



4th surveillance

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for the following certified forest area(s):¹

Forests management districts no. 5, 6, 9, 14, 15 and 16 in Newfoundland



The mark of
responsible forestry
FSC® A000519

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¹ In the case of group certification, the certificate holder is the group manager and the region in which the group is located must be specified.

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1.0 DESCRIPTION OF EVALUATION

| | |
|----------------------------------|---------------------------------------|
| Evaluation dates: | July 4, 2016 |
| Task | Person days (excluding travel) |
| Pre-evaluation | |
| Preparatory Work | 6 days |
| Documents, Records and Fieldwork | 7 days |
| Stakeholder Interviews | 2 days |
| TOTAL | 15 days |

EVALUATION TEAM

Lead auditor: Daniel Martin, ing.f.

Daniel Martin is a consultant offering specialized services in sustainable forest management, chain of custody and environmental management system certification. Daniel is a registered Forest Engineer in the Province of Quebec (11-014) and is an ISO 14001 lead assessor and a FSC® FM lead auditor. He has conducted more than 40 FSC FM audits in the Maritimes, Boreal and Great Lakes/St-Lawrence forest types.

He has experience in the forest industry as a supervisor and manager, specifically in silviculture, harvesting and fiber procurement for sawmills in New Brunswick and Nova Scotia. Furthermore, Daniel has cumulated experience in the management of an engineered wood products facility in the province of Quebec and he was a lecturer at the *Université de Moncton*. These experiences have allowed for development of skills ranging from forest management, health and safety, budgeting, contract negotiations and human resource management.

Auditor: Dominic Lessard, ing.f.

Dominic Lessard is the Technical Manager - FSC Program for SAI Global. He holds a Bachelor's degree in forestry from Laval University and completed a master's degree in Environmental Science at the University of Québec in Montréal. He is a registered forest engineer with 10 years of experience working in the provinces of Quebec and British Columbia. Prior to joining SAI Global, Dominic successfully ran his own consulting firm offering forest certification services to a broad range of private companies and NGOs. He is a qualified Professional Project Manager (PMP) and lead auditor for the verification of FSC forest management and chain of custody standard, having performed more than 80 audits in the last five years.

Technical expert: N/A

Observer: N/A

1.1.1 Itinerary

Monday, July 4, 2016 – Opening meeting at the CBPPL forestry office in Corner Brook. We reviewed the scope of the audit as well as the scope of the certificate. CBPPL staff presented an overview of the company operations and activities since the previous audit, as well as any applicable changes. The audit team planned the field visit for the next day.

Tuesday, July 5, 2016 – Field visit. Interview with stakeholders.

Wednesday, July 5, 2016 – Follow-up on observations from the field visit of the previous day. Interview with stakeholders and office audit. In the evening, the audit team witnessed a Public Advisory Committee (PAC) meeting. After the meeting, the auditors had the opportunity to discuss, in private, with the members of the PAC.

Thursday, July 6 2016 – Office audit. Interview with stakeholders in the evening.

Friday, July 7, 2016 – Wrap up of the audit in the morning. Closing meeting was held at 11:30.

1.1.2 Approach

The evaluation consisted in:

- A stakeholder consultation was launched in May 2016 to obtain input from interested and affected stakeholders.
- Review of documents and records, interviews with management personnel at the Corner Brook forestry office.
- Field visits where meetings were held with field supervisors and operators; for logistical reasons and travel efficiency. Inspection of water crossings. Inspection of past harvest sites as well as an overview of the landscape.
- Meetings with stakeholders.

1.1.3 Selected FMUs and Rationale

CBPPL had made the list of all activities that were taking place at the time of the audit as well as location of HCVF present in the different FMU's. The sites were selected by the audit team based on the activity type and the location that would allow covering all selected sites in the most effective way. The audit team decided to include District 14 in the sample because CBPPL did not have activities on that district for a number of years.

On active sites workers performing task were interviewed as well as contractor supervisors and CBPPL staff. The scope of the interviews covered, among other things, the worker's knowledge of the work instructions applicable to their activities and to the FSC standard, Health and Safety, working conditions and knowledge of FSC.

