

Cal-Tex Lumber Company, Inc.

2912 Rayburn Drive
Nacogdoches, Texas 75963-1010

SFI 2015-2019 Standards and Rules®, Section 3 – Fiber Sourcing

2020 Re-Certification Audit



Cal-Tex Lumber Company

2020 SFI Fiber Sourcing Public Summary Audit Report

Introduction

Cal-Tex Lumber Company, Inc of Nacogdoches, TX has demonstrated conformance with the SFI 2015-2019 Standards and Rules, Section 3 – Fiber Sourcing in accordance with the NSF certification process. Cal-Tex Lumber Company, Inc has specifically demonstrated conformance to the monitoring of the use of best management practices requirement (Performance Measure 2.2). Monitoring is conducted on tracts which Cal-Tex Lumber Company, Inc. receives logs and compared to the Texas BMP monitoring summary.

Cal-Tex Lumber Company, Inc is a forest products company with corporate headquarters located in Nacogdoches, TX, that operates a sawmill in Nacogdoches, TX. Cal-Tex Lumber Company, Inc procures wood primarily from east Texas, southeast Oklahoma, and west Louisiana. The facility utilizes pine.

Cal-Tex Lumber Company, Inc maintains a verifiable monitoring system for the use of best management practices by wood producers supplying raw material to their plant. Implementation of Best Management Practices is monitored during the harvesting of purchase stumpage tracts and sampling of gatewood suppliers. This information is supplemented by information from the State's BMP Compliance Monitoring Reports. Findings are summarized, and patterns and trends are analyzed.

The audit was performed by NSF on June 9, 2020 by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2015-2019 Standards and Rules, Section 9 – Audit Procedures and Auditor Qualifications and Accreditation.

The scope of the audit included procurement operations. Procurement operations occurring in the past 12 months were reviewed to ensure that SFI Procurement Standards were met. In addition, SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.

Several of the SFI Section 3 requirements were outside of the scope of Cal-Tex Lumber Company, Inc's SFI program and were excluded from the scope of the Audit as follows:

- Indicator 1.1.2 – Cal-Tex Lumber Company, Inc. does not purchase stumpage.
- Indicator 2.1.1 – Cal-Tex Lumber Company, Inc. does not purchase stumpage.
- Indicator 5.1.2 - Cal-Tex Lumber Company, Inc does not conduct research on genetically engineered trees.
- Objective 8 – Cal-Tex Lumber Company, Inc does not have public land management responsibilities.
- Objectives 11 - 13 - Cal-Tex Lumber Company, Inc does not source fiber outside Canada and the US

No indicators were modified.

Audit Process

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable requirements. The plan provided for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of conformance. NSF 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 protocols. NSF selected and interviewed stakeholders such as contract 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 of the audit included conformance, major non-conformance, minor non-conformance, opportunities for improvement, and practices that exceeded the requirements of the standard.

Overview of Audit Findings

Cal-Tex Lumber Company, Inc was found to be in conformance with the standard. NSF determined that there were no major or minor non-conformances.

No opportunities for improvement were identified.

There were no previous findings to address from last year audit.

NSF also identified the following areas where forestry practices and operations of Cal-Tex Lumber Company, Inc exceed the basic requirements of the standard:

- Cal-Tex Lumber Company exceeds this requirement by their contract package. The contract package contains policies, specs, training requirements, and contracts. The contract package is sent to suppliers on an annual basis. Documentation for meeting of policies and training requirements, along with a signed contract are required prior to receiving deliveries from the supplier. (SFI 2015-2019 Standards Rules®, Section 3 – Fiber Sourcing, Indicator 2.1.4)
- Cal-Tex Lumber Company exceeds this requirement by conducting their own monitoring of BMP implementation by suppliers and combining this data with BMP monitoring data by the Texas Forest Service. (SFI 2015-2019 Standards Rules®, Section 3 – Fiber Sourcing, Indicator 2.2.1).

The next Re-Assessment Audit is scheduled for the week of June 14, 2021.

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 Biodiversity in Fiber Sourcing

To address the practice of *sustainable forestry* by conserving *biological diversity*.

Summary of Evidence: *The Company actively supports and participates in the state SICs which have developed a landowner brochure that addresses the importance of maintaining biodiversity. This brochure has been distributed to suppliers, landowners, and consultants. The Company is also knowledgeable of the Texas Forest Action Plan and Wildlife Action Plan.*

Objective 2 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: *Adherence to BMPs is addressed through written agreements with BMP clauses for wood producers, planning for adverse weather conditions, and monitoring BMP implementation through a combination of state Forest Service data, and sampling of gateway suppliers. Results of BMP implementation is communicated to wood producers during joint monitoring of BMP implementation, one-on-one conversations, and through logger training classes.*

Objective 3 Use of Qualified Resource and Qualified Logging Professionals

To encourage forest landowners to utilize the services of *qualified logging professionals, certified logging professionals* (where available) and *qualified resource professionals*.

Summary of Evidence: *Letters, contracts, and brochures are used to promote the use of qualified logging professionals, and qualified resource professionals. List of certified logging professionals was witnessed on a website maintained by the state forestry association.*

Objective 4 Legal and Regulatory Compliance

Compliance with applicable federal, provincial, state and local laws and regulations.

Summary of Evidence: *The Company's SFI Policy specifies a commitment to achieving compliance with applicable environmental, forestry, and social laws and regulations. The company has access to laws and regulations through various websites and association membership. Compliance is achieved through contracts and monitoring. Compliance is confirmed through an interview with state BMP Forester and site visitation.*

Objective 5 Forestry Research, Science, and Technology

To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence: *The Company financially supports a research project at a state university. Information is provided to several harvest surveys. Various assessments are used for training and planning.*

Objective 6 Training and Education

To improve the implementation of *sustainable forestry* practices through appropriate training and education *programs*.

Summary of Evidence: *Commitments, roles, and responsibilities are discussed during Management Review Meeting. Contracts witnessed require logger training. Employee and logger training were documented.*

Objective 7 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: *Through memberships, distribution of brochures, and hosting events the Company broadens the practice of sustainable forestry. Due to Covid-19 virus, many events have been cancelled.*

Objective 9 Communications and Public Reporting

To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence: *Summary Audit Reports were witnessed on SFI, Inc. website. Review of Annual Progress Report confirms record keeping is adequate and that reports are submitted on time.*

Objective 10 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 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 *Fiber Sourcing* 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

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

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