



2022 SFI Public Summary Report

Hampton Resources Inc.

Sustainable Forestry Initiative® (SFI) 2022 Fiber Sourcing Standard

Sustainable Forestry Initiative® (SFI) 2022 Forest Management Standard

Date: April 14, 2023

Project Scope and Objectives

PricewaterhouseCoopers LLP (PwC) completed a multi-site Maintenance/Transition Assessment on Hampton Resources Inc.'s ("the Company" or "Hampton") Forest Management activities on their Washington fee lands, and Fiber Sourcing for their mills. The forest management and fiber sourcing activities are managed by the Central Office in Salem, Oregon. The Lead Assessor was Jenny Knoth, PhD, CF and the assessment team included James Lucas, EMS (LA). The assessment team was accompanied by Hampton's SFI Representative, Mark Vroman.

The primary objectives of the assessment were to assess the Company's SFI management system and to evaluate the Company's implementation of the SFI Standard in the field to the 2022 version of the SFI Forest Management and Fiber Sourcing Standards.

Client Profile

Hampton opened their first sawmill in Willamina, Oregon in 1942, initially to supply their lumber business in Tacoma, Washington. This expanded into a wholesale lumber business, Hampton Lumber Sales in 1950. The company continued to grow, purchasing forestland and new manufacturing facilities, while fostering a commitment to people, community, and sustainability. Today those values are the heart of Hampton's company culture. Now a third-generation family-owned company, Hampton has grown to include nine sawmills in Oregon, Washington, and British Columbia with over 1,600 employees. In addition to the lumber produced at their mills, the wholesale business sells lumber throughout the U.S. and to customers world-wide.

Indicators

All of the indicators in the SFI Forest Management and Fiber Sourcing Standard were within the scope of the assessment, except for Objective 15 (SFI FM) and Objective 8 (SFI FS) as none of the land managed by the US operations is public land. There were no substitute indicators.

Assessment Process

On November 14 and 16, 2022, the assessment team conducted interviews and reviewed appropriate documentation to review policies and procedures and tested the implementation of SFI program requirements at the Sedro-Wooley and Darrington offices in Washington State. On November 15, 2022, the assessment team conducted field assessments of sites on the North Cascades Tree Farm and on November 16, a field assessment on a stumpage sale was conducted. In total, the assessors spent 3 assessor days reviewing office functions and 2 assessor days on-site for field assessments. Forest

management field sites assessed included 5 sites with harvest, silviculture and road building activities and 1 site for the fiber sourcing assessment. The assessment report was dated April 14, 2023.

Hampton has a multisite SFI Certification that includes procurement for sites in Tillamook, Willamina, Banks and Warrenton in Oregon; Morton, Randle and Darrington in Washington State; and in Burns Lake in British Columbia; as well as fee land management in Oregon and Washington, and public land management in British Columbia. PwC uses a rotational assessment approach where the central office is visited (remote or on site) annually and the sites are sampled on a rotating schedule that conforms to the International Accreditation Forum Inc.'s Mandatory Document 1.