1.1.4 Sites Visited

| Sites visited | | | | |
|-----------------|--------|----------------|--|---|
| Management unit | Site # | Location | Activities audited | Indicators assessed |
| District 14 | K14-64 | Crabbe's River | <ul style="list-style-type: none"> • Road construction • Harvesting (harvester) • Water crossing installation • Supervision (Monitoring) • Species at risk • HCV protection measures (Pine Marten protection) • Training • Emergency response plan • Hazardous waste material disposal • Stakeholder (cottages/cabin) • Workers conditions • Implementation of SOPs • Service truck • Fuel supply (external supplier) • 6 persons interviewed -Log truck driver -Fuel truck driver (external supplier) -Mechanic -Excavator operator -Harvester operator -1 Supervisor | <ul style="list-style-type: none"> FSC 1.5 FSC 4.1 FSC 4.2 FSC 4.3 FSC 4.2 FSC 6.2.6 FSC 6.3.10 FSC 6.5.1 FSC 6.7 FSC 7.3 FSC 8.2 FSC 9.3 |
| District 15 | K15-66 | Pynn's Brook | <ul style="list-style-type: none"> • Road construction • Harvesting (Feller-buncher/processor) • Supervision (Monitoring) • Species at risk • HCV protection measures (Pine Marten, Water quality protection) • Training • Emergency response plan • Hazardous waste material disposal • Workers conditions • Implementation of SOPs • Service truck • Fuel truck • 6 persons interviewed -2 Harvester operators -1 Feller-buncher operator -2 Mechanic (sub-foreman) -1 Supervisor | <ul style="list-style-type: none"> FSC 1.5 FSC 4.1 FSC 4.2 FSC 4.3 FSC 4.2 FSC 6.2.6 FSC 6.3.10 FSC 6.5.1 FSC 6.7 FSC 7.3 FSC 8.2 FSC 9.3 |

| | | | |
|-------------|-------------|---|---|
| District 15 | Camp 153 | <ul style="list-style-type: none"> • Harvesting (harvester) • Processor • Supervision (Monitoring) • Species at risk • HCV protection measures • Training • Emergency response plan • Hazardous waste material disposal • Workers conditions • Implementation of SOPs • Service truck • Fuel supply (external supplier) • 7 persons interviewed -Mechanic (1) -Harvester operator (5) - Supervisor (1) | <ul style="list-style-type: none"> FSC 1.5 FSC 4.1 FSC 4.2 FSC 4.3 FSC 4.2 FSC 6.2.6 FSC 6.3.10 FSC 6.5.1 FSC 6.7 FSC 7.3 FSC 8.2 FSC 9.3 |
| District 9 | Tommy's Arm | <ul style="list-style-type: none"> • Inspection of three water crossing installations • Interview with operator and contractor. • Follow-up on implementation of corrective action for a non-conformance from the previous surveillance audit. | <ul style="list-style-type: none"> FSC 8.2.6, 6.5 |

1.1.5 Description of the stakeholder consultation process

The stakeholder consultation process was initiated at the end of May 2016. The lead auditor used the SAI Global generic list of stakeholders. As well, a sample of stakeholders was chosen from the list provided by CBPPL. The initial stakeholder consultation consisted of sending out an email to stakeholders with an attached letter advising that the audit was taking place in July 2016. Following that email, further contacts were made with key stakeholders, as well as stakeholders that participated in the audit process in the past.

First Nations communities were also contacted as part of a separate consultation process.

A member of the Public Advisory Committee (PAC) requested to participate in the field visit as an observer. The observer was granted permission, as long as the person agreed to follow the requirements for an observer on a FSC FM audit. More information on the process is available on file at SAI Global.

The auditors got to witness a meeting of the PAC. After the meeting, the auditors got the opportunity to speak to the PAC members, without the presence of the company representatives.

1.1.6 Stakeholder contacted and inputs

| Stakeholders contacted | Number contacted | Provided input | Stakeholders contacted | Number contacted | Provided input |
|--|------------------|----------------|---|------------------|----------------|
| FSC National Initiative | 1 | | Representatives of forest-dwelling or forest-using communities | | |
| Provincial Department of Natural Resources / State Forest Service or equivalent | 10 | Yes | Labour organizations or unions of forestry sector workers | 1 | |
| Federal/National Agencies such as the Department of Fisheries and Oceans or equivalent. | 3 | | Contractors who provide services to the forest operation to be assessed | 3 | |
| Associations / Clubs / Outfitters | 24 | | Employees | | |
| Private stakeholders | 11 | | Municipalities | 7 | |
| NGOs that are active in respect to social or environmental aspects of forest management – National or Regional | 16 | Yes | International NGOs that have requested to be contacted in respect of evaluations in particular regions or countries | 2 | |
| Representatives of Indigenous Peoples | 6 | Yes | University/College | 5 | |
| Forest Industry | 1 | | | | |
| | | | | | |

Comments from stakeholders and SAI Global's response

Stakeholder consultation is an essential part of the FSC auditing process. SAI Global reached out to a variety of stakeholders, and a number of stakeholders signified their interest to participate in the audit. In order to maintain anonymity, the comments received and the concerns raised will be presented in no specific order.

Comments from stakeholder

Concerns were raised in regards to the fact that CBPPL presented a forest management plan with harvest blocks for the next period in District 6, specifically within the deferral area.

SAI Global's response

By interview, CBPPL explained that the mill needs a minimum proportion of spruce in their input fiber. This helps to reduce the production cost and improves the productivity of the mill. Furthermore, a higher spruce content will make a higher quality end product. District 6 contains a high proportion of spruce. The discussion are ongoing with the Forestry Services Branch as well as in the CBFA. The position of all parties involved is well known. By presenting this forest management plan in District 6, CBPPL have clearly made their position known as well.

