



**Bureau Veritas Certification
North America, Inc.
SFI Forest Management Audit Report**

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PQC Code	E01E
Contract Number	US1850186

Certification Audit:		Re-Certification Audit:		Surveillance Audit:	#3	Scope extension audit:	
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Audit Summary

This report summarizes the results of the third surveillance audit conducted on Catchmark Timber Trust's SFI program for forest management operations. Richard Boitnott, Bureau Veritas Certification Lead Auditor, conducted the audit March 26 through March 30, 2018. Mr. Boitnott is an SAF certified forester, a Texas accredited forester, and has wildlife management expertise.

Audit Scope, Objectives and Process

The scope of the audit is "management of forest lands". The audit was conducted against the SFI 2015-2019 standard forest management edition. All applicable indicators within the forest management edition were covered during the audit. There was no substitution or modification of indicators. Specifically, two objectives of the SFI audit were to verify that the Program Participant's SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor access website.

Audit Plan

The audit consisted of a review of program documentation at the Lumpkin Georgia office the afternoon of Monday, March 26. Field sites in the south-central management unit were reviewed Tuesday and Wednesday March 27 and 28, and in the mid-Atlantic management unit on Thursday the 29th and the morning of the 30th. A closing meeting was held in the field in South Carolina at noon on the 30th. An audit plan was developed and is maintained on file by Bureau Veritas Certification.

Company Information

Catchmark Timber Trusts owns or manages almost 500,000 acres of land in Georgia, Alabama, Florida, Texas Louisiana, South Carolina, Tennessee, and North Carolina. On-the-ground management is conducted by Forest Resource Consultants, Inc. (FRC) in Georgia, Alabama, and Florida, Universal Timber Services (UTS) in Texas and Louisiana, and by American Forest Management (AFM) in South Carolina, North Carolina, and Tennessee.

All properties consist primarily of loblolly pine uplands, with mixed pine-hardwood streamside management zones. Some true bottomland hardwood sites are also included in the ownership, and there are a few occurrences of longleaf pine on suitable sites. The upland sites are regenerated artificially, using chemical site preparation and planting. Hardwood types are regenerated naturally.

Multi-Site Requirements

Catchmark operates a multi-site certification program consisting of the four sites as shown below. All sites conduct the same activity; forest management. Catchmark operates a centrally-controlled management system, with one person responsible for oversight of the SFI program. An internal audit program is in place to ensure conformance of each site with the company's SFI procedures.

Multi-Site	X	Group Certification	
Sites		Sites Audited During this Event	
Atlanta, GA HQ		X	
GA/AL management unit		X	
GA/FL management unit			
TX/LA management unit			
SC/NC management unit		X	

Audit Results

The document review was conducted to determine if Catchmark's SFI program still meets the requirements of the SFI 2015-2019 Forest Management Standard. The field audit consisted of a review of ten harvest tracts and eight regeneration/chemical site preparation tracts.

Objective 1-Forest Management Planning:

Catchmark continues to operate a forest management planning system that contains all the requirements of Objective 1. A stand-level inventory system remains in place. Volume is grown using a growth and yield model. 20% of all stands are cruised each year to validate the growth and yield model. The company has begun using Woodstock as its harvest modeling tool, including Stanley as the special component. The harvest schedule is run annually, taking into account removals, growth, and updated inventory information. A GIS is in place, which includes soil mapping. Biodiversity at landscape scales is documented through the company's landscape assessment program found in Objective 4. Catchmark also tracks percentage of its ownership in various cover types and age classes. Consideration of non-timber issues has consisted of the inclusion of 135,000 acres of land in Georgia into a 15-year conservation agreement. A review of actual harvest levels versus projected from 2008 through 2017 indicates the company's harvest rates are consistent with its long-term plan. The company has undercut its projected pine volume by 0.1% and undercut hardwood by 12%. A summary of projected growth provides evidence the long-term plan is sustainable. According to the plan, total inventory is projected to decrease slightly over the next 10 year period, but increase over the 30 year planning horizon. Catchmark has established a goal of having its forest inventory at the end of the 30-year planning model to be practically equal to its current inventory.

Catchmark practices conversion on a very limited basis. It has developed a review process for the conversion it does conduct that meets the requirements of the standard.

Objective 2-Forest Health and Productivity:

Planting summaries provided evidence Catchmark is conducting artificial regeneration within two growing seasons after harvest, and natural regeneration within five.

