



Hood Industries, Inc.

2024 SFI® Fiber Sourcing Public Summary Audit

Introduction

Hood Industries, Inc. of Hattiesburg, Mississippi has demonstrated conformance to SFI® 2022 Fiber Sourcing Standards and SFI Multi-site requirements in accordance with the NSF certification process.

Hood Industries, Inc. is a forest products company with corporate headquarters located in Hattiesburg, MS, that operates sawmills in Waynesboro and Silver Creek, Mississippi; Bogalusa, Louisiana and plywood mills in Beaumont and Wiggins, Mississippi. The certified organization procures southern yellow pine logs primarily from southern Mississippi, southeastern Louisiana and southwest Alabama for use within its manufacturing operations.

Hood Industries, Inc.. maintains a verifiable monitoring system for the use of best management practices by wood producers supplying raw material to their facilities. Implementation of Best Management Practices is monitored during the harvesting operations on purchased stumpage tracts, random selection of open market vendors and reviews of State BMP monitoring data. Monitoring information is summarized, reviewed and communicated during the annual management review.

The audit was performed by NSF on 6-7 May 2024 by an audit team headed by Shannon Wilks, Lead Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2022 Procedures and Auditor Qualifications and Accreditation.

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 procurement activities. Field inspections were conducted on active and completed timber sales of purchased stumpage tracts during the audit.

One of the SFI Section 3 requirements was outside of the scope of Hood Industries, Inc. SFI program and was excluded from the scope of the audit as follows:

- Objective 8-Hood Industries, Inc. does not have Public Land Management Responsibilities.

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 a contract harvest contractor 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

Hood Industries, Inc.. was found to be in conformance with the standard. NSF determined that there were -0- non-conformances and -1- opportunity for improvement.

SFI Multisite Requirements: SFI 2022 Standards and Rules, Section 10, Appendix 1 Audit of Multisite Organizations-Part 3

OFI 2024.1: A Central Function shall be established that shall:

(e.) establish written procedures for the management of the multi-site *Certified Organization*.

(n.) establish procedures for inclusion of new sites within the multi-site *Certified Organization* including an internal assessment of conformity with the standard, implementation of corrective and relevant preventive measures and a requirement to inform the relevant *certification body* of changes in participation prior to including the sites within the scope of the certification.

This finding does not indicate a current deficiency but served to alert Hood Industries, Inc. to areas that could be strengthened or which could merit future attention.

Finding: Elements of the requirements within SFI 2022 Standards and Rules, Section 10, Appendix 1 Audit of Multisite Organizations-Part 3 could be defined more efficiently within the SFI procedures.



General Description of Conformity to SFI 2022 Fiber Sourcing Standard 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: Forests with Exceptional Conservation Value (FECV) assessments have been conducted in coordination with consultant and results have been distributed to raw material vendors. Organization also supports development of FECV Assessments within SFI SIC Committees for AL, LA & MS. Assessment sheets have been developed for G1-G2 species within each county of organizations supply area. FECV sheets are supplied to wood suppliers on annual basis.

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: Hood Industries, Inc. utilizes contractual language within executed agreements for compliance to Best Management Practices, qualified logging professionals and all regulations. Monitoring is conducted to verify compliance on all purchased stumpage tracts and State BMP monitoring data is utilized for open market vendors. Documented procedures and inventory levels are utilized to ensure protection of soil and water quality during harvesting operations. All field sites observed contained water controls and riparian management zones (where applicable) to protect water quality.

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

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

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

Notes: Not Audited in 2024.

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: Organization maintains a detailed system of procedures and policies that are utilized to ensure regulatory compliance. Contractual agreements with language for regulatory compliance are required for all wood raw material vendors. No adverse conditions or regulatory violations observed on field sites.

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 Audited in 2024.

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: Contractual language requires qualified logging professionals for all raw material vendors. Membership and financial support of LA and MS SIC Committees enables logger training programs, continuing education benefits for harvest contractors and landowner educational resources. All personnel have completed qualified logger training courses.



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 Audited in 2024.

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: Hood Industries, Inc.. does not have public land management responsibilities.

Objective 9. Communications and Public Reporting

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

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

Notes: Review of SFI website confirms Public Summary Report is posted for previous audit. SFI Annual Progress reports were submitted prior to deadline for 2023; 2024 Annual Progress Reports were not available at time of audit.

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: Hood Industries, Inc. conducts internal audits to monitor certification requirements. Management Review was conducted with results of the Internal Audit, Best Management Practices and various other certification elements documented.

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 Audited in 2024.

Contact Information

| | | |
|--|--|--|
| Daniel Freeman | Michelle Matteo | Wendall Patton |
| NSF Project Manager | NSF Forestry Program Manager | SFI Coordinator |
| 789 N. Dixboro Road Ann Arbor, MI 48105 | 789 N. Dixboro Road Ann Arbor, MI 48105 | 1978 Hood Boulevard, Suite 100 Hattiesburg, MS 39401 |
| 734-214-6228 | 413-265-3714 | 769-303-4724 |
| dfreeman@nsf.org | mmatteo@nsf.org | wpatton@hoodindustries.com |