Discussions are ongoing. The parties involved have all stated that they expect the process to come to a conclusion in December 2016. The audit team concluded that there is no non-conformance to the standard.

Comments from stakeholder

Stakeholders provided a comment regarding the map in the HCVF report for CBPPL. The map did not adequately represent the area set aside to meet the requirements of criterion 6.3.12

SAI Global's response

The auditors verified the map in the HCVF report and concluded that in fact, it needed to be corrected. A minor non-conformance was raised on this issue (NC 2016-01).

Comments from stakeholder

Concerns were raised in regards to firewood permits that are being provided to the citizens of the province.

SAI Global's response

Fire wood harvesting is part of the culture in Newfoundland. There is a heavy reliance on the availability of firewood for the citizens of the province. The auditors concluded that CBPPL is working to educate people. Firewood permits are provided in appropriate harvest blocks. The residual structure is maintained at the landscape level. Providing firewood permits may have an impact at the local level. We conclude that there is no non-compliance to the standard.

Comments from stakeholders

Concerns were raised on the harvest level per district on any given year. The concern is in regards to the concentration of harvesting in a district and the impact it can have.

SAI Global's response

By reviewing the progress report for 2015, the auditors conclude that the harvest levels are within the limits of the AAC. Although there are variance on any given year, on a span of 5 years, the harvest level for all 6 districts is 44% of the AAC. The highest district is at 83% (District 5) of the AAC and the lowest is at 1% (District 14). We conclude that there is no non-conformance to the standard.

1.1.7 Additional Evaluation Techniques

No additional evaluation techniques were used.

1.1.8 Pesticide use

| List of chemical pesticides used within the forest area: | | | |
|---|--------------------|-------------------|----------------|
| Product name | Quantity (l or Kg) | Treated areas ha. | Reason for use |
| No Chemical Pesticide used in 2015 and up to audit date in 2016 | 0 | 0 | |
| | | | |
| | | | |

1.1.9 Workers

| Workers (includes employees, seasonal workers of certificate holder and contractors) | | | | | |
|--|-----|-------|---------|-------|-------|
| Men | 192 | Women | 8 | Total | 200 |
| Number of accidents in since last audit | | | Serious | 2 | Fatal |
| | | | | | 0 |

1.1.10 Description of any significant changes in the management and/or harvesting methods

There were no significant changes observed in the management strategy and/or harvest methods.

2.0 STANDARD(S)

2.1 Standard Used

National Boreal Standard (Aug 2004)

You may get a copy of the standard at the following address:

<https://ca.fsc.org/fr-ca/fsc-certification/policy-and-standard-documents/forest-management-standards>

| | |
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| Revision to the standard since last audit: | N/A |
| Implication for the FMU: | N/A |

3.0 OBSERVATIONS

| PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES | |
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| Criterion 1.1 Compliance with national and local laws and administrative requirements. | |
| Comments (strengths/weakness) | |
| Criterion 1.2 Payment of fees, taxes etc. | |

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| Comments (strengths/weakness) | |
| Criterion 1.3 Compliance with international agreements | |
| Comments (strengths/weakness) | |
| Criterion 1.4 Documenting of conflicts with laws. | |
| Comments (strengths/weakness) | No new regulations applicable to the forestry operations. The company has documented the situations in which the compliance with the laws or regulations conflicts with compliance with FSC principles, criteria, or indicators. A letter was sent to FSC Canada in 2012 to identify those elements. |
| Criterion 1.5 Protection from illegal activities | |
| Comments (strengths/weakness) | Illegal activities are appropriately documented, reported and analyzed as described in the EMS SFM handbook Manual 1 Section 15. |
| Criterion 1.6 Adherence to FSC principles. | |
| Comments (strengths/weakness) | The Forest and Environmental Policy clearly identifies the company's commitment to FSC and its intention to protect and maintain the ecological integrity of the forest in the long-term. CBBPL is part of the Kruger's company. All FMUs under the responsibility of CBBPL are covered by the scope of the present certification. Kruger has since sold the sawmills in Quebec. They are no longer the certificate holder of the FMU's in Quebec certified to the FSC standard. |
| PRINCIPLE #2 TENURE AND USE RIGHTS AND REPSONSIBILITIES | |
| Criterion 2.1 Evidence of forest use rights. | |
| Comments (strengths/weakness) | |
| Criterion 2.2 Local communities with use rights can protect their rights and resources. | |
| Comments (strengths/weakness) | |
| Criterion 2.3 Appropriate mechanisms to resolve disputes. | |
| Comments (strengths/weakness) | A dispute resolution process is described in the public advisory committee (PAC) put in place for the CSA Z809 certification. The PAC terms of reference also include a statement that stipulate that "The PAC will be kept informed of outstanding disputes over tenure claim and use rights and can provide advisory input into the resolution". Some MOU's include a dispute resolution process (e. g. MOU with the NL outfitters). A verification of records as well as interviews with members of the Public Advisory Committee confirmed that there are no disputes on the certified lands. |
| PRINCIPLE #3 INDIGENOUS PEOPLES' RIGHTS | |
| Criterion 3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies. | |
| Comments | The following conclusion for the application of P3 in this case of certification |