Chemical applications were well done. Rates were well below label maximums. The rates and types of chemicals used were typical for the types of competing vegetation in the region. Catchmark continues to do a very good job of keeping herbicide applications within the target area, with virtually no drift into off-target areas observed during the audit. Soil maps are available. Soil productivity was very well protected, with virtually no rutting or compaction observed during the audit. All employees were very well aware of the company's rutting guidelines

Objective 3-Protection and Maintenance of Water Resources:

Compliance with Georgia, Alabama, and South Carolina BMPs was observed on all harvest and regeneration sites observed during the audit. Streamside management zones were well established, and road and skid trail construction and stabilization ensured protection of soil productivity and water quality. Stream crossings were removed and approaches stabilized. However, there appeared to be some confusion in the SC/NC management unit about the differentiation of ephemeral versus intermittent streams, and the management practices that are allowed to be conducted within an intermittent stream. BMP compliance was excellent, so not non-conformance was issued, but the company was encouraged to conduct additional BMP training to ensure continued compliance in the future.

Objective 4-Conservation of Biological Diversity:

Catchmark has identified potential T&E species and FECVs that could occur across its ownership. However, the SC/NC management unit did not appear to have a process for locating and protecting FECVs, and for identifying viable occurrences of species of concern that could be impacted by its management activities. A non-conformance was issued due to this deficiency in the company's SFI program. The company has identified two significant species of concern that could be impacted by its operations in Georgia and developed management guidelines to protect these species where they are known to occur.

The company continues to do a very good job of providing both dispersed and clumped retention in its clearcut areas. Catchmark does an excellent job of identifying leave trees during its aerial mid-rotation release activities, ensuring these trees are able to contribute to stand-level retention when the stand is clearcut. The company was issued a notable practice for its efforts. Catchmark continues to utilize its landscape assessment program to monitor forest cover type and age classes on larger blocks of property.

Objective 5-Management of Visual Quality and Recreational Benefits:

The company's reported average clearcut size for 2017 was 79 acres. The method for calculating clearcut size has been standardized across all management units, addressing an opportunity for improvement issued last year.

There was little need for specific aesthetic considerations on harvest sites reviewed during the audit, as all were in relatively remote areas, offering little exposure to the public. Compliance with the company's green-up policy was observed on all clearcuts.

Objective 6-Protection of Special Sites:

Special sites have been identified on Catchmark property. Management plans are in place for all designated special sites.

Objective 7-Efficient Use of Fiber Resources:

Utilization was acceptable on all harvest units observed during the audit.

Objective 8: Recognize and Respect Indigenous People's Rights:

Catchmark has a documented policy to respect the rights of indigenous peoples. There are no known rights or claims of any indigenous peoples on Catchmark property. The company has a process to respond to public inquiries, including those that may come from any concerns expressed by indigenous peoples.

Objective 9-Legal and Regulatory Compliance:

Catchmark has access to applicable regulatory requirements. Its system to achieve compliance consists of a pre-harvest prescription process that identifies water quality requirements, and possible locations of T&E species. Contract language is in place to require compliance. Monitoring is conducted to further ensure compliance. No adverse regulatory actions are in evidence. One BMP inspection report has been conducted in Alabama, with excellent results. There was no evidence of regulatory actions taken against Catchmark activities.

Objective 10-Forestry Research, Science and Technology:

The company demonstrated evidence it is involved in research efforts applicable to its landbase. Contributions are documented in management review meeting minutes. Its membership in the SICs in all the states in which it operates includes the development of biodiversity conservation information for family forest landowners. The company also gathers information on BMP implementation in the states in which it operates. Catchmark has access to information on the potential impacts of climate change on forest health and wildlife habitat.

Objective 11-Training and Education:

Catchmark has a training program in place. Training records verified employees have received training as required. Catchmark requires all contractors to have at least one person on-site who has completed SIC sponsored logger training. This requirement is a part of the logging contract. The logger training programs in the states in which Catchmark operates have continuing education requirements.

Objective 12-Community Involvement and Landowner Outreach:

Catchmark is a member of the SICs in all the states in which it operates, with the exception of Florida and Tennessee, where its footprint is very small. Membership in the SICs includes the distribution of landowner education materials, which contains information on the conservation of biological diversity. Catchmark demonstrated involvement in a number of public educational activities. It has a process to respond to public inquiries or complaints. The company has received no reports of inconsistent practices.

Objective 13: Public Land Management Responsibilities: N/A-Catchmark does not have public land management responsibilities.

Objective 14-Communications and Public Reporting:

The company had posted its 2017 surveillance audit report on the SFI, Inc. website as required for public review. The 2017 SFI annual progress report had been submitted in a timely manner.