Summary of Conformance, Findings, and Good Management Practices

FOREST MANAGEMENT

SFI Forest Management Objective	Evidence of Conformity
Objective 1. Forest Management Planning To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion	<p>Evidence: Interviews with Hampton foresters and administrative staff. SFI Combined Evidence Manual 2022, Stratus and Wildlife and Biodiversity GIS demonstrations, and files for various Harvest Units which include forest practices applications, Inspection Records. Field Inspections.</p> <p>Summary: On Hampton's lands in the US, the inventory is updated twice a year. Planning and scheduling occurs dynamically based a 100-year plan with 5 & 10 year harvest schedules. Yearly harvest schedules for fee land are modified depending on operational and market requirements and refined in monthly meetings. Harvest levels and inventory data are calculated inhouse using MB&G tools (e.g. Remsoft). Annual harvest plans are largely based on stand ages, with an oldest first priority, and final harvests occurring between ages 40 and 55. Annual Allowable Cuts ("AAC") are determined at the tree farm level and each fee land forester is responsible for updating/maintaining the GIS data for their areas.</p> <p>Harvest levels are tracked on an annual basis, with total volumes being compared to planned harvest volumes. In 2022, Hampton harvested just under their AAC on their fee lands. A review of the cut-out data for all tree farms for the past 10 years verified that no over harvesting has occurred.</p> <p>Hampton has a well-documented silviculture program in their Silviculture Handbook. Potential treatments will vary depending on site characteristics but could include: the timing of site prep spray, planting season and density, as species selection, any follow up release spray, and a post-harvest up to 4-year post-harvest monitoring surveys.</p> <p>Hampton does not convert forest types.</p>
No Nonconformities or Opportunity for Improvement was identified.	
Objective 2. Forest Health and Productivity To ensure long-term forest productivity, carbon storage and conservation of forest resources through prompt reforestation, afforestation,	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of HFF Silviculture Handbook, Treatment Records for various units, Washington State Chemical Applicator License records, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Hampton plants at 10 x 10 ft spacing for a total of 436 trees per acre ("tpa") in the North Cascades Tree Farm. Current harvest is in higher elevation stands, therefore a mixture of species adapted to these elevations are planted. Planting happens 1-2 years after harvesting, depending on the season in which logging was completed.</p> <p>Annual stocking surveys are conducted for the first 3 years after planting to ensure a</p>

<p>minimized chemical use, soil conservation, and protecting forests from damaging agents.</p>	<p>minimum stocking of 350 tpa survive. This can be augmented by more intensive sampling if deemed necessary. The species planted are limited to native species, primarily Douglas fir, noble fir, western hemlock, silver fir and western red cedar. No exotic species are planted.</p> <p>Harvests are typically a clear-cut system with even aged regeneration. Silviculture foresters are making an effort to minimize chemical applications to either site preparation or release spray. Mechanical slashing has been used to remove competitive vegetation and maintain roadside visibility. The prescribed sprays will vary in intensity depending on the area and vegetation. Some units receive a second spray (release-herbaceous spray) depends on the herbaceous competition. Hampton primarily sprays targeted chemicals that focus on herbaceous competition, or pre-emergent for site prep, and prescribes application rates specific to each site. All applications reviewed were under the maximum dosage limit, with many being at half or one third of the limit. Hampton does not use any banned pesticides. For their US operations they apply the least amount of chemicals possible to meet their management objectives. Any staff member who will be supervising a spraying operation holds a valid applicators license.</p> <p>Foresters assess soil types during the harvest planning process. This information is then used to determine optimal harvesting equipment and seasonality to minimize soil disturbance. Best Management Practices ("BMP's") are followed with regards to installing water bars and deactivating roads. Regular communication occurs between Hampton staff and loggers to ensure sites are left in a condition that will meet the expectations of State Foresters. This is especially true under wet weather conditions.</p> <p>Hampton participates in three seed cooperatives in Oregon, through which they source improved seed and invest in research to develop pest resistance stock.</p>
<p><i>No Nonconformities or Opportunities for improvement were identified in relation to this performance measure.</i></p>	
<p>Objective 3. Protection and Maintenance of Water Resources To protect the water quality and water quantity of rivers, streams, lakes, wetlands, and other water bodies.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of HFF Silviculture Handbook, Treatment Records for various units, Washington State Chemical Applicator License records, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Operational plans are developed on an annual basis with stands being targeted based on a review of inventory and stand data. Once sites are chosen, preliminary reconnaissance occurs using LiDAR data to identify any potential features that should be considered during the ground layout process. Boundaries are flagged and GPS'd and forest practices applications and maps are submitted to the Washington Department of Natural Resources for review and approval prior to the planned harvest. Proposed boundaries are reviewed in-house to ensure any special features are properly documented. Examples include Special Management Areas ("SMA") such as water sources, memorials, cell towers, scenic highways, and Threatened and Endangered ("T&E") species; contained on internal GIS layers. Documentation of harvest units is contained in a central database, Stratus, providing access to all foresters within the company. Additional review is conducted by WA DNR for any known special features. Pre-works are held with loggers and information (maps, SOP's, block specific information) is transferred to the loggers in the "Red Book" which stays on-site for the duration of the harvest. Documented inspections are completed for active operations and any issues (eg. garbage, crossings, utilization issues, buffers) are documented and then followed up on to ensure they are closed out. WA DNR is occasionally on-site during active operations and again once harvesting is completed. Harvesting contractors are given digital maps and it is a requirement of Hampton that all loggers are accredited in WCLA's Master Logger Program.</p> <p>Harvest plans show and specify stream protections in the field. In Washington, Hampton operates under State Law which addresses wet-weather shutdown requirements impacting</p>