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| (strengths/weakness) | <p>for the FMUs in the province of Newfoundland is based on:</p> <ul style="list-style-type: none"> • CBPPL's lawyer from the firm McInnis Cooper • Supreme Court of Canada, Appeal dismissed May 3 2007 • Newfoundland and Labrador - Heard: January 23 - February 6, 2006 / Judgment: October 11, 2006 <p>Information gathered through the court decision review and interviews confirm that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas.</p> <p>Aboriginal People knowledge of sustainable forest management will be taken into account in the development of CBPPL's Sustainable Forest Management Plan. This will be achieved through active participation of Aboriginal People on the Public Advisory Committee (PAC) or other direct involvement with the interested communities. It is important, therefore, that the target of representation of the Aboriginal People on the PAC is maintained or through other means of communication.</p> <p>We conclude that the court ruling makes C3.1 and C3.2 not applicable. C3.1 makes a clear reference to the lands and territories.</p> <p>The intent of C3.1 defines Land and territories of the indigenous people as:</p> <ol style="list-style-type: none"> 1) Those areas where Aboriginal title still exists, that is where no treaties are in place (such lands may be subject to a formal land claim); and, 2) Those areas subject to historical (pre-Confederation and post-Confederation) or modern-day treaties. <p>Our understanding of C3.1 is to the effect the no land title exists, no treaties are in in place and there is no land claim.</p> <p>C3.2 relates to the impact that forest management may have on the resources or tenures right. The court ruling is clear about the rights of indigenous tenures rights and resources. QMI SAI Global is not making at this point an interpretation of the Court ruling but only considers it as valid and unbiased information to make its decision.</p> |
| <p>Criterion 3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of Indigenous Peoples.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Based on the Supreme court ruling May 3, 2007 the auditor concludes that this section of the standard is not applicable. Ruling concludes that Refer to the Supreme court ruling May 3, 2007</p> |
| <p>Criterion 3.3 Sites of special cultural, ecological, economic or religious significance to Indigenous People(s) shall be clearly identified in cooperation with such Peoples, and recognized and protected by forest managers.</p> | |
| <p>Comments (strengths/weakness)</p> | |
| <p>Criterion 3.4 Indigenous Peoples shall be compensated for the application of their traditional</p> | |

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| knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence. | |
| Comments (strengths/weakness) | |
| PRINCIPLE 4 COMMUNITY RELATIONS AND FOREST WORKERS' RIGHTS | |
| Criterion 4.1 The communities within or adjacent to the forest management area should be given the opportunity for employment, training, and other services. | |
| Comments (strengths/weakness) | |
| Criterion 4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families. | |
| Comments (strengths/weakness) | <p>All workers are covered by the provincial WHSCC. The collective agreement has provision for extra provincial coverage such as dental plan, life insurance and short-term disability.</p> <p>All contractors must sign an annual contract. Section 9 covers the requirements for maintaining liability insurance during the term of the contract. This validity of this insurance is also verified when the inspection no 2 are completed (See item 9-0-3 on the Jobsite Health and Safety Compliance inspection).</p> <p>Records for all contractors are kept by General operation superintendent.</p> |
| Criterion 4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organization (ILO). | |
| Comments (strengths/weakness) | |
| Criterion 4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups directly affected by management operations. | |
| Comments (strengths/weakness) | <p>CBPPL rely on a Public Advisory Committee to obtain feedback from stakeholder on an ongoing basis. They also are a signatory party of the Boreal Forest Agreement. Stakeholders are also consulted as required during the planning and implementation of forest management activities. This was highlighted as a very positive points by some members of the PAC who have participated in the stakeholder consultation process with CBPPL. The audit verified consultations with outfitters as well as harmonization measures that were implemented following these consultations. Stakeholders are invited to participate through the Public advisory committee (PAC) under the CSA Z-809 certification. The input provided by the PAC is essential to the long-term management objective of the DFA. The committee monitors progress and provide input that contributes to the achievement of fair, equitable, and effective forest management decisions. Auditor participated in a PAC meeting on July 6 2016.</p> <p>All 5 year operating plans contain a section where comments are documented. The status of each comment is documented along with the any</p> |

