Sustainable Forestry Initiative®

Fiber Sourcing Audit Report

Sierra Pacific Industries

Certificate #SCS-SFI-FS-700548

SFI 2022 Standards and Rules®, Fiber Sourcing
4th Surveillance Audit, 2026

Client Address	19794 Riverside Avenue Anderson, CA 96007
Client Contact	Alyson Stubbendick, Sustainability and Safety Coordinator Astubbendick@spi-ind.com 530.932.2859
Client Website	Sierra Pacific Industries - Home Page (spi-ind.com)

SCS Contact:
Maggie Schwartz
Managing Director, Forestry
Natural Resources Division
mschwartz@scsglobalservices.com



TABLE OF CONTENTS

SUSTAINABLE FORESTRY INITIATIVE® **1**

FIBER SOURCING AUDIT REPORT **1**

SIERRA PACIFIC INDUSTRIES **1**

CERTIFICATE #SCS-SFI-FS-700548 ..... **1**

TABLE OF CONTENTS **2**

PUBLIC SUMMARY REPORT **3**

SFI® FIBER SOURCING STANDARD **3**

SECTION A – PUBLIC SUMMARY **3**

FOREWORD **3**

Organization of the Report 3
Principles of SFI Fiber Sourcing 3

1. GENERAL INFORMATION **5**

1.1 Name, Contact, and Certificate Information 5

2. PROFILE OF CERTIFIED ORGANIZATION **5**

3. AUDIT PROCESS **6**

3.1 Applicable Standards and Audit Objectives 6
3.2 Audit Team 7
3.3 Total Time Spent on Audit 8
3.4 Summary of Audit Itinerary 8
3.5 Evaluation of Management Systems 8
3.6 Changes to Management System 8
3.7 Confirmation of Meeting Audit Objectives 8

4. RESULTS OF AUDIT **9**

4.1 Grading of Possible Findings 9
4.2 Table of Audit Results and History of Findings for Certificate Period 9
4.3 General Description of Evidence of Conformity 10
1.4 Existing Corrective Action Requests, OFIs, and Exceeds 11
4.5 New Corrective Action Requests, OFIs, and Exceeds 12

5. CERTIFICATION DECISION **12**

Public Summary Report

SFI® Fiber Sourcing Standard

SECTION A – PUBLIC SUMMARY

Foreword

Organization of the Report

This report of the results of your audit assessment is divided into two sections. Section A provides the public summary and background information that is required by the Sustainable Forestry Initiative®. This section is made available to the public and is intended to provide an overview of the audit process, the management programs and policies applied to the forest, and the results of the audit assessment. Section A will be posted on the SFI website and Section B contains more detailed results and information required for SFI record-keeping or for use by the Certified Organization.

Principles of SFI Fiber Sourcing

SFI-certified organizations believe forest landowners have an important stewardship responsibility and a commitment to society, and they recognize the importance of maintaining viable commercial, family forest, and conservation forest land bases. They support sustainable forestry on forestland they manage and promote it on other lands. They support efforts to safeguard private property rights, and to help all private landowners manage their forestland sustainably.

The SFI Principles for Sustainable Fiber Sourcing are:

1. **Sustainable Forestry:** To practice sustainable forestry to meet the needs of the present while promoting 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 for the provision of ecosystem services such as the conservation of soil, air and water quality and quantity, climate change adaptation and mitigation, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.

2. **Forest Productivity and Health:** To provide for regeneration after harvest, maintain the health and productive capacity of the forest land base, and to protect and maintain long-term soil health and productivity. In addition, to protect forests from economically, environmentally and socially undesirable impacts of wildfire, pests, diseases, invasive species, and other damaging agents and thus maintain and improve long-term forest health and productivity.

3. **Protection of Water Resources:** To protect and maintain the water quality and quantity of water bodies and riparian areas and to conform with forestry best management practices to protect water quality, to meet the needs of both human communities and ecological systems.

4. **Protection of Biological Diversity:** To manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, ecologically and culturally important species, threatened and endangered species (i.e., Forest with Exceptional Conservation Values) and native forest cover types at multiple scales.

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 geologically or culturally important in a manner that takes into account their unique qualities.