	hauling and harvest operations.
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
<p>Objective 4. Conservation of Biological Diversity</p> <p>To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand-and landscape-level measures that promote a diversity of types of habitat and successful stages, and the conservation of forest plants and animals, including aquatic species, as well as threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of HFF Silviculture Handbook, Treatment Records for various units, Washington State Chemical Applicator License records, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Hampton adopted a comprehensive Wildlife and Biodiversity Plan (“the Plan”) for Oregon and Washington in August of 2022. This is an update to the previous plan documented in the 2016 Biodiversity Analysis which had done an excellent job reviewing biodiversity across the Hampton properties. The Plan includes analysis of stand classifications (defined by age), wildlife-habitat associations and a full listing of potential species found in Hampton's fee lands.</p> <p>The legal framework in Washington regarding forestry & wildlife protects T&E species as well as other species (nesting birds, bears, fish) across the State. Hampton designates leave tree areas to meet state requirements, and will protect habitat features such as snags, nests and dens when identified. Hampton’s inventory process collects information on Forest with Exceptional Conservation Value (“FECV”) and special sites. These are recorded in their SMA layer and incorporated into their planning processes.</p> <p>A key component of the Plan was the creation of a robust biodiversity GIS layer which includes species of special concern, G1, G2, and G3 species. This layer is available for real time updating through ESRI Online tool used by foresters. When planning operations in stands that may contain suitable habitat features for these species, additional assessments are completed to determine if the species of concern is present, or if additional retention is appropriate. Another tool within the Plan are regionally specific wildlife booklets that are provided to Hampton foresters and shared with contractors</p> <p>All jurisdictions that Hampton operates in (Oregon, Washington and British Columbia) have requirements to identify and protect various classifications of water bodies. These include wetlands, bogs, fens and marshes. Good examples Hampton applying these rules were observed on a unit which had several streams feeding into a fish bearing lake.</p> <p>Programs are in place to eradicate invasive species; Hampton field staff are trained to identify invasive species and are prioritizing eradication efforts in the North Cascades Tree Farm.</p> <p>Hampton develops annual fire plans which includes the option for broadcast burning, but in practice this is rarely done. The primary use of fire as a management tool is in the burning of logging slash to reduce fire risk hazard.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
<p>Objective 5. Management of Visual Quality and Recreational Benefits</p> <p>To manage the visual impact of forest operations and provide recreational</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of HFF Silviculture Handbook, Treatment Records for various units, Washington State Chemical Applicator License records, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Each jurisdiction that Hampton operates in has different requirements for visuals management. The State of Washington designates some areas where visual quality objectives must be met, such as near scenic highway corridors. In general, Hampton attempts to address visual quality through avoiding mid slope roads, the use of buffers, and harvest unit configuration and design.</p>

opportunities for the public.	<p>In Washington State clear-cut size is limited under State rules to 120 acres, but with exemptions up to 240 acres for forest health considerations if the unit contains a significant portion of hardwood. The average clear-cut size in the North Cascades Tree Farm was 67 acres in 2022. In Washington, Hampton manages their lands according to the State green up requirements. This requires that the trees in the adjacent stand must be 4 feet or have experienced 5 growing seasons. These constraints are incorporated into their ten-year harvest plan. No issues were observed during the field inspections and reviewed process.</p> <p>Hampton's forests are open for public recreation, except when the fire hazard is high. This includes several non-motorized access areas. Hunting is generally the biggest public recreational activity on Hampton lands. Other common recreational uses are fishing, swimming, hiking and mountain biking.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
<p>Objective 6. Protection of Special Sites To manage lands that are geologically or culturally important in a manner that takes into account their unique qualities.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of HFF Silviculture Handbook, Treatment Records for various units, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Areas with geological or cultural significance are mapped in Hampton's SMA GIS layer. These include features such as waterways, scenic highways, and other known special features. Prior to designing a harvest unit, they review LiDAR imagery to help identify any potential features which should be field verified. These features are then incorporated into their planning process. Once a unit is submitted to the WA DNR, any known features which are not publicly disclosed, or were potentially missed, will be brought to Hampton's attention, and may require boundary amendments.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
<p>Objective 7. Efficient Use of Fiber Resources To minimize waste and ensure the efficient use of fiber resources.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Hampton insures good utilization on their harvest units through regular field inspections and frequent communication with their loggers. No issues were identified during field inspections.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
<p>Objective 8. Recognize and Respect Indigenous Peoples' Rights To recognize and respect Indigenous Peoples' rights and traditional knowledge.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of Hampton corporate policy statements, field records and maps, Washington forest practices applications, Training Records, and inspection records for various units. Field Inspections.</p> <p>Summary: Hampton respects the rights of Indigenous Peoples and is committed to open communication about forest management practices so as to not compromise cultural significance of the land. Hampton's "Sustainable Forest Management Policy" specifically references Indigenous Peoples' rights. In both Washington and Oregon, a review for special features is conducted by the State agencies once an application/notification is submitted. Prior to that point Hampton's focus in on communicating with adjacent landowners which includes Tribes in some cases. Some activities involve working more closely with Tribes and local communities such as stream restoration projects.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	

<p>Objective 9. Climate Smart Forestry To ensure forest management activities address climate change adaptation and mitigation measures.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. SFI Combined Evidence Manual 2022, field records and maps, and company website and policy statements.</p> <p>Summary: Hampton’s analysis of climate change data and simulation models broadly identifies fire & summer low stream flows are Priority Risks for company lands. Growth response of the forests are monitored closely through frequent comparison of observational and modeled data.</p> <p>Hampton practices prompt reforestation with spring and fall planting. The company belongs to tree improvement cooperatives whose work includes focus on family performance across seed zones. Additionally, the silviculture foresters have demonstrated a keen awareness of the opportunities and challenges of replanting in higher elevations. They have recently completed seed cone collection of regionally native species to for use in combination with the improved seed generated through the cooperative seed orchards. Replanting at high elevation is mixed species with Douglas – fir and noble fir trees.</p> <p>Hampton has created a detailed worksheet as a framework for understanding and calculating their greenhouse gas footprint. The worksheet calculations are based on a combination of empirical data tracked in house and published models based on assumptions generated from publicly available data regarding carbon capture in wood products and gas emissions of equipment. The resulting metrics are expressed as CO2e/year per MBF delivered.</p>
<p><i>No Nonconformities was identified related to this performance measure. One Opportunity for Improvement was identified where:</i></p> <ul style="list-style-type: none"> <i>The development of a climate change risk assessment has been initiated using publicly available tools is a good start that provides a broad view of the overall Washington and Oregon ownership. Hampton could develop the risk assessment more fully and more tailored to each operational region.</i> 	
<p>Objective 10. Fire Resilience and Awareness To limit susceptibility of forests to undesirable impacts of wildfire and to raise community awareness of fire benefits, risks, and minimization measures.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review state policy and research bodies Hampton makes contributions to.</p> <p>Summary: Hampton staff understand the risk of fire to their operational landscape and the nearby communities. The company maintains and deploys an internal fleet of water trucks and basic firefighting equipment for initial response on company land and adjacent ownership when requested and appropriate. Company employees are trained in initial fires response. Hampton contributes to local and regional fire protection associations in both Oregon and Washington States.</p> <p>Hampton is a member of OR and WA SIC’s who both support public education around fire management and public safety.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 11. Legal and Regulatory Compliance To comply with all applicable laws and regulations including, international, federal, provincial, state, and local.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of Training documentation, Combined Evidence Manual 2022, and unit files during field tour in addition to the demonstration of the company’s Stratus database.</p> <p>Summary: Hampton staff have access to printed and online copies of the forest practices rules and associated laws for both Oregon and Washington State. Staff undergo training throughout the year to ensure they are aware of changes to the current regulations. The policies and procedures in place help maintain compliance with regulations. State foresters regularly review and inspect forest practices and note any compliance issues or concerns.</p> <p>Hampton posts state and federal information posters, updated annually, that inform</p>