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| | <p>required follow-up.</p> <p>CBPPL has in place a whistle blower policy. This policy ensures that a complainant may, in good faith, report an issue or concern in connection with a serious violation. The Company encourages its employees, contractors, and consultants to feel comfortable in raising serious concerns. It will also strive to provide feedback on any action taken as a result of a complaint. The awareness of the policy by forest workers was confirmed by interview during the field visit.</p> <p>Examples of a serious violation may include but are not limited to:</p> <ul style="list-style-type: none"> • A criminal offence • A danger to the health and safety of any individual • An environmental concern • The breach of legal obligation <p>A disagreement still persists between CBPPL and MFN in regards to forest management activities in a part of District 6 (which overlaps with MFN traditional territories). The commitment to defer harvesting in the area is maintained by the Company. CBPPL have agreed to a deferral of harvesting until 31 Dec 2016 in the traditional land use area that intersects with District 6. This deferral is creating confusion among stakeholders. Although CBPPL have agreed to a deferral, they have also deposited a management plan in District 6 for the upcoming period. CBPPL need a proportion of spruce to meet required paper grades and for their production process. District 6 has a high proportion of spruce. This is under discussion with the MNR, as well as in the CBFA process. The expectation by all parties is that an agreement will be in place by the end of December 2016.</p> <p>This is an ongoing discussion that must continue.</p> |
| <p>Criterion 4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.</p> | |
| <p>Comments (strengths/weakness)</p> | |
| <p>PRINCIPLE 5 BENEFITS FROM THE FOREST</p> | |
| <p>Criterion 5.1 Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>The annual budget is prepared by Corner Brook management staff and presented to the finance chief officer in Montreal for approval. Once the budget is approved, the Kruger treasury in Montreal allocates the funds needed to support the operations. All discrepancies to the budgeted forecast must approved by Kruger treasury.</p> <p>The budget is reviewed on a monthly basis and forecasts are recalculated every 3 months.</p> |

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| Criterion 5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products. | |
| Comments (strengths/weakness) | <p>Sales of products and sawlogs exchanges with other operations and landowners are tracked and records are available.</p> <p>On site harvesting procedures and monitoring requires that sawlogs be sorted out and delivered to sawmilling operations, when in close proximity and there is demand for such products. Sawmilling activities have drastically decreased in the province over the past years but CBPPL have maintained sawlog exchanges with the sawmills.</p> |
| Criterion 5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources. | |
| Comments (strengths/weakness) | <p>Damage to residual stand is not significant. Field visits has demonstrated that it is not an issue since the company is managing softwood stands with few partial or progressive cutting methods.</p> <p>See 6.3.10 conclusions on residual structure maintenance.</p> |
| Criterion 5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product. | |
| Comments (strengths/weakness) | <p>Agreements are implemented with sawmills. Agreements are also in place with outfitters. Representatives of the outfitting industry have as seat on the PAC. The PAC is a meaningful way for stakeholders to participate in setting of objectives and follow-up on implementation.</p> |
| Criterion 5.5 Forest management operations shall recognize, maintain, and where appropriate, enhance the value of forest services and resources, such as watersheds and fisheries. | |
| Comments (strengths/weakness) | <p>Through its environmental management system and its sustainable forest management plan, CBPPL has put in place a monitoring program that allows to control and measure the effectiveness of the various protection measures put in place to protect non-timber forest values. These protection measures are also verified during external audits.</p> <p>Field visits during this surveillance audit have demonstrated that CBPPL has an efficient monitoring system. See section 4.3.2 of the audit report for the list of evaluation sites selected.</p> <p>Table 7 of the HCVF report demonstrates the link and relation between the management strategies and measures selected to maintain or restore High Conservation Values are consistent with a precautionary approach, and with respect to each conservation attribute.</p> |
| Criterion 5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained. | |
| Comments (strengths/weakness) | <p>The Sustainable Forest Management Plan's target is to harvest no more than 100% of the annual allowable cut over a five-year period.</p> <p>This indicator is tracked by the PAC. Information is available in the annual progress report. The harvest level is below 100% of the AAC.</p> |
| PRINCIPLE 6 ENVIRONMENTAL IMPACT | |

