



Hankins, Inc.

2024 SFI® Fiber Sourcing Public Summary Audit Report

Introduction

Hankins, Inc. of Ripley, Mississippi has demonstrated conformance to SFI® 2022 Fiber Sourcing Standard in accordance with the NSF certification process.

Hankins, Inc. is a forest products company with corporate headquarters located in Ripley, Mississippi. Hankins, Inc. operates a sawmill producing finished dry-kilned pine boards, dimension lumber, and timbers in Ripley, Mississippi. Fiber is procured primarily from Northeast Mississippi and Southwest Tennessee. A portion of the fiber originates from Alabama and Kentucky. The facility utilizes pine logs. The procurement staff does not buy purchased stumpage, so all input is Gatewood. Hankins, Inc.'s SFI Program is managed by James Willingham, Certification Manager.

The audit was performed by NSF on February 20, 2024, by an audit team headed by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2022 Procedures and Auditor Qualifications and Accreditation.

Hankins, Inc. maintains a verifiable monitoring system for the use of best management practices. Information is received from state monitoring data. Findings are summarized and results are communicated to employees and contractors for continuous improvement of the effectiveness of BMP implementation.

The objective of the audit was to assess conformance of the firm's SFI Program to the requirements of the SFI Fiber Sourcing Standard.

The scope of the audit included fiber sourcing 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 Hankins, Inc.'s SFI program and were excluded from the scope of the audit as follows:

- Indicator 1.2.3 0 Hankins, Inc. does not purchase stumpage.
- Objective 8 – Hankins, Inc. does not have forest management responsibilities on public lands.

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

Hankins, Inc. was found to be in conformance with the standard. NSF determined that there were no non-conformances.

One opportunity for improvement were identified, and included:

- State data from Mississippi, Tennessee, and Alabama is used for monitoring of BMP implementation. State data was last reported in 2019. There is an opportunity to collect more recent monitoring data.

These findings do not indicate a current deficiency but served to alert Hankins, Inc. to areas that could be strengthened, or which could merit future attention.

The next Surveillance Audit is scheduled for March 2025.



General Description of Conformity to the Objectives

A summary of the evidence of the organization's conformance to the *SFI 2022 Fiber Sourcing Standard Objectives* follows:

Objective 1. Biodiversity in Fiber Sourcing

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

Why it Matters: Conserving *biological diversity* protects *wildlife habitat* and ensures healthy forests.

Notes: Review of records, policies, external communications, and participation in the State SIC.

Objective 2. Adherence to Best Management Practices

To broaden the practice of sustainable forestry through best management practices to protect water quality.

Why it Matters: Protecting water quality and quantity helps ensure safe and abundant drinking water for all.

Notes: Adherence to BMPs is addressed through written agreements with BMP clauses for wood producers, planning for adverse weather conditions, and monitoring BMP implementation through state data. Results of BMP implementation is communicated to wood producers during one-on-one conversations and state logger training programs.

Objective 3. Use of Qualified Resource Professionals, Qualified Logging Professionals and Certified Logging Companies

To promote and utilize *qualified logging professionals, qualified resource professionals* and *certified logging companies*.

Why it Matters: Training logging professionals helps landowners implement effective forest management practices.

Notes: Not reviewed during 2024 Surveillance Audit.

Objective 4. Legal and Regulatory Compliance

To comply with all applicable laws and regulations including international, federal, provincial, state, and *local*.

Why it Matters: Compliance with all laws ensures the protection of the environmental and social values of forests.

Notes: Reviewed contracts, internal documents and interviewed employees.

Objective 5. Forestry Research, Science, and Technology

To invest in research, science, and technology, upon which sustainable forest management decisions are based.

Why it Matters: Investing in forest research means healthier, more productive forests.

Notes: Not reviewed during 2024 Surveillance Audit.

Objective 6. Training and Education

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

Why it Matters: Training and educating foresters means forest management plans are more accurately implemented, ensuring the well-being of our forests.

Notes: Confirmed by the Company's financial and physical support of the State SIC and its development of education and logger training programs.

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*.

Why it Matters: Outreach and education improves the public's understanding of how important *sustainable forestry* is to local and global issues.

Notes: Not reviewed during 2024 Surveillance Audit.



Objective 8. Public Land Management Responsibilities

To participate and implement sustainable forest management on *public lands*.

Why it Matters: Protects the environmental, social, and economic values of public forests.

Notes: N/A - Hankins, Inc. does not have forest management responsibilities on public lands.

Objective 9. Communications and Public Reporting

To increase transparency and to annually report progress on conformance with the *SFI 2022 Fiber Sourcing Standard*.

Why it Matters: Reporting the results of third-party audits increases the public’s understanding of forest certification.

Notes: Summary Audit Report witnessed. 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* by conducting a management review and monitoring performance.

Why it Matters: Encouraging continual improvement of *sustainable forestry* practices, a cornerstone of *sustainable forestry*.

Notes: Records of program reviews, agendas and notes from management review meetings and interviews with personnel from all involved levels in the organization were assessed.

Objective 11. Avoid Controversial Sources

To manage the risk of sourcing fiber products from *controversial sources*.

Why it Matters: A due diligence system minimizes the risk of sourcing from *controversial sources* whether in the United States, Canada or offshore.

Notes: Not reviewed during 2024 Surveillance Audit.

Contact Information

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