



**BUREAU
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**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:	#2	Scope extension audit:	
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Audit Summary
<p>This report summarizes the results of the second 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 28 through March 31, 2017. Mr. Boitnott is an SAF certified forester, a Texas accredited forester, and has wildlife management expertise.</p> <p align="center">Audit Scope, Objectives and Process</p> <p>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.</p> <p align="center">Audit Plan</p> <p>The audit consisted of a review of program documentation at the Lumpkin Georgia office the afternoon of Tuesday, March 28. Field sites in the south-central management unit were reviewed Wednesday and Thursday March 29 and 30, and in the coastal management unit on Friday the 31st. A closing meeting was held in the Waycross Georgia office at the close of business on the 31st. An audit plan was developed and is maintained on file by Bureau Veritas Certification.</p> <p align="center">Company Information</p> <p>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. The company has expanded its ownership once again in the past year, moving into South Carolina, North Carolina, and</p>

Tennessee, where it previously had no presence.

The 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 three 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		X	
TX/LA management unit			
SC management unit			

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 nine 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. A 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 2015 indicates the company's harvest rates are consistent with its long-term plan. The company has overcut its projected pine volume by 0.3 %, 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 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 below label maximums with the exception that it

uses the maximum label rate of glyphosate in instances where natural pine seedlings pose a problem. 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.

Objective 3-Protection and Maintenance of Water Resources:

Compliance with Georgia and Alabama 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.

Objective 4-Conservation of Biological Diversity:

Catchmark has identified potential T&E species and FECVs that could occur across its ownership. 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 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 2016 was 56 acres. There was good documentation available for the calculation of average clearcut size for the regions managed by FRC, but not so for the units managed for UTS and AFM. An opportunity for improvement was issued to encourage the company to gather back-up data from the non-FRC regions on how it calculates clearcut size to ensure they are doing it the same way as FRC.

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. NoBMP inspection reports had been conducted on any Catchmark properties in the past year. 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 2016 surveillance audit report on the SFI, Inc. website as required for public review. The 2016 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:

No conformances were issued during this audit event.

Opportunities for Improvement:

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

1. PM 5.2, Ind. 2: Consider obtaining better documentation of the method of calculating clearcut size from the non-FRC managed regions.

Notable Practices:

No notable practices were identified.

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 20165 surveillance audit report was found on the SFI website as required for public review.

Conclusions

Results of the audit indicate Catchmark has developed a program that continues to meet the requirements of the SFIS 2015-2019 Forest Management Edition, and is continuing to effectively implement its SFI program. The lead auditor issued a recommendation for continued certification to the SFI 2015-2019 Forest Management standard at the closing meeting.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: March 28, 2017				To: March 31, 2017			
Number of SF02's Raised:			Major:		0		Minor:		0
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 type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	
Proceed to/Continue Certification		Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>	Date:	3/31/2017
All NCR's Closed		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	Date:	3/31/2017
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 26, 2018								
Audit Report Distribution									
Bureau Veritas Certification: Missy Valdez-missy.valdez@us.bureauveritas.com									
Catchmark: John Kaufman-john.kaufman@catchmark.com									

Clause	Audit Report
Opening Meeting	Participants: John Kaufman, 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: John Kaufman, Ike Vinson, Chris Faith Discussions: <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 - 0 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:			SF02#:
Catchmark Timber Trust			01
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
US1850186	Renewal	Richard Boitnott	
Date:	Standard and Clause #:	Team Member:	
3/19/2015	SFIS 2015-2019 PM 3.1 Ind. 1		
Major	Minor	Other Documents (if applicable):	Company Representative:
	X		Don Warden

REQUIREMENT OF AUDITED STANDARD:

PM 3.1 Ind. 1 requires the organization to have a program to implement federal, state or provincial best management practices during all phases of management activities.

OBSERVED NONCONFORMITY:

Road work had recently been conducted on one harvest tract reviewed during the audit. Two turnouts were placed directly into an SMZ on an ephemeral drain. Sediment was deposited directly into water flowing in the ephemeral stream.

ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN

(To be completed by the Company. Plan to be submitted in 30 days)

Corrective Action Plan Date:	3/23/2015	Company Representative:	Tim Gahl
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Root Cause Analysis and Corrective Action

Root Cause: Road is located in the wrong place, and then equipment operator had a lapse of judgement. This road has been in place for over 25 years. Road bed is lower than surrounding ground, so water pools in road with nowhere for it to go. Equipment operator doing after harvest road work pushed 2 turn outs into ephemeral area that was dry at the time, which is a violation of BMP's. Operator had been working with contractor for 4 years and knew better. He had a lapse of judgement and chose the easiest path to get water off the road. Equipment operator told Foreman job was complete. Contractor was spread thin on man power due to planting operations in another state, so Foreman never checked the job; he just told FRC forester that job was complete. FRC forester took the Foreman's word and did not check, so no one went back to actually check the site.

Corrective Action Plan: Turn outs were closed and stabilized the next day after finding them. Contractor and foreman have been trained by Georgia Soil & Water Conservation Commission, but he will be sending his equipment operators to next available class which is April 20th. GFC Water Quality Forester will also provide a one day session, (date to be determined), to review BMP's for roads and the 15Clean Water Act Provisions. FRC and Road Contractor will attend. We will also modify our road construction/maintenance compliance form to specifically mention a provision that turnouts do not tie into perennial and intermittent streams or ephemeral areas. This form will be given to contractors to use when doing road maintenance. Completed form will be turned in with invoice. Forester will visit site and then sign off on inspection. We will also be evaluating the cost and feasibility of moving the road to higher ground.

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: Acceptable
Corrective Action Plan: Acceptable

Plan Accepted:	Yes	X	No	Comments:
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Auditor:	Richard Boitnott	Date:	3/23/2015
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CORRECTIVE ACTION IMPLEMENTATION

To be completed by Company – Provide objective evidence. Not to exceed: 90 Days 1 Year

Corrective Action Completion Date:	4/20/2016	Company Representative:	Tim Gahl
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Corrective Action Implementation: Conducted training for employees and road contractors. Road construction/maintenance compliance forms have been modified to address the need to ensure turnouts do not direct sediment into streams. Foresters visit sites and signs off on inspections
 Method used to verify effectiveness of action taken: Internal audits

CORRECTIVE ACTION IMPLEMENTATION ACCEPTANCE REPORT

(To be completed by Bureau Veritas Certification – Acceptance of Corrective Action taken)

Accepted:	Yes	X	No		Nonconformance Closed:	Yes	X	No	
Follow Up Comments:									
Auditor:	Richard Boitnott				Date:	4/1/2016			