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| Criterion 6.1 Environmental impact assessments. | |
| Comments (strengths/weakness) | <p>A pre-industrial forest assessment has been written (Brown and Wells 2011, The Pre-industrial Condition of the Forest Limits of Corner Brook Pulp and Paper Limited) that describes current forest attributes and back casts to estimate conditions in the pre-industrial era. The forest is managed to limit the level of departure from the PIC conditions. The EMS system and the SFM plan identify potential impacts of forestry activities and monitor them. In addition, the five years plan must now go through the provincial Impact Assessment Process, which evaluates the environmental, social and economic impacts of forest management activities at the landscape level.</p> |
| Criterion 6.2 Safeguards must exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). | |
| Comments (strengths/weakness) | <p>Rare and endangered species are identified in the HCVF report and are classified as: Species of global significant, Species of national significance and species of importance on the island of Newfoundland. Species occurrence and habitats are recorded in a georeferenced database managed by the Atlantic Canada Center for Data (ACCDC), which is then used by the Forest Service Branch and CBPPL when planning operations.</p> <p>However, it has been found that CBPPL is not reporting species at risk occurrences to ACCDC to keep the database current. A minor NC was raised on this issued. Species at risk likely to be observed by the operators are summarised in a document made available for training to the field operators.</p> <p>Management strategy is developed and implemented as part of the HCVF plan in order to protect habitats for species at risk. No issues related to illegal activities and species at risk have been identified.</p> |
| Criterion 6.3 Ecological functions and values shall be maintained intact, enhanced or restored. | |
| Comments (strengths/weakness) | <p>CBPPL use the spatial modeling software Woodstock and Stanley for long term planning. The system takes into consideration, forest age, intact habitat, species composition, remoteness. Field audit and inspection report demonstrate that planning takes into consideration the vegetation types, soil types etc.</p> <p>CBPPL has an Access Management Plan, where the values of the forest identified by all stakeholders, the impact of forest access roads on these values, and a management strategy to eliminate or minimize any negative impacts are listed. Regeneration is assessed for all areas being harvested and timely regeneration occurs. Wildlife habitat and other resources are taken into account at the planning.</p> <p>As part of the evaluation process for harvesting plans, wildlife specialists recommend no-cut corridors to ensure the many species of wildlife have sufficient cover to move around the landscape. These corridors are temporal in nature and have little impact on timber supply. Leave patches identified by contractors, buffer regimes, identified wildlife corridors, deferral areas, and other mandated leave areas (Caribou core areas, and Pine Martin</p> |

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| | <p>habitat blocks) are used by CBPPL planners to maintain connectivity between important wildlife habitats.</p> <p>A pre harvest residual retention planning SOP has been reviewed and is used in the planning activities. Information from the Leave Area Analysis report shows that leave areas vary between 32 to 64 %.</p> <p>CBPPL has designated five large areas to comply with requirement 6.3.12: Cat Arm (27,487 ha) in District 16; Hampton Downs (33737 ha) in District 9; Grand Lake South (1,334 ha) in District 15; Bay D'Espoir 1 & 2 (63060 ha) in District 6. The areas were chosen using a set of criteria listed at Annex 9 of the HCVF report. They all qualify as large, undisturbed, mature forests as required by the standard. However, they only represent 9% (131834 ha.) of the FMU, which is below the minimum 20% required. In addition, the applicant has not demonstrated that they are representative of the land base and that all operations have been deferred in these blocks. A minor NCR is issued.</p> |
| <p>Criterion 6.4 Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</p> | |
| <p>Comments (strengths/weakness)</p> | |
| <p>Criterion 6.5 Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p> | |
| <p>Comments (strengths/weakness)</p> | |
| <p>Criterion 6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>CBPPL has developed an Integrated Pest Management Plan (2013-2017) and has linked it to the five year and annual Operating plans. CBPPL works with the Provincial Department of Natural Resources (DNR) to experiment and develop alternate methods of vegetation control. CBPPL is committed to looking for ways to reduce and ultimately stop the use of herbicide as a vegetation control method. Statistic on herbicide use show a clear downward trend since 2007 (536 ha back then, compare to 320 ha today), which confirm CBPPL commitment in this regard.</p> |
| <p>Criterion 6.7 Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>The EMS system is very complete and appropriate for the management of petroleum product, their handling, their storage and proper disposition of used oils and contaminated soils.</p> <p>Field visits confirmed that the EMS is fully implemented and that workers handling chemicals and other chemical such as fuel had been trained.</p> |

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| <p>Criterion 6.8 Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>All applications of Biological control agents are carried out by the Provincial Department of Natural Resources in accordance with all applicable laws.</p> <p>Records of application rest with DNR as they are responsible for the pest management program for the province.</p> |
| <p>Criterion 6.9 The use of exotic species is carefully controlled and actively monitored to avoid adverse ecological impacts.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>CBPPL made the decision to stop planting Norway spruce in 2013. It has not been used since. The first plantation of Norway spruce dates back to 1991.</p> <p>Trees are not mature. Monitoring <u>th</u>is program is to be visual when appropriate.</p> <p>Some experimental planting (less than 1ha) took place in the early 80's. Trees are producing seed but the seeds are not germinating noted from field observations 2015.</p> <p>CBPPL is using a locally adapted seed source to stabilize banks at stream crossings.</p> |
| <p>Criterion 6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</p> <p>a. Entails a very limited portion of the forest management unit; and</p> <p>b. Does not occur on high conservation value forest areas; (HCVF) and</p> <p>c. Will enable clear, sustainable, additional, secure long-term conservation benefits across the forest management unit.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Comparison of planned harvest versus cutover confirmed that CBPPL does not convert forest to non-forest land_beyond what is permitted in approved plans for roads, trails, landings, gravel pits and camps. Mineral exploration permits issued by the Province are referred to CBPPL in order to identify any conflicts.</p> <p>Cabin Development - The Provincial Government issues Licenses to Occupy (LTO) Crown land to individuals for recreational cottage development on public lands throughout the Province, including the certified FMUs. All applications for LTO's on the DFA are referred to CBPPL for review and comment. CBPPL works with Crown Lands staff to accommodate these cottages on the DFA in areas where there is no conflict with the Company's operations or forest management activities.</p> |
| <p>PRINCIPLE 7 MANAGEMENT PLAN</p> | |
| <p>Criterion 7.1 Content of management plan.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>There are 6 FMP that regroup Licences allocated to CBBPL (14+15, 16+9 and 5+6). The plans cover the period 2014-2018 for District 14 and 15 and 2017-2021 for districts 9 and 16 and 5 and 6.</p> |

