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## **2016 SFI Public Summary Report**

**Finch Paper LLC  
One Glen Street  
Glens Falls, NY 12801**

**Sustainable Forestry Initiative® (SFI) Fiber Sourcing Standard [2015-2019]  
Sustainable Forestry Initiative® (SFI) Forest Management Standard [2015-2019]**

**December 15, 2016**

### **Project Scope and Objectives**

PricewaterhouseCoopers LLP (PwC) completed a Maintenance Assessment on Finch Paper LLC's (the Company) Forest Management and Wood Fiber Procurement in North America for the following locations or business units: Glens Falls, NY. The forest management and fiber sourcing activities are managed by the Central Office in Glens Falls, NY. The Lead Assessor was Shawn Ellsworth, EMS (LA) with Jeff Koch, PwC Onsite Team Leader. The audit team was accompanied by Finch Paper LLC's SFI Representatives, Ben Povak and Leonard Cronin.

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 Standard in the field. Finch Paper LLC was previously certified to the 2010 version of the Standard and transitioned to the new 2015 – 2019 version of the Standards in 2015.

### **Indicators**

The following indicators in the SFI Forest Management and Fiber Sourcing Standards were within the scope of the assessment:

**Forest Management:** Objectives 1, 2 (field only), 3, 4 (field only), 5 (field only), 6 (field only), 7, 10, 12, 14 and 15

**Fiber Sourcing:** Objectives 1, 2 (field only), 3 (field only), 4, 5, 6 (field only), 7 and 10

'Public Land Management Responsibilities' which comprises Objectives 8 (Forest Management) and 13 (Fiber Sourcing) are not applicable since none of the land managed by the Company is public land.

Fiber Sourcing Objectives 11 (Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas), 12 (Avoidance of Controversial Sources including Illegal Logging) and 13 (Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws) are not applicable since the Company does not manage or procure wood from outside the U.S. or Canada.

There were no substitute indicators.

### **Assessment Process**

From July 26 - 28, 2016, 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 Glens Falls, NY. Also during July 26 – 28, 2016, the assessment team conducted field assessments in northern and western New York. In total, the audit team spent 1 day at the central office and 2 days on-site for field assessments with 10 sites being visited which represented a mix of active and completed harvests. The audit report was dated December 15, 2016.

### **Description of Forest Lands**

#### **The Adirondack Nature Conservancy and Adirondack Land Trust (Adirondack Woodlands LLC) Lands – 1,010 acres; New York**

The Nature Conservancy acreage has been steadily decreasing as these lands are being divested by the landowner to the State of New York. 1010 acres remained as of July 2016 as opposed to 34,900 acres in June 2015.

The northern ownership which is in Essex and Hamilton counties is located within the watersheds of the Cedar and Hudson Rivers in the Adirondack Mountains of northern New York. These tracts consist primarily of mixed northern forests, dominated by northern hardwoods (beech-birch-maple) on the upland sites and softwoods (spruce-fir) on the lowland sites and river corridors. This property includes important wildlife wintering habitat, travel corridors, riparian habitat and extensive wetland habitat.

The southern ownership in Saratoga and Warren counties is located within the watersheds of the Schroom and Hudson Rivers. These tracts consist primarily of transitional forest types with mixed wood forests (oak-hemlock and oak-pine) prevalent with lesser degrees of northern hardwood forests (beech-birch-maple and oak-hickory). This property includes important deer wintering habitat and riparian habitat along the river corridors

#### **Elk Lake Land Inc. – 12,600 acres; New York**

Elk Lake Land Inc. property is located in Essex County within the Branch River watershed in the Adirondack Park of northern New York. The tract consists primarily of mixed northern forests, dominated by northern hardwoods (beech-birch-maple) on the upland sites, softwoods (spruce-fir) on the lowland sites and river corridors, and mixed wood forests (birch-spruce) at elevations above 2800'. This property includes important wildlife wintering habitat, riparian habitat and travel corridors along the Branch River corridor.

#### **Litchfield Park Incorporated Lands – 12,200 acres; New York**

Litchfield Park Incorporated property is in Franklin and Hamilton counties in the center of the Adirondack Park of northern New York. The tract consists primarily of mixed northern forests, dominated by northern hardwoods (beech-birch-maple) on the upland sites, softwoods (spruce-fir) on the lowland sites and mixed wood forests (hemlock-hardwood) along the lake riparian areas. The three bodies of water on the property (Lake Madeline, Heavens Lake and Duck Lake) are high quality fisheries and extremely important to the recreational value of the park. This property includes important riparian habitat around the lakes and tributaries, with a minor degree of deer wintering habitat in the southeast corner of the park.

#### **Finch Paper LLC Lands – 1,800 acres; New York**

Finch Paper LLC property is located in Hamilton County in the Adirondack Park of northern New York. The tract consists primarily of mixed northern forests, dominated by northern hardwoods (beech-birch-maple) on the upland sites and softwoods (spruce-fir) on the lowland sites and riparian areas adjacent to Mud, Minnow, South Ponds and the Salmon River. This property includes important riparian habitat around the ponds and tributaries, with quality fisheries established on Mud and South Ponds, and the Salmon River.

**Summary of Conformance**

A description of evidence used to assess conformity to the SFI 2015-2019 forest management standard is presented in the following table.

<b>SFI Forest Management Objective</b>	<b>Evidence of Conformity</b>
<p><b>Objective 1. Forest Management Planning</b>            To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion</p>	<p><b>Evidence:</b> Interviews, management plan records, harvest prescription records, harvest plan records, GIS mapping records, forest resource inventory records</p> <p><b>Summary:</b> Finch has agreements for 4 different landowners to manage their lands to the SFI Standard. Each of the four has a management plan and a current inventory in place. Harvest levels are reviewed annually and there are harvest prescriptions in place. There is a current and updated GIS mapping in place for each landowner. Natural regeneration is the preferred method of reforestation and is very successful in New York after clear cuts. Finch is converting earlier Norway Spruce plantations to natural stands when harvested.</p> <p>Any clear cutting that Finch executes is with a natural regeneration objective for reforestation. Finch is converting Norway Spruce stands to native spruce species, fir and hardwood through the use of natural regeneration.</p> <p>Finch has no forestlands under their management that have been converted to non-forestland use.</p>
<p><b>Objective 2. Forest Health and Productivity</b>            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.</p>	<p><b>Evidence:</b> Interviews, pre and post harvest report records, harvest area map records, communication records, contracts, GIS soil mapping records, adverse weather procedure, fire preparedness and response plans</p> <p><b>Summary: <u>Sampled during field audit only in 2016</u></b> - Finch utilizes natural regeneration to reforest harvested areas with the regeneration of desired tree species occurring naturally. Planting is rare except in cases where acceptable stocking levels are not reached within five years. Landings and trails are reclaimed via seeding with a local mix that is approved by the Adirondack Park Agency.</p> <p>Finch minimizes the use of chemical application with the only use being to control invasive species. Finch works with both the Adirondack Park Agency and the Department of Environmental Conservation if application will be occurring. All chemical application is completed by licensed and trained contractors. Pesticides banned by the World Health Organization or under the Stockholm Convention are not utilized by Finch.</p> <p>Finch has soil maps populated within their Geographic Information System (GIS) with soil types also being noted on Pre and Post Harvest reports. Areas to be harvested are walked by foresters and logging professionals prior to work commencing to ensure sensitive areas are protected. Season of harvest is also altered based on topography and associated soil types. Wetter areas will also be harvested</p>

SFI Forest Management Objective	Evidence of Conformity
	<p><i>utilizing equipment with a lighter footprint on the land. In order to control erosion in harvested areas, Finch utilizes water bars on roads and trails with steeper slopes. Pre-existing trails, landings and roads are utilized where available to minimize footprint. Landings and trails are seeded and strawed and roads are reclaimed after use. Stacked straw bales are used on ditches to help filter sediment near culverts at stream crossings. Rutting is controlled via Finch shutdown practices if saturated ground conditions prevent responsible harvesting and wood handling. There are concentrated attempts by Finch to ensure that residual trees that are being left in an area being partially cut are left in good form and health with minimal damage.</i></p> <p><i>Finch will modify harvest plans to incorporate salvage due to fire, insects or windthrow. High risk stands are factored into Finch's annual harvest planning to ensure appropriate scheduling. Finch works with local and state firefighting agencies as well as the Adirondack State Park Commission and state Foresters in the planning and response to wildfires in areas Finch is operating in.</i></p> <p><i>Reforestation is entirely via natural regeneration as Finch does not plant.</i></p>
<p><b>Objective 3. Protection and Maintenance of Water Resources</b> To protect the water quality of rivers, streams, lakes, wetlands and other water bodies through meeting or exceeding best management practices.</p>	<p><b>Evidence:</b> Interviews, pre and post harvest inspection reports, harvest inspection program, training records, supplier agreement contract records, riparian management policy, GIS riparian database records</p> <p><b>Summary:</b> All water bodies are found in the Finch GIS database which is classified using data from the State DEC data base. This information is reviewed prior to going to the field to lay out harvest units and is ground inspected to ensure accuracy. All contractors operating on lands managed by Finch must be current with the training approved by the state SIC which includes Best Management Practices (BMPs). There is also language in logging contracts to reflect this. Foresters are also trained to the state BMPs. The state of New York does not have a BMP monitoring program but Finch collects information both from their operations and their purchased fiber to monitor BMP issues.</p> <p><i>Finch has a riparian policy which dictates how rivers, streams and lakes are to be classified and managed based on State requirements. Foresters field truth riparian areas and ensure that appropriate measures are undertaken in accordance with the BMPs. This information is then tracked to ensure conformance via pre and post harvest reports.</i></p> <p><i>Riparian areas needing special management will be reviewed with loggers prior to harvesting to ensure the harvest plan is followed.</i></p>
<p><b>Objective 4. Conservation of</b></p>	<p><b>Evidence:</b> Interviews, GIS database records, harvest</p>

<b>SFI Forest Management Objective</b>	<b>Evidence of Conformity</b>
<p><b>Biological Diversity</b>            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 successful 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.</p>	<p><i>planning records, riparian policy, communication records, landowner management plan and inventory records, wildlife research records, training records</i></p> <p><b>Summary: <u>Sampled during field audit only in 2016</u></b> - Finch has had lands they operate on evaluated with regards to biological diversity. Deer wintering yards and early succession cuts have been identified with plans in play as to how to manage these areas. Threatened and endangered species mapping is present in Finch's GIS database and restrictions are built into harvest planning in these areas. Snags and coarse woody debris are used as wildlife habitat elements where deemed safe and travel corridors for animals are identified and protected. Old growth stands in the Hudson River Drainage are protected in areas where Finch has management responsibilities. Finch foresters are knowledgeable about invasive species and work with landowners and the Adirondack Park Agency to address any issues. Seeding of trails, roads and landings are conducted with a native seed mix to minimize invasive species. Finch does not execute a prescribed fire program on lands they manage and natural fire is rare in the Adirondack area.</p> <p><i>Finch works with The Nature Conservancy and New York state to identify areas that are viewed as having 'Exceptional Conservation Value' and such areas become part of the GIS database record and are protected as required. Wildlife research is conducted in conjunction with the Syracuse University Huntington Experimental Forest and conservation measures are reflected in harvest planning.</i></p>
<p><b>Objective 5. Management of Visual Quality and Recreational Benefits</b>            To manage the visual impact of forest operations and provide recreational opportunities for the public.</p>	<p><b>Evidence:</b> <i>Interviews, harvest report records, road maintenance records, New York State BMPs, GIS database records, green-up policy, green-up procedure, recreation lease agreement records, trail map records</i></p> <p><b>Summary: <u>Sampled during field audit only in 2016</u></b> - Finch uses the New York BMPs as visual quality guidelines as well as the Adirondack Park Agency regulations. There are pre and post harvest reports for each block harvested that address visual quality and any recreational issues. Because of the types of stands and soils present in Finch's operating areas, adequate regeneration is generally not an issue in New York. No new major roads are required by Finch to harvest in areas where they operate. Some landing construction and road maintenance activities are the extent of access management. This minimizes visual impact from access structures.</p> <p><i>There are restrictions with regards to clearcut size in the Adirondack State Park. Finch is within the 25 acre maximum for clearcuts in the park and less than ten percent of areas harvested are clearcut. Each landowner management plan contains information regarding clearcut size (if applicable) and can be verified through post harvest reports.</i></p>

