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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:	#4	Scope extension audit:	
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Audit Summary

This report summarizes the results of the fourth surveillance audit conducted on Catchmark Timber Trust’s SFI program for forest management operations. Richard Boitnott, Bureau Veritas Certification Lead Auditor, conducted the audit April 2nd through the 5th, 2019 in the South Central and Coastal management units, and on September 19th in the Oregon management unit. 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 Tuesday April 2nd. Field sites in the south-central management unit were reviewed Wednesday and Thursday April 3rd and 4th, and in the Coastal management unit on the 5th. The newly acquired Oregon management unit was audited on the 19th of September. A closing meeting was held at the end of the day on the 19th. An audit plan was developed and is maintained on file by Bureau Veritas Certification.

Company Information

Catchmark Timber Trusts owns or manages approximately 409,000 acres of land in Georgia, Alabama, Florida, South Carolina, Tennessee, North Carolina and Oregon. On-the-ground management is conducted by Forest Resource Consultants, Inc. (FRC) in Georgia, Alabama, and Florida, and by American Forest Management (AFM) in Oregon, South Carolina, North Carolina,

and Tennessee.

All properties in the east 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.

The newly acquired property in Oregon is typical of a Pacific North west coniferous forest, consisting primarily of Douglas fir, with lesser amounts of western hemlock, western red cedar, and red alder. Regeneration is accomplished through herbicide site preparation and planting. The primary species regenerated is Douglas fir, although a mix of other species typically occupies sites depending on the species mix of the previous stand. A forest practices act (FPAs) is in place in Oregon, which proscribes many activities that support the company’s SFI program. Riparian protection is heavily regulated and monitored by state agency stewardship foresters. Wildlife management practices are also regulated, with the amount of standing retention and downed woody debris also controlled by FPA.

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		X	
Oregon management unit		X	
SC/NC 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 14 harvest tracts; two thinnings and the rest clearcuts, 10 regeneration/chemical site preparation tracts and one mid-rotation release.

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. Planned versus actual harvest levels demonstrate the company is harvesting in accordance with its sustainable

harvest plan. Since 2016 the company has overcut its pine volume by 13% in the mid-atlantic region, and by 14% in the south- central region since 2014, primarily due to a recent acquisition. However, projected growth summary provides evidence the plan is sustainable. According to the plan, total inventory is projected to decrease slightly over the next several years in all southern regions, then increase slightly after the initial heavy harvest. Projected inventory is expected to be more in 2048 than current. The average growth rate projected is 2.83 tons/acre/year for the south-central region, 4.45 tons/acre/year for the coastal region, 3.11 for the Mid-Atlantic region tons/acre/year for the southwest region. The south-central region is relatively low due to an expiring long-term lease. All of these are relatively conservative. This indicates the company's plan is reasonable and does not rely on unrealistic projections. Historic data is not available for the newly acquired property in Oregon, but projected overall inventory is expected to decrease slightly next year, but slowly increase over the next 50 years.

Catchmark practices conversion on a very limited basis. No conversions take place in the Oregon management unit. The company 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 in all regions. Rates were well below label maximums. The rates and types of chemicals used were typical for the types of competing vegetation in each region. Catchmark continues to do a very good job of keeping herbicide applications within the target area, with no drift into off-target areas observed during the audit. Soil maps are available. Soil productivity was very well protected, with 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 BMPs and the Oregon FPA was observed on all harvest and regeneration sites observed during the audit. Streamside management zones were well established in Georgia and Alabama, and road and skid trail construction and stabilization ensured protection of soil productivity and water quality. Stream crossings were removed and approaches stabilized. Riparian management areas (RMAs) were also well established in Oregon, meeting the Oregon FPA requirements.

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. Catchmark has recently gathered information on T&E species, FECVs, and species of concern from the Oregon Biodiversity Information Center (ORBIC) and incorporated this information into the GIS managed by AFM.

The company continues to do a very good job of providing both dispersed and clumped retention in its clearcut areas. Catchmark continues to do 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. 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 2018 was 64 acres. The method for calculating clearcut size has been standardized across all management units.