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| | <p>The available management plan documents include:</p> <ul style="list-style-type: none"> - A sustainable forest management plan covering the forest management planning framework for all the DFA, 5 year operational plans for each of the districts. Annual operating plans. - A new AAC is for all districts is being finalized and will be available at the end of 2016. <p>The plans cover adequately all the information required by the criterion.</p> |
| <p>Criterion 7.2 The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Operational management plans are revised every 5 years and integrate new developments and revised AACs. Zone 6 management plan is dated – 2014 – 2018.</p> <p>District management plans are being revised every 5 years. The current plans for districts 14, 15 are valid until 2018. New plans are currently being developed for districts 5, 6, 9 & 16. The new planning process integrates the updated inventory information related to the land base, the latest knowledge on silvicultural research, the new management strategies and the results of the public consultation process. It also integrates the latest modelling techniques for emulating the various variables over time to be integrated in the general model.</p> |
| <p>Criterion 7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Staff are trained and updated on a regular basis with management plan operational issues. Field monitoring well implemented and is performed on site through various inspection tools developed in the Environmental management system.</p> <p>An annual training programme is in place through an induction prior to the beginning of the operations. Meeting with field contractors showed that they have a good understanding and knowledge of SOPs and their implication with regards to the FSC process.</p> |
| <p>Criterion 7.4 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Summary of the forest management plan is available to the public on the company website. The summary covers all key elements of the management plan.</p> <p>http://www.cbpppl.com/wp-content/uploads/2016/05/CBPPL-Woodlands-SFM-Planv5.pdf</p> |
| <p>PRINCIPLE 8 MONITORING AND ASSESSMENT</p> | |
| <p>Criterion 8.1 Frequency and intensity of monitoring.</p> | |
| <p>Comments</p> | |

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| (strengths/weakness) | |
| <p>Criterion 8.2 Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators:</p> <p>a) Yield of all forest products harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity, and efficiency of forest management.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Annual yield of timber is being monitored and reported in the Indicator report. Indicator 2.2.2 – Forest Ecosystem Productivity – Annual Allowable Cut Harvested. Target is to harvest 100% of the annual allowable cut over a five year period.</p> <p>CBPPL contribute financially to the DNR program for regeneration and growth rate improvement of the database. For the 2-5 years regeneration surveys, CBPPL complete the survey and supply the information to the DNR. The results show that 98,7% of the sites surveyed were adequately stocked either by natural regeneration or by planting, or is scheduled for planting in 2015.</p> <p>CBPPL contracted the Atlantic Canada Conservation Data Centre (ACCDC) to conduct a GIS analysis to determine the rare birds, listed plants (candidates for COSEWIC), and rare plants that occur on CBPPL defined forest area (DFA). This information was used to confirm the occurrence on the DFA of a species on either of these lists. Using the sources of information suggested in the HCVF National Framework, lists of globally-, nationally-, and provincially-listed species were assembled. Of the species that occur on insular Newfoundland that have been globally ranked by NatureServe and ACCDC as G1 or G2, by CITES, and by IUCN, only 5 were confirmed by ACCDC as occurring on the DFA. These species were all assessed and determined to be HCV. Even though boreal felt lichen was not recorded as occurring on the DFA, CBPPL included it in the species to be assessed, and it was assessed as HCV. There were 11 species on the DFA listed in Schedules 1, 2, and 3 of the Species at Risk Act (national), and 14 species on the DFA listed under the Newfoundland and Labrador Endangered Species Act, all of which were assessed HCV or Possible HCV. If any S1-S3 species occur inside areas that are proposed for harvest, protection measures are included in the conditions of approval to operate. A Botanist with the Endangered Species and Biodiversity section, has indicated that these S1-S3 species occur in very specific habitats; many are found along rivers and would be protected by the current minimum 20m buffers required in the Environmental Protection Guidelines (EPG). Others are found in serpentine or limestone areas (talus slopes) which have already been assessed as HCVs. The HCV assessment report is updated annually and was reviewed as part of this audit.</p> <p>The Planning Department of CBPPL works closely with the Wildlife Division before the EA process, to identify potential areas of concern for rare species (legislated or not), so that mitigation measures can be built in to the 5-Year Operating Plans.</p> <p>The budget covers all the financial resources needed to support forest management and wood procurement activities needed by the mill.</p> <p>During the S4 audit, the auditors followed up on implementation of the</p> |