SFI Forest Management Objective	Evidence of Conformity
	<p><i>Finch maintains a green-up policy and procedures to manage legal green-up requirements. Regeneration surveys are completed at five years to track green-up progress. In most cases, green-up in areas where Finch operates is accomplished in one year.</i></p> <p><i>Landowners who Finch utilize as wood producers often lease land to hunting and fishing clubs. In addition there are public snowmobile and foot trails on these properties. Most roads are gated to minimize damage from unauthorized use.</i></p>
<p><b>Objective 6. Protection of Special Sites</b> To manage lands that are geologically or culturally important in a manner that takes into account their unique qualities.</p>	<p><b>Evidence:</b> Interviews, GIS mapping database, landowner management plan, Natural Heritage database records, New York DEC Environmental Plan</p> <p><b>Summary: Sampled during field audit only in 2016 -</b> Finch has identified special sites on the lands they manage from a combination of local knowledge, Natural Heritage and New York DEC Environmental Plans and the information is entered into Finch’s GIS database to ensure those sites are not affected by harvest activities.</p>
<p><b>Objective 7. Efficient Use of Fiber Resources</b> To minimize waste and ensure the efficient use of fiber resources.</p>	<p><b>Evidence:</b> Interviews, supplier agreement records, post harvest inspection report records</p> <p><b>Summary:</b> Utilization specifications are detailed in the supplier contract. Post-harvest inspections are used as “Report Cards” and are shared with the contractor as part of their training. Finch foresters make regular visits to the harvesting sites to check utilization and will provide guidance if utilization is not within the required specifications.</p>
<p><b>Objective 8. Recognize and Respect Indigenous Peoples’ Rights</b> To recognize and respect Indigenous Peoples’ rights and traditional knowledge.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not part of 2016 audit sample.</p>
<p><b>Objective 9. Legal and Regulatory Compliance</b> To comply with applicable federal, provincial, state, and local laws and regulations.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not part of 2016 audit sample.</p>
<p><b>Objective 10. Forestry Research, Science and Technology</b> 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.</p>	<p><b>Evidence:</b> Interviews, research records, communication records, training records, regional climate model records</p> <p><b>Summary:</b> Finch’s involvement in support of forest research is done through the SIC, ESFPA and National Council for Air and Stream Improvement (NCASI). Finch also has close relationships with the Huntington Experimental Forest which is tied to Syracuse University where they offer in-kind support.</p> <p><i>Finch’s collaborative efforts to use regional data analyses</i></p>

SFI Forest Management Objective	Evidence of Conformity
	<p><i>involves the SIC and regional educational institutions. Finch also has close relationships with the Huntington Wildlife Forest which is tied to State University of New York School Environmental School of Forestry and Paul Smith's College Forestry School. Finch uses state data analyses from these educational facilities related to sustainable forestry to help move its programs forward as appropriate.</i></p> <p><i>Finch keeps abreast of regional climate change work being done and works with the Huntington Forest to broaden awareness. In order to maintain required licenses and notifications, Finch foresters are offered climate change course on occasion.</i></p>
<p><b>Objective 11. Training and Education</b> To improve the implementation of sustainable forestry practices through appropriate training and education programs.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not part of 2016 audit sample.</p>
<p><b>Objective 12. Community Involvement and Landowner Outreach</b> To broaden the practice of sustainable forestry through public outreach, education and involvement, and to support the efforts of SFI Implementation Committees.</p>	<p><b>Evidence:</b> Interviews, SIC communication records, Landowner Assistance Program records, landowner management plan records, SIC call in number, external communication procedure, phone interview with NY SIC Managing Director</p> <p><b>Summary:</b> Finch provides financial support as well as placing board and committee members on the SICs in New York, New Hampshire and Vermont. Information packages on sustainable forest management are given to landowners as part of a communication program. Part of the Landowner Assistance Program (LOA) is 'Have a Family Forester' initiative which is active and growing. Finch supports the New York Tree Farm and promotes the use of qualified consulting foresters in applying the principles of sustainable forest management.</p> <p><i>Finch provides public outreach in the form of information to landowners on the Family Forest Program as well as being involved in local school programs and Arbor Day. Lectures are given by Finch land managers at regional universities and colleges with forestry programs. Tours of sustainably managed lands are given to teachers, sales representatives, customers and government officials by Finch.</i></p> <p><i>Finch works with the New England SICs to address concerns regarding nonconforming practices and shares a call in number with other operators to provide an outlet for concerned citizens. If inquiries come directly to Finch, the VP Forestry and Wood Procurement is involved in the response and if necessary the SIC will be informed as well.</i></p>
<p><b>Objective 13. Public Land Management Responsibilities</b> To participate and implement sustainable forest management on public</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not applicable as Finch only operates on private land.</p>