7. **Legal Compliance:** To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

8. **Research:** To support advances in sustainable forest management through forestry research, science, and technology.

9. **Training and Education:** To improve the practice of sustainable forestry through training and education programs.

10. **Community Involvement and Social Responsibility, and respect for Indigenous Rights:** 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.

11. **Transparency:** To broaden the understanding of forest certification to the Fiber Sourcing Standard by documenting certification audits and making the findings publicly available.

12. **Continual Improvement:** To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to sustainable forestry.

13. **Responsible Fiber Sourcing:** To use and promote sustainable forestry across a diversity of ownership and management types in the United States and Canada that is both scientifically credible and socially, environmentally, and economically responsible and to avoid sourcing from controversial sources both domestically and internationally.

1. General Information

1.1 Name, Contact, and Certificate Information

Organization Name	Sierra Pacific Industries
Certification Representative, Phone, Address, Email	Alyson Stubbendick, Sustainability and Safety Coordinator Astubbendick@spi-ind.com 530.932.2859
Audit Dates	May 18 – 21, 2026 California, June 23 – 24, 2026 Washington
SFI Certificate Type	☐ Single ☒ Multi-site. This Audit covered the requirements of the central organization and a subset of sites. These sites were selected based on proximity and length of time since previous audits. See Summary of Audit Itinerary for more information on sampling.

2. Profile of Certified Organization

The information below provides a General Description of the Company's operations relative to Fiber Sourcing.

Description of operations	
Manufacturing Description: General description of the manufacturing operations within the scope of the certificate (including types of mills and relative reliance of procurement for fiber needs).	SPI fiber sourcing operations in California are carried out by procurement foresters associated with sawmills located in Anderson, Burney, Shasta Lake, Oroville, Quincy, Chinese Camp, Sonora and Lincoln. A substantial proportion of the Company's California mills' fiber supply is obtained through SPI's procurement program. Logs are received at the sawmills from a number of sources, including SPI's own fee lands, stumpage sales on private or federal land and direct log purchases from land managed or owned by Timber Investment Management Organizations, Real Estate Investment Trusts, family forest owners, tribal lands, private landowners and other US public lands. The majority of the incoming logs originate from California, with very small proportions of the total supply coming from Oregon and Nevada.
General Description of FS program: General description of the fiber sourcing procurement program, specifically if there a purchased stumpage program.	☐ Pay-at-the-Gate ☐ Stumpage Purchase (Pay-at-the-Stump) ☒ Combination of Pay-at-the-Gate and Stumpage Purchase
Monitoring System: General description of the *verifiable monitoring system* in place.	The log supply monitoring system in place for SPI's California mills includes a combination of establishing log purchase contracts with suppliers prior to acceptance of logs at the mills, Best Management Practices monitoring carried out by each mill's procurement forester on a sample of its suppliers and rule enforcement data received from the Cal Fire inspectors.
Procurement Area(s): An outline of the area from which fiber is procured. (Maps are encouraged)	Anderson Sawmill: Lassen, Shasta, Tehama, Plumas, Siskiyou, Trinity, Tehama, Butte, Humboldt counties. Shasta Lake Sawmill: Log supplies from Lassen, Modoc, Shasta, Tehama, Plumas, Siskiyou, Trinity, Tehama, Butte, Humboldt counties.

Summary of the Certified Organization's assessment for Forests with Exceptional Conservation Values within its wood and fiber supply area.	ECV include T&E wildlife sites, buffer zones along streams for T&E fish stocks, sensitive plants and botanical areas, cultural and historical sites, or caves and other unique geological features. As part of the company obligation under the California State Forest Practices Act, Oregon Forest Practices Act and the Washington Forest Practices Act, SPI is responsible for the identification and management of these sites. SPI includes these sites in specified layers of its company-wide GIS database. A ECV is generally a large area with unique ecological, biological, or social qualities that make it potentially a prime candidate for public ownership, not necessarily for the intensive timber management objectives of a private forestland owner. SPI has identified these lands and entered negotiations with government and private (not-for-profit) NGOs to adjust our overall land ownership. To date, over 100,000 acres of SPI lands have been transferred to public ownership through various mechanisms. The goal is to allow privately-held conservation groups, the State, or Federal government to acquire these "higher and better use" lands. Additionally, it is SPI's intent to take monetary receipts from the sale of these lands and invest that capital in other lands more suited for intensive timber management. SPI intends to preserve and protect unique lands currently in the company ownership with high values to the general public while also assuring SPI's long term viability to produce forest products from privately held lands.