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| | <p>corrective action plan for the minor non-conformance raised during the previous audit. A field visit was conducted and stream crossings were inspected. The auditors concluded that the corrective action plan was not effectively implemented and this non-conformance was escalated to the level of major and became NC 2016-02.</p> <p>CBPPL was provided with a period of 30 days to demonstrated effective implementation of the proposed corrective action plan.</p> <p>CBPPL provided the following objective evidence of implementation of the corrective action plan for the following stream crossing installations:</p> <ul style="list-style-type: none"> • Crabbes River #1, #3, #5 • Jonathan's Pond #1, #2, #3 • Taylor's Brook #1, #2, #3, #4 <p>Evidence packages included pictures of the installations (input, output, no grub zones, depth of fill, use of rip rap, prevention of sedimentation, ...), Road inspection forms, culvert installation checklists, completed by the operators and verified by CBPPL, Stream Crossing Installation information sheet and maps of the area of the installation.</p> <p>Verification of each evidence package allows to conclude that the corrective action plan has been adequately implemented.</p> <p>On August 10 2016, follow the review of the objective evidence provided by the company, the audit team concluded that the NC can be closed.</p> |
| <p>Criterion 8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."</p> | |
| <p>Comments (strengths/weakness)</p> | <p>A load slip is issued to the truckers by a computerized system allows tracking the trucks from their origin to the delivery point at the mill (truck scale). By law, no deliveries from forest to mill can be made if a load slip is not issued and carried along with the wood load. Also, no receiving of raw material can be made at the mill if the trucker doesn't have a contract number. FSB also confirmed that random road checks are performed by conservation officer to ensure that all wood truck are carrying a load slip.</p> |
| <p>Criterion 8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>Annual review of all aspects of the monitoring program is performed through the EMS process of management review.</p> |
| <p>Criterion 8.5 While respecting the confidentiality of some information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.</p> | |
| <p>Comments (strengths/weakness)</p> | <p>CBPPL makes available on its website the Woodland Monitoring Plan, CBPPL Monitoring Plan and the results of its SFM Indicator Report.</p> |
| <p>PRINCIPLE 9 HIGH CONSERVATION VALUE FORESTS</p> | |

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| Criterion 9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to the scale and intensity of forest management. | |
| Comments (strengths/weakness) | <p>The HCVF report has been reviewed and republished in June 2016.</p> <p>Changes include conservation data on species identified at the following sources of information:</p> <ul style="list-style-type: none"> - NL Wildlife Division personnel and data, SSAC Species Status Report, CITES, COSEWIC, Nature Serve Explorer Accessed, Atlantic Canada Conservation Data Centre. <p>The initial HCVF report was reviewed externally. Management objective and strategies were reviewed, indicator and threshold added and monitoring reviewed or added for some values.</p> <p>Means of verification of the effectiveness of the strategies were added (see table 7 of the report). Subsequent revisions have not been reviewed externally, but many provincial and local experts have contributed to these revisions. Revisions have been submitted for comment to stakeholders.</p> |
| Criterion 9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof. | |
| Comments (strengths/weakness) | As part of the annual review process, Emails were sent out to stakeholders (including FN communities of Qalipu and MFN). The only response back was from CPAWS. |
| Criterion 9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary. | |
| Comments (strengths/weakness) | CBPPL Forest management plan summary incorporate a reference to HCVF report that will guide the reader the content and information about the Specific measure to maintain or enhance the applicable high conservation. |
| Criterion 9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes. | |
| Comments (strengths/weakness) | The HCV monitoring program is effectively implemented. CBPPL refers to various experts, organizations, interested party to confirm the effectiveness of their protection measures for HCVs "affected" by recent forest management activities. The audit allowed to confirm this through the review of correspondence with Canadian Wildlife Service, Environment Canada and by interview. There have been no instances of increased risk to identified HCVs. Processes are in place to adjust management strategy. |
| PRINCIPLE10 – PLANTATIONS | |
| Criterion 10.1 The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan. | |
| Comments (strengths/weakness) | |

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| <p>Criterion 10.2 The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.3 Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.4 The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.5 A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.6 Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.7 Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.</p> | |
| Comments (strengths/weakness) | |
| <p>Criterion 10.8 Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts (e.g., natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and</p> | |

social well-being), in addition to those elements addressed in Principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.

Comments
(strengths/weakness)

Criterion 10.9 Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly for such conversion.

Comments
(strengths/weakness)

3.1 Observations on review and resolution of complaint raised by stakeholder with the certificate holder or with the certification body since the previous evaluation

There are no complaints raised by stakeholders with the certificate holder.

3.2 Summarized progress in implementing the conditions related to any approved pesticide derogation.

N/A

4.0 SURVEILLANCE DECISION

4.1 Follow-up on Non-conformitie(s) from previous audit

| NC# | 2015-02 | Grade- Major/Minor | Minor |
|---|---------|--------------------|-------|
| Requirement: | | | |
| 8.2.6 – The applicant monitors environmental impacts of forest management activities assessment in accordance with (but