	employees of their rights as workers.
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
Objective 12. Forestry Research, Science and Technology To broaden the practice of sustainable forestry through public outreach, education, and involvement, and to support the efforts of SFI Implementation Committees.	<p>Evidence: Interviews with Hampton staff, Review of the Combined Evidence Manual 2022, company website, and annual budget for company memberships.</p> <p>Summary: Hampton actively participates in research cooperatives and embraces new technology in its management program. Foresters and using aerial imagery, including LiDAR, attained from traditional fixed wing aircraft as well as drones for survival surveys, harvest unit monitoring, and stand stocking assessments pre- and post - thinning. Hampton shares educational information with the public concerning sustainable forestry through collaborations with the Pacific Education Institute, Whatcom and Skagit County advisory committees. A Community Outreach Coordinator was hired who has recently worked to revitalize the Timber Fish and Wildlife breakfast meetings that stalled during Covid shut down.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure</i>	
Objective 13. Training and Education To improve the implementation of sustainable forestry through appropriate training and education programs.	<p>Evidence: Interviews with Hampton staff, Review of the Combined Evidence Manual 2022, company website, and annual budget for company memberships.</p> <p>Summary: Hampton maintains a current letter of commitment to the Principles of SFI on their website: https://www.hamptonlumber.com/sustainability/sfi-certification This is communicated throughout the company.</p> <p>Hampton staff are all responsible for understanding the Standard and applying it as appropriate; it is discussed in staff annual reviews. Interviews and actions observed during assessment and field tour provided evidence that staff are aware of SFI principles and do incorporate their understanding of the Standard well. There is a dedicated employee who manages the SFI compliance across the company's Washington and Oregon activities. Contractors are required to be trained in their discipline: contract loggers and road builders are trained through the Oregon Professional Logger Program in Oregon and the Master Logger Program (through Washington Contract Logger Association) in Washington; chemical applicators are required to maintain a current license; and Hampton provides firefighting response and safety training annually prior to the fire season.</p> <p>Hampton is an active participant in both the OR and WA SFI Implementation Committees.</p>
Objective 14. 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.	<p>Evidence: Interviews with Hampton staff, Review of the Combined Evidence Manual 2022, company website, and Hello Neighbor! tri-fold.</p> <p>Summary: Community engagement and public outreach activities are important to Hampton. A set of employees are dedicated to community outreach, public relations, and collaborative memberships. Hampton supports local and regional forestry education programming through the Pacific Education Institute and hosts hands-on learning opportunities such as building camps for school-aged girls, company internships, and scholarships for undergraduate and vocational schools.</p>
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	

Objective 15. Public Land Management Responsibilities To participate and implement sustainable forest management on public lands.	N/A - does not manage public lands in the United States.
No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 16. Communications and Public Reporting To increase transparency and to annually report progress on conformance with the SFI Forest Management Standard.	Evidence: Interview with Hampton staff and review of the saved SFI reporting documentation, review of the SFI database Summary: PricewaterhouseCoopers provides a SFI public summary for Hampton and the 2021 version is on the SFI database. Hampton also participates in the SFI Annual Survey and has provided the completed 2022 report. SFI documents are saved in a dedicated folder on Hampton's internal server.
No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	
Objective 17. Management Review and Continual Improvement To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.	Evidence: Interview with Hampton staff, review of the Combined Evidence Manual 2022, and review of the internal management review documentation. Summary: Hampton completes internal audits of their Canadian and US operations. The Canadian audit includes a review of their management system and chain of custody processes. This internal audit was conducted in the Fall of 2022. The audit was conducted by a qualified and independent internal person. Where findings were identified, an action plan was developed and implemented promptly. Overall, the internal audit found Hampton was in conformance with the SFI Standards. Hampton's certification program is a topic at several meetings throughout the year. Hampton has a primary management update takes place during the annual Resource Department meeting.
No Nonconformities or Opportunities for Improvement were identified related to this performance measure.	