There was little need for specific aesthetic considerations on any harvest sites in any region 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 and with the Oregon FPA green-up requirement 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. The only interaction with indigenous peoples occurs in Oregon. One culturally significant site was identified during the notification process and the local tribe consulted on protection measures.

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. The company also receives inspection reports from Oregon stewardship foresters.

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. However, the Oregon management unit did not have a good method of gathering evidence of a trained person on each logging side. The company was issued an opportunity for improvement to ensure this evidence is gathered. 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. The company is in the process of joining the Oregon SIC. 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 2018 surveillance audit report on the SFI, Inc. website as required for public review. The 2018 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:

One minor non-conformance was issued during the previous audit. It was closed at the start of this audit with corrective actions effectively implemented.

Non-conformances:

No non-conformances were issued during this audit.

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 11.1, Ind. 4: The Oregon management unit could do a better job of gathering evidence that a trained person is on each logging side.

Notable Practices:

One notable practice was identified:

1. PM 3.2, Ind.1: The Oregon management unit did a good job of working with the local water district to protect two domestic water sources. Catchmark left a timbered buffer around two water outlets even though this is not required by the Oregon FPA.

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 2018 surveillance audit report was found on the SFI website as required for public review.

Review of Previous Audit Cycle

N/A

Conclusions

Since no non-conformances were issued, Catchmark is recommended for continued certification to SFIS 2015-2019 Forest Management Edition. This includes the newly acquired property in Oregon.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:										
Audit Date(s):		From: April 2, 2019 (GA/AL) April 5, 2019 (GA/FL) September 19, 2019 (OR)				To: April 4, 2019 (GA/AL) April 5, 2019 (GA/FL) September 19, 2019 (OR)				
Number of SF02's Raised:			Major:		0		Minor:		0	
Is a follow up visit required:		Yes		No	X	Date(s) of follow up visit:				
Follow-up visit remarks:										
Team Leader Recommendation:										
Corrective Action Plan(s) Accepted		Yes		No		N/A	X	Date:		
Proceed to/Continue Certification		Yes	X	No		N/A		Date:	9/19/2019	
All NCR's Closed		Yes	X	No		N/A		Date:	4/2/2019	
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	March 23-27, 2020									
Audit Report Distribution										
Bureau Veritas Certification: Lorisa Love-lorisa.love@us.bureauveritas.com										
Catchmark: Childers Adams-childers.adams@catchmark.com										

Clause	Audit Report
Opening Meeting	Participants: Childers Adams, 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 - 1. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Childers Adams, Todd Reich, Chris Eades, Nick Garvelle 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		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:	4/10/18	Company Representative:	Childers Adams
Root Cause Analysis and Corrective Action			
Root Cause: No process in place to identify, evaluate, and protect species of concern or FECVs at the site level. Was not adequately covered when the firm took over management of the property.			
Corrective Action Plan: Foresters to keep copy of South Carolina Wildlife Action Plan in vehicles. Utilize USFW IPaC to obtain site specific data via GIS. Utilize SCDNR's SC Rare, Threatened & Endangered Species Inventory to obtain county data. If any species of concern are discovered on company lands, CatchMark will be notified and upload the occurrence into Silvics. Once uploaded, we will receive a warning notification anytime a harvest is planned on a sensitive area.			
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:			
Auditor:	Richard Boitnott	Date:	4/19/2018
CORRECTIVE ACTION IMPLEMENTATION			
To be completed by Company – Provide objective evidence. Not to exceed: 90 Days <input type="checkbox"/> 1 Year <input checked="" type="checkbox"/>			
Corrective Action Completion Date:	4/2/2019	Company Representative:	Childers Adams
Corrective Action Implementation: Obtained app from the USFWS to obtain site-specific GIS data on T&E species and FECVs. Utilizing SCDNRs RTE data to obtain county level data. Incorporating occurrences in the GIS. Method used to verify effectiveness of action taken: Internal audit results			
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:	4/2/2019