<b>SFI Forest Management Objective</b>	<b>Evidence of Conformity</b>
lands.	
<p><b>Objective 14. Communications and Public Reporting</b> To increase transparency and to annually report progress on conformance with the SFI 2015-2019 Forest Management Standard.</p>	<p><b>Evidence:</b> Interviews, SFI public summary report records, SFI audit report records</p> <p><b>Summary:</b> The public summary for 2015 audit can be found on the SFI Web-Site. Finch filed their SFI 2015 activities report on time. Finch makes its SFI public summaries available at various public community events as an outreach opportunity.</p> <p>Past SFI audit reports are maintained in the Finch SFI files.</p>
<p><b>Objective 15. Management Review and Continual Improvement</b> To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.</p>	<p><b>Evidence:</b> Interviews, management review meeting minute records</p> <p><b>Summary:</b> There are informal meetings with senior management to keep them current with SFI Certification topics. There is an annual formal meeting with management which reviews all audits and findings. There is a good working relationship with the mill around wet weather logging conditions. System improvements include a major capital project in place to move away from 4 foot wood which will improve yields and reduce truck waiting time.</p>

A description of evidence used to assess conformity to the SFI 2015-2019 fiber sourcing standard is presented in the following table.

<b>SFI Fiber Sourcing Objective</b>	<b>Evidence of Conformity</b>
<p><b>Objective 1. Biodiversity in Fiber Sourcing</b> To address the practice of sustainable forestry by conserving biological diversity.</p>	<p><b>Evidence:</b> Interviews, SIC meeting minute records, site inspection program, field inspection records</p> <p><b>Summary:</b> Finch does not purchase stumpage. They support the state SICs they operate in and are members of the state's industry associations. They encourage landowners involved with their Land Owner Assistance Program (LOA) to be members of Tree Farm. Suppliers are also encouraged to brush in trails used for harvesting and retain snags that aren't danger trees for biodiversity purposes.</p>
<p><b>Objective 2. Adherence to Best Management Practices</b> To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.</p>	<p><b>Evidence:</b> Interviews, supplier agreement records, State BMPs, wet weather procedures, track inspection procedure &amp; records</p> <p><b>Summary: Sampled during field audit only in 2016 -</b> Finch does not purchase stumpage and have agreements in place with their wood suppliers requiring that procured fiber be certified and that Best Management Practices (BMPs) were utilized in the harvesting process. Finch is in contact with their wood suppliers during adverse weather conditions to ensure that they are operating within BMP requirements. Finch Foresters also visit suppliers on a weekly basis to ensure that logging practices conform to Finch standards. These practices enable verification of protection measures</p>