3. Audit Process

3.1 Applicable Standards and Audit Objectives

Certificate Code	*SCS-SFIFS-700548*	
Audit Type	☐ Stage 1, Preliminary Review Audit	☐ Stage 2, Certification Audit
	☐ Re-Certification	☐ COVID-19 Additional Surveillance
	☐ 1st, ☐ 2nd, ☐ 3rd or ☒ 4th Surveillance	
	☒ Transfer	☐ Expansion of Scope
	☐ Other (*describe*):	

Multiple Standards	If this certification audit includes more than one standard or more than one certifying body, select the correct type of certification audit below. ☐ Combined — *A combined audit is when a client is being audited against the requirements of two or more* ☐ Joint — *A joint audit is when two or more auditing organizations cooperate to audit a single client.* ☒ Integrated — *An integrated audit is when a client has integrated the application of requirements of two or more management systems standards into a single management system and is being audited against more than one standard.*
Applicable Standards	☒ 2022 Fiber Sourcing Standard. Objective: 2, 5, 9, 10, and 11 ☒ Rules for Use of SFI On-Product Labels and Off-Product Marks. ☒ Audits of Multi-Site Organizations
SFI Substitute or Modified Indicators	☒ None, ☐ Yes, Substitute or Modified Indicators used and justification: Note: Contact SCS before selecting Yes. Using substitute indicators would be unusual.
Certificate Scope/ Statement	The procurement organizations supplying primary and secondary feedstock to sawmills in CA and WA; The SFI Fiber Sourcing number is *SCS-SFI/FS-700548.*
Sampling Approach	☐ N/A, this is not a multi-site. ☒ Multi-site: This Audit will cover the requirements of the central organization and the following subset of sites selected to meet requirements of SFI sampling methodology. These sites were selected based on the following and are listed below: Basis for Selection: Central Office + Three Sites List of All Sites and those Selected for sampling: Central Office, Anderson Sawmill, Shasta Lake Sawmill, and Burlington Sawmill were selected for 2024 2nd surveillance audit.
Deviations from the Audit Plan	☐ Yes, ☒ No. Were there any significant deviations from the Audit Plan approved prior to the audit. If yes, provide a description and explanation.

3.2 Audit Team

Auditor name:	Sterling Griffin, SCS Technical Specialist, Forestry, CA RPF #2805	Auditor role:	Lead Auditor
	Brendan Grady	Auditor role:	Team Member
	Quinn Kawamoto		Auditor Trainee
Qualifications:	Sterling is a California Registered Professional Forester #2805 living in Corvallis, Oregon. He is a graduate of Purdue University with a degree in Forest Management. His career began with the U.S. Forest Service where he participated in long-term ecosystem productivity research in the Pacific Northwest. He later founded a consulting firm serving private landowners managing timber, water, recreation, fire protection, and biodiversity. In 2007, he helped SCS establish its GHG verification program and later founded one of the largest U.S. developers of forest carbon credits. He is currently a SCS Technical Specialist, FSC Lead Auditor and SFI Lead Auditor.		
Qualifications:	Mr. Grady is the Technical Director, Forestry, for SCS. In that role, he provides daily management and quality control for the forestry program. He participated as a team member and lead auditor in forest certification audits throughout the United States, Europe, and Asia. Brendan has a B.S. in Forestry from the University of California, Berkeley, and a Juris Doctorate from the University of Washington School of Law. Brendan is a member of the State Bar of California, and was an attorney in private practice focusing on environmental law before returning to SCS.		

3.3 Total Time Spent on Audit

A. Number of days spent on-site for the Audit	4
B. Number of auditors participating in on-site audit	2
C. Number of days spent by any technical experts (in addition to amount in line A)	0
D. Additional days spent on preparation, stakeholder consultation, and follow-up	2
E. Total number of person days used in audit	**10**

3.4 Summary of Audit Itinerary

Location(s) sampled	Burney Sawmill, Centralia Sawmill, Aberdeen Sawmill
Summary of Field Inspections	☐ None, Pay-As-Cut operations only. ☒ The following summarizes the roads, harvest blocks, and silviculture sites were physically inspected. (For detailed notes regarding these see Appendix 1, Detailed Itinerary, Sites, and Interviewees.) Road, harvest blocks and silvicultural sites inspected were all in good condition and well managed.