FIBER SOURCING

SFI Fiber Sourcing Objective	Evidence of Conformity
<p>Objective 1. Biodiversity in Fiber Sourcing To address the practice of sustainable forestry by conserving biological diversity.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of SFI FS evidence package, Review of Log Purchase Agreements, Communication Records, and files for various Harvest Units. Field Inspections.</p> <p>Summary: All harvesting operations in Washington are first reviewed by the Department of Natural Resources regulatory division through the Forest Practices Application process. This review addresses potential impact of the proposed harvest on Threatened or Endangered Species; any concerns require follow up planning requirement to ensure the maintenance of habitat in support of biodiversity.</p>
<p>No Nonconformities was identified related to this performance measure. One Opportunity for Improvement was identified where:</p> <ul style="list-style-type: none"> Hampton could provide a link to the WA SIC assessment of Forests of Exceptional Conservation Value for Washington State to landowners and contract loggers once the information is ready for public distribution. 	
<p>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.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of Log Purchase Agreements, Hampton SFI Manual for Fiber Sourcing, Population of Current Cut-blocks (2022 Harvesting), Communication Records, and files for various Harvest Units. Field Inspections.</p> <p>Summary: Hampton's log purchase agreements include their SFI policy and a requirement for suppliers to adhere to BMP's. On State and Federal timber sales Hampton staff will visit operations approximately once a week, and state or federal foresters will visit at least once a week. State and federal foresters will provide written inspection reports for each visit. On fiber purchases Hampton largely relies on the State notification process and State inspections to ensure BMP compliance. In preparing a purchase order Hampton will request information about the logger and the property to track volume coming from certified loggers and certified lands. Hampton reviews the violations list to check if any of their suppliers have committed infractions, at which point they will halt log purchases (if ongoing) and not resume until they are assured that the issues have been resolved.</p> <p>Hampton uses only Certified loggers on their operations and encourages the use of certified loggers for their purchased logs. They provide feedback and information to loggers/suppliers to encourage continual improvement. The repeated encouragement for Gatewood suppliers to use professionally trained loggers helps promote conformance to BMP's across Hampton's supply area. Volume from certified loggers and from certified lands is tracked and reported monthly.</p>
<p>No Nonconformities was identified related to this performance measure. One Opportunity for Improvement was identified where:</p> <ul style="list-style-type: none"> Over the past few years, Hampton has been using State monitoring reports to monitor and evaluate logging practices in Washington and Oregon and supplying those results to wood producers and landowners. While WA State has been consistently annually producing a monitoring report, Oregon has not produced a report since 2018. Hampton could consider implementing their own verifiable monitoring inspections to fill the gap left by Oregon not producing this data annually. 	
<p>Objective 3. Use of Qualified Resource and Qualified</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of Log Purchase Agreements, Hampton SFI Manual for Fiber Sourcing, Population of Current Cut-blocks (2022 Harvesting), Communication Records, and files for various Harvest Units. Field Inspections.</p>