SFI Fiber Sourcing Objective	Evidence of Conformity
	<p><i>based on terrain, vegetation and other applicable factors.</i></p> <p><i>Finch has a monitoring system where each procurement forester is responsible for three track inspections per month with additional focus on the wetter months. The information is compiled and is used as an input to the various states SFI Implementation Committees (SIC) for training improvements.</i></p>
<p><b>Objective 3. Use of Qualified Resource and Qualified Logging Professionals</b>  To encourage forest landowners to utilize the services of qualified logging professionals, certified logging professionals (where available) and qualified logging professionals.</p>	<p><b><u>Evidence:</u></b> Interviews, supplier agreement records, training records</p> <p><b><u>Summary:</u></b> <b>Sampled during field audit only in 2016</b> - Finch has an incentive program in place which encourages suppliers in New York, New Hampshire &amp; Vermont to be trained to the approved SIC program. They monitor lists of qualified or certified logging professionals and qualified resource professionals from these states and if landowners are hiring professionals that are not SIC trained and certified, the current incentive is pulled. Most of their suppliers are trained.</p>
<p><b>Objective 4. Legal and Regulatory Compliance</b>  To comply with applicable federal, provincial, state and local laws and regulations.</p>	<p><b><u>Evidence:</u></b> Interviews, legal update records, supplier agreement records</p> <p><b><u>Summary:</u></b> Finch uses the Empire State Forest Products Association (ESFPA) and other associations to keep them current with changes in federal, state and local laws. All contracts / agreements with wood suppliers have legal verbiage related to regulatory compliance. Finch also follows the ESFPA data base and monitors truck weights with feedback to contractors. Truckers that are constantly overweight will have their wood refused at the mill gate. Finch will work with the appropriate state or federal agencies if there are any investigations into illegal logging as it relates to Finch's procurement program but procurement activities are viewed as being low risk.</p> <p>The Finch human resources (HR) department ensures that legal obligations from social laws are embedded within wood procurement supplier agreements. Finch HR stays abreast of the introduction of or changes to social legislation in the states Finch procures wood from.</p>
<p><b>Objective 5. Forestry Research, Science and Technology</b>  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.</p>	<p><b><u>Evidence:</u></b> Interviews, records of involvement with Huntington Forest and State SICs, SIC board meeting minute records, ESFPA and NCASI, Huntington Forest climate change initiative records, training records</p> <p><b><u>Summary:</u></b> Finch's involvement in support of forest research is done through involvement with the New York, New Hampshire and Vermont SICs, ESFPA and National Council for Air and Stream Improvement (NCASI). They also have a close relationship with the Huntington Experimental Forest which is tied to Syracuse University where they offer in-kind support. Licensed and Society of</p>

<b>SFI Fiber Sourcing Objective</b>	<b>Evidence of Conformity</b>
	<p><i>American Foresters (SAF) Certified Foresters are required to take courses to maintain their certification which includes a requirement to stay current on current forestry trends including research.</i></p> <p><i>Finch is closely involved with the New York state SIC with a senior manager sitting on the New York state SIC Board. Finch also has close contacts at the New York Forestry School at Syracuse University and Paul Smith's College Forestry School. These associations ensure that Finch is able to use current research to help evolve their sustainable forestry programs.</i></p> <p><i>Finch is working with the Huntington Forest with regards to their climate change initiatives as they relate to forestry impacts.</i></p> <p><i>Finch foresters also attend climate change training as required to maintain professional licenses or certifications as required.</i></p>
<p><b>Objective 6. Training and Education</b> To improve the implementation of sustainable forestry practices through appropriate training and education programs.</p>	<p><b><u>Evidence:</u></b> Interviews, training records, supplier agreement records, communication records</p> <p><b><u>Summary: Sampled during field audit only in 2016</u></b> - All Finch Foresters are trained and have a working knowledge of their responsibilities. Finch management and foresters are active with the state SICs in New York, New Hampshire and Vermont. Service Contractors on Finch managed lands and suppliers with a wood supply agreement must be current with the approved SIC training to continue working with Finch. If gate wood suppliers are current with approved SIC training they are paid a bonus. A bonus is also paid if an approved consultant forester is involved with purchased wood.</p> <p><i>Finch works closely with New York, New Hampshire and Vermont SICs with regards to improving the sustainable forestry knowledge and accountabilities of wood producers. In addition, Finch land management foresters work with different land owners to spread knowledge of sustainable forestry practices. Finch procurement foresters are assigned to the different States in which Finch operates and are able to educate wood procurement professionals to a similar level across states due to this practice.</i></p>
<p><b>Objective 7. Community Involvement and Landowner Outreach</b> To broaden the practice of sustainable forestry through public outreach, education, and involvement and to support the efforts of SFI Implementation Committees.</p>	<p><b><u>Evidence:</u></b> Interviews, communication records, Landowners Assistance Program, SIC meeting minute records, lecture records, field trip records</p> <p><b><u>Summary:</u></b> Finch works closely with landowners via their Landowners Assistance Program (LOA) to promote sustainable forest management principles. The American Tree Farm program is used as a conduit for promoting sustainable forest management with landowners. Finch is also a financial supporter and member of State SICs in</p>