Objective 15-Management Review: Catchmark has a management review process in place. The company has historically done a good job of recording meeting minutes. Management review minutes verified the meeting is held annually as required by the SFI Standard.

Findings

Previous non-conformances:

No non-conformances were issued during the previous audit

Non-conformances:

One minor conformance was issued during this audit. The SF02 nonconformity report is shown below.

Opportunities for Improvement:

One opportunity for improvement was issued. This should be considered in light of how it may affect conformance in the future.

1. PM 3.1, Ind. 1: There appeared to be some confusion on the designation of streams as either ephemeral or intermittent in South Carolina, and on the allowable harvests within the SMZ of intermittent streams. No BMP violations were observed, but the company may want to conduct some additional training on South Carolina BMPs.

Notable Practices:

One notable practice was identified:

1. PM 4.1, Ind. 2: The company identifies leave trees during aerial mid-rotation release operations and asks helicopter pilots to avoid spraying these trees. While not all are missed, this ensures some trees are able to contribute to stand-level retention when the stand is clearcut.

Logo/label use:

Catchmark uses the SFI logo on its website for promotional purposes. Approval is documented. The company does not use the BVC logo.

SFI reporting:

The 2017 surveillance audit report was found on the SFI website as required for public review.

Review of Previous Audit Cycle

N/A

Conclusions

Catchmark is recommended for continued certification to SFIS 2015-2019 Forest Management Edition pending development of a corrective action plan for the minor non-conformance. A corrective action plan is due within 30 days of the closing meeting.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: March 27, 2018				To: March 30, 2018			
Number of SF02's Raised:			Major:		0		Minor:		1
Is a follow up visit required:		Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Date(s) of follow up visit:			
Follow-up visit remarks:									
Team Leader Recommendation:									
Corrective Action Plan(s) Accepted		Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	Date:	
Proceed to/Continue Certification		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
All NCR's Closed		Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	Date:	
Standard audit conducted against:									
1)	SFI 2015-2019 FM Standard			3)					
2)				4)					
Team Leader (1):		Team Members (2,3,4...)							
Richard Boitnott; CF, TX AF		2)							
		3)							
		4)							
		5)							
Scope of Supply: (scope statement must be verified and appear in the space below)									
Management of forest lands									
Accreditation's		ANAB							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date	Week of March 25, 2019								
Audit Report Distribution									
Bureau Veritas Certification: Liliana Ramirez-liliana.ramirez@us.bureauveritas.com									
Catchmark: Childers Adams-childers.adams@catchmark.com									

Clause	Audit Report
Opening Meeting	Participants: Childers Adams, Tim Gahl, Dusty Warren Discussions: <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Childers Adams, John Cheatham, Rodney Chandler, Ken Schroder, Preston Discussions: Fout, Jas Skinner, Scott Willis <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Nonconformances - 1 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:		SF02#:	
Catchmark Timber Trust		S4-01	
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
US1850186	Surveillance # 3	Richard Boitnott	
Date:	Standard and Clause #:	Team Member:	
3/30/2018	SFIS 2015-2019 FM Ind. 4.1.5/4.2.2		
Major	Minor	Other Documents (if applicable):	Company Representative:
	X		Childers Adams
REQUIREMENT OF AUDITED STANDARD:			
Ind. 4.1.5 requires the company to have a program to address the conservation of known sites of viable occurrences of significant species of concern while 4.2.2 requires the company to locate and protect viable occurrences of FECVs			
OBSERVED NONCONFORMITY:			
There was no evidence during the audit that the Mid-Atlantic region has a system to locate and protect FECVs, nor to address conservation of significant species of concern.			
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN (To be completed by the Company. Plan to be submitted in 30 days)			
Corrective Action Plan Date:		Company Representative:	
Root Cause Analysis and Corrective Action			
Root Cause:			
Corrective Action Plan:			
ROOT CAUSE AND CORRECTIVE ACTION PLAN ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Verify effective identification of Root Cause and acceptance of Corrective Action Plan)			
Root Cause:			
Corrective Action Plan:			
Plan Accepted:	Yes	No	Comments:
Auditor:			Date:
CORRECTIVE ACTION IMPLEMENTATION			
To be completed by Company – Provide objective evidence. Not to exceed: 90 Days <input checked="" type="checkbox"/> 1 Year <input type="checkbox"/>			
Corrective Action Completion Date:		Company Representative:	
Corrective Action Implementation: Method used to verify effectiveness of action taken:			
CORRECTIVE ACTION IMPLEMENTATION ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Acceptance of Corrective Action taken)			
Accepted:	Yes	No	Nonconformance Closed: Yes No
Follow Up Comments:			
Auditor:			Date: