial Sources including Illegal Logging -

To broaden the practice of sustainable forestry by avoidance of illegal logging.

Summary of Evidence – N. A. - Evergreen Packaging does not obtaining fiber from outside the US or Canada.

Objective 13. Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws - To broaden the practice of sustainable forestry by avoiding controversial sources.

Summary of Evidence – N. A. - Evergreen Packaging does not obtaining fiber from outside the US or Canada.

Objective 14. 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.

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 witnessing the recipients of research support.

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, records associated with harvest sites audited, 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 18: Public Land Management Responsibilities -

To support and implement sustainable forest management on public lands.

Summary of Evidence – N. A. - Evergreen Packaging does not have forest management responsibilities on public land.

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 with SFI Inc. and the SFI Inc. website 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, 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 zones, and to conform with 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 forests and lands of special significance (ecologically, geologically or culturally important) in a manner that protects their integrity and 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. 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.

9. Legal Compliance

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

10. Research

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

11. Training and Education

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

12. Public Involvement

To broaden the practice of sustainable forestry on public lands through community involvement.

13. Transparency

To broaden the understanding of forest certification to the SFI 2010-2014 Standard by documenting certification audits and making the findings publicly available.

14. Continual Improvement

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

Source: Sustainable Forestry Initiative® (SFI) Standard, 2010-2014 Edition

For Additional Information Contact:

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

Ron Heatherly
Fiber Procurement Agent
175 Main Street
Canton, NC 28716
828-646-2264
ron.heatherly@everpack.com