<b>SFI Fiber Sourcing Objective</b>	<b>Evidence of Conformity</b>
	<p><i>New York, New Hampshire and Vermont.</i></p> <p><i>Finch is closely involved with the New York state SIC and has close contacts at the SUNY New York Forestry School at Syracuse and Paul Smith's College Forestry School. These associations ensure that Finch is able to provide input into sustainable forestry programs to these educational facilities via lectures held at both schools. Finch also provides forestry field tours for school groups, sales representatives, customers and government officials</i></p> <p><i>Finch has established a call in number in conjunction with the New England SICs to voice concerns with regards to sustainable forest practices. Calls that are received directly by Finch are routed to the VP of Forestry and Wood Procurement and the SIC is informed.</i></p>
<p><b>Objective 8. Public Land Management Responsibilities</b> To participate and implement sustainable forest management on public lands.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not applicable for Finch as operations are all conducted on private land</p>
<p><b>Objective 9. Communication and Public Reporting</b> To increase the transparency and to annually report progress on conformance with the SFI 2015-2019 Fiber Sourcing Standard.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not part of 2016 audit sample.</p>
<p><b>Objective 10. Management Review and Continual Improvement</b> To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.</p>	<p><b>Evidence:</b> Interviews, management review meeting minutes records, management review procedure</p> <p><b>Summary:</b> Finch conducts informal meetings with senior management to keep them current with the SFI program. There is an annual formal management review meeting with senior leadership which reviews all audits, findings and corrective actions.</p>
<p><b>Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas</b> To promote the conservation of biological diversity, biodiversity hotspots and high-biodiversity wilderness areas in fiber sourcing programs.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not applicable as Finch does not purchase any fiber from outside North America.</p>
<p><b>Objective 12. Avoidance of Controversial Sources including Illegal Logging</b> To avoid illegal logging in fiber sourcing programs.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not applicable as Finch does not purchase any fiber from loggers conducting business illegally.</p>
<p><b>Objective 13. Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws</b> To avoid controversial sources in fiber sourcing programs.</p>	<p><b>Evidence:</b> Not Applicable</p> <p><b>Summary:</b> Not applicable as Finch does not purchase any fiber from controversial sources and encourages socially sound practices from its suppliers.</p>

**Specific good management practices are noted below:**

- Extensive involvement in various State associations (e.g. ESFPA, NY State Implementation Committee, NHTOA) which promote sustainable forest management to the public, landowners and contractors.
- Efforts to mitigate erosion risk, including:
  - Slash piling and storage for later use in stabilizing steeper slopes on skid trails and wet areas on active harvest jobs.
  - Use of interim water bars on steeper slopes to help reduce scouring on Coolidge Hill road unit.
  - Well armored culverts viewed on Coolidge Hill road unit.
  - Water barring and ditching as well as culvert and bridge installation on the Bureau Road rehabilitation and deactivation project in Elk Lake.
  - Good water barring in Elk Lake 4-3 to control erosion on steep slope skid trails.
- Robust BMP inspection program in place to ensure forest management and fiber sourcing activities are carried out as per Finch requirements.

**There were no new non-conformities identified during the assessment.**

**An opportunity for improvement was identified in the following area:**

- Re-enforcing with wood suppliers the importance of utilizing additional sediment controls (i.e. Geotextile under running surface and/or planking across the full running surface of bridges as applicable) during the construction and/or maintenance of bridges to minimize the introduction of potential sedimentation to streams during operations.

**Conclusion**

The Company has maintained conformance with the requirements of the SFI Forest Management and Fiber Sourcing Standards [2015-2019]. The certificate can be can be obtained by contacting Mike McLarty of Finch Paper LLC at [michael.mclarty@finchpaper.com](mailto:michael.mclarty@finchpaper.com) or (518) 793-2541 extension 5353. More information on Finch Paper LLC's sustainable forestry program can be found at: <http://www.finchpaper.com>.