<p>Logging Professionals To encourage forest landowners to utilize the services of qualified logging professionals, certified logging professionals (where available) and qualified resource professionals.</p>	<p>Summary: Hampton only uses loggers who are certified under the Washington Contract Loggers Association's ("WCLA") Master Logger Program on their fee lands and for timber sales they purchase. And they encourage all suppliers to use WCLA certified loggers. The status of a supplier's certification is checked against the WCLA list as part of Hampton's standard startup process to ensure loggers are appropriately qualified and insured.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 4. Legal and Regulatory Compliance To comply with applicable federal, provincial, state and local laws and regulations.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Review of Log Purchase Agreements, Hampton SFI Manual for Fiber Sourcing, Population of Current Cut-blocks (2022 Harvesting), Communication Records, and files for various Harvest Units. Field Inspections.</p> <p>Summary: Refer to Objective 11 of the Forest Management Standard above.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>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.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Please see Objective 12 of the Forest Management Standard above.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 6. Training and Education To improve the implementation of sustainable forestry practices through appropriate training and education programs.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Please see Objective 13 of the Forest Management Standard above.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	

<p>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.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Please see Objective 14 of the Forest Management Standard above.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 8. Public Land Management Responsibilities To participate and implement sustainable forest management on public lands.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff.</p> <p>Summary: Hampton's US operations do not have any public land management responsibilities. However, Hampton does have an employee dedicated to serving on 5 of 7 management collaboratives who propose and oversee management activities in US Federally owner forest lands.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 9. Communications and Public Reporting To increase transparency and to annually report progress on conformance with the SFI Fiber Sourcing Standard.</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Please see Objective 16 in the SFI FM section.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i></p>	
<p>Objective 10. Management Review and Continual Improvement 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,</p>	<p>Evidence: Interviews with Hampton foresters and administrative staff. Field Inspections.</p> <p>Summary: Please see Objective 17 of the Forest Management Standard above.</p>

wildlife and biological diversity.	
<i>No Nonconformities or Opportunities for Improvement were identified related to this performance measure.</i>	
Objective 11. Avoid Controversial Sources To manage the risk of sourcing fiber from controversial sources.	Evidence: Interviews with Hampton foresters and administrative staff. Review of Log Purchase Agreements, Hampton SFI Manual for Fiber Sourcing, Population of Current Cut-blocks (2022 Harvesting), Communication Records, and files for various Harvest Units. Field Inspections. Summary: Hampton tracks volume, logger, landowner and certification status through LIMS. Hampton requires an that All logs must have an associated FPA number prior to purchase. Load volumes are reviewed by scalers in the mill yard for verification and reported monthly for all mills.
<i>No Nonconformities was identified related to this performance measure. One Opportunity for Improvement was identified:</i> <ul style="list-style-type: none"> While Hampton has many of the steps in place associated with a due diligence system (“DDS”), there is no formal risk assessment procedure or risk assessment at the present time for their US operations. Hampton should create a risk assessment and other DDS procedure meeting all indicators required by Objective 11 of the SFI FS Standard. This would include a risk classification for any log purchased. 	

Specific Good Management Practices are noted below:

- Stratus integration and adoption by the foresters, workflow is in one place and soon to be consistent across the ownership. The integration of all activities into one accessible database will increase work efficiencies and assist in the realization of company goals in adherence to the SFI Standards.
- Hampton has adopted a comprehensive Wildlife and Diversity Management Plan created by a professional wildlife biologist and her team. The Wildlife and Diversity Management Plan is augmented by a GIS layer booklet with specific regional wildlife information the foresters.
- Minimization of chemical applications to once per unit and sometimes none. On one site, HFP showed that the site preparation followed by release regimen is not obligatory but that the chemical applications are thoughtful and intentional.
- The company’s recognition of the importance of public engagement as evidenced by three positions whose purpose is to engage in forest collaboratives, public education, and public relations.
- The forestry talent that Hampton has been able to attract and retain in Sedro-Woolley is highly trained and very experienced.

Conclusion

The Company has maintained conformance with the requirements of the Sustainable Forestry Initiative 2022 Fiber Sourcing Standard and Sustainable Forestry Initiative 2022 Forest Management Standard. The Certificate can be obtained by contacting Mark Vroman of Hampton Resources Inc. at (503) 365-8400. More information on Hampton’s sustainable forestry program can be found at: <http://www.hamptonlumber.com/>.

The next SFI Assessment will be a Maintenance Assessment in the Fall of 2023, the registration expires on August 12, 2025.