3.5 Evaluation of Management Systems

SCS deploys teams with expertise in forestry and other relevant fields to assess the certified organization's conformance to SFI standards and policies. Audit methods include reviewing documents and records, interviewing personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing relevant stakeholder input. When there is more than one team member, each member may review parts of the standards based on their background and expertise. Applicable aspects of the Management System under evaluation, such as Management System Review and other relevant Objectives, Performance Measures, and Indicators will also inform the audit team. On the final day of an evaluation, team members convene to deliberate the findings of the audit jointly. This involves an analysis of all relevant field observations, interviews, reviewed documents and records, and relevant stakeholder input. Where consensus among team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3.6 Changes to Management System

X There were no significant changes in the management system.

☐ Significant changes that affect the management system occurred since the last audit that are described as follows (describe): NA

3.7 Confirmation of Meeting Audit Objectives

The objectives for this audit included:

Determination of the conformity of the client's management system, or parts of it, with audit criteria (Selected Objectives, Performance Measures, and/or Indicators).

Determination of the ability of the management system to ensure the client meets applicable statutory, regulatory and contractual requirements.

Determination of the effectiveness of the management system to ensure the client can reasonably expect to achieve specified objectives.

As applicable, identification of areas for potential improvement of the management system.

Audit Objectives were met	**Yes** ☒ **No** ☐ If no, provide an explanation:

4. Results of Audit

4.1 Grading of Possible Findings

Once a consensus is reached by the audit team, determinations of grading are made as to the level of findings. Grading of findings may occur as follows:

- *Major CARs*: Major Corrective Action Requests (CARs) occur when one or more of the SFI 2022 Standard(s) performance measures or indicators has not been addressed or has not been implemented to the extent that a systematic failure of a Certified Organization's SFI system to meet an SFI objective, performance measure or indicator occurs.
- *Minor CARs:* An isolated lapse in SFI 2022 Standard(s) implementation which does not indicate a systematic failure to consistently meet an SFI objective, performance measure or indicator.
- *Opportunities for Improvement:* Opportunities for Improvement (OFIs) are identified by audit team members where the client is in conformance, but there is a risk to conformance in the future. Nonconformance with the standard requirements cannot be recorded as OFIs.
- *Exceeds:* Practices that exceed the basic requirements of the SFI 2022 Standards and Rules for Forest Management or Fiber Sourcing.

4.2 Table of Audit Results and History of Findings for Certificate Period

This table lists Findings to the Performance Measure and/or Indicator level for each year of the certificate period and is updated annually.

SFI Objective	Cert/Re-cert Evaluation (year)	1st Annual Evaluation (year)	2nd Annual Evaluation (2024)	3rd Annual Evaluation (2025)	4th Annual Evaluation (2026)
No findings	☐	☐	☐	☐	☒
1					
2					
3					
4					
5					
6			OFI	6.1.4 (minor)	
7					
8					
9					

10					
11					
12					
13					
COC for FM					
Trademark					
Group					
Other					
Logos/labels	☐ Logo checked and No nonconformities ☐ Logo checked, and Nonconformities issued Note: Use of the SFI on-product labels and claims shall follow Rules for Use of SFI On-Product Labels.				

4.3 General Description of Evidence of Conformity

This section summarizes the general evidence found to verify conformity which is detailed in Appendix 4.

SFI Fiber Sourcing Objective	Summary of Evidence
Objective 1. Biodiversity in Fiber Sourcing - To address the practice of sustainable forestry by conserving biological diversity.	Not Audited in 2026.
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.	Review of BMP monitoring records confirms the organization has a verifiable monitoring system to maintain rates of conformance to best management practices and to identify areas for improved performance. The system includes conducting BMP inspections on a sample of supplier tracts. Contracts are utilized with language for BMP compliance and use of qualified logging professionals.
Objective 3. Use of Qualified Resource and Qualified Logging Professionals - To encourage forest landowners to utilize the services of qualified logging professionals, certified logging companies (where available) and qualified resource professionals.	Not Audited in 2026.
Objective 4. Legal and Regulatory Compliance - To comply with all applicable laws and regulations including international, federal, provincial, state and local.	Not Audited in 2026.
Objective 5. Forestry Research, Science and Technology - To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity.	Organization has an internal research department that conducts research to support its field staff. It also supports various projects with research institutions and federal organizations to promote biodiversity and conservation programs.
Objective 6. Training and Education - To improve the implementation of sustainable forestry practices through appropriate training and education programs.	Not Audited in 2026.

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.	Not Audited in 2026.
Objective 8. Public Land Management Responsibilities - To participate and implement sustainable forest management on public lands.	Not Audited in 2026.
Objective 9. Communications and Public Reporting - To increase transparency and to annually report progress on conformance with the SFI Fiber Sourcing Standard.	Annual Report and response to surveys have been completed.
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.	Annual Management Review document conducted and certification program reviewed for compliance and continual improvement opportunities.
Objective 11. Avoid Controversial Sources - To manage the risk of sourcing fiber products from controversial sources.	Review of Due Diligence System confirms organization has a detailed systematic process for the review of all raw materials. Contracts are utilized and monitored for effectiveness. Origin of all raw material is validated prior to purchase. All raw material is considered low/negligible risk.

1.4 Existing Corrective Action Requests, OFIs, and Exceeds

Finding Number: SFI-NC-2025.1	
Finding and Deadline	☐ Major: Pre-condition to certification ☐ Major: 3 months from Closing Meeting ☒ Minor: Next audit (surveillance or re-evaluation) or 12 months from closing ☐ OFI: no deadline ☐ Exceeds: no deadline ☐ Other deadline (specify):
SFI Indicator:	SFI FS Objective 6.1.4
☒ **Non-Conformity** ☐ **Background/ Justification in the case of OFI or Exceeds** During the review of the documentation and logging contract on a USFS Sale, the requirement to apply Sporax to freshly cut conifer stumps was discussed. The contract requires the purchaser to treat all conifer stumps. SPI has been complying with the contract specifications for treatment; however, a qualified applicator has not been required to do the application. Since Sporax is a registered pesticide, a person trained by a QAL, PCA or RPF must be utilized for the application of the pesticide. This requirement was confirmed in discussions with the county Agriculture Commissioner. Currently SPI is utilizing the fire patrol individual of the logging contractor to make the applications. The contractor does not have the proper education and training to make this application.	
Action Plan and Root Cause Analysis *(to be prepared by Organization)*	**Root Cause Analysis:** The root cause of the non-conformity was due to the procurement forester not having been trained on pesticide application requirements for the safe application of pesticides. **Divisional Corrective Action Plan(s):** Procurement Managers will ensure their staff receive training in the requirements for the safe application of pesticides. **Corporate Corrective Action Plan(s):**

	The VP of Resources will assign a qualified person to develop a training course on the requirements for the safe application of pesticides. The VP of Resources will provide direction to Procurement Managers regarding how contractors will receive adequate pesticide application training. The internal auditor will evaluate the implementation of the corporate and divisional corrective measures during their internal audits, where applicable.	
SCS Review of Action Plan	☒ Accepted	☐ Rejected (*explain*):
	SCS representative: Sterling Griffin	Date: 5/18/2026
Evidence and Actions Implemented by Organization	Division foresters trained in the requirements for the safe application of pesticides. Procurement Managers ensure their staff receive training in the requirements for the safe application of pesticides.	
SCS Review of Implemented Actions	The corrective action plans have been implemented and the management system in is conformance with the indicator	
Status of Finding:	☒ Closed ☐ Upgraded to Major ☐ *Other decision (refer to description above)*	

4.5 New Corrective Action Requests, OFIs, and Exceeds

☒ None.

5. Certification Decision

The certificate holder has demonstrated continued overall conformance to the applicable Sustainable Forestry Initiative standards. The SCS annual audit team recommends that the certificate be sustained, subject to subsequent annual audits and the Certified Organization's response to any open CARs.	**Yes** ☒ **No** ☐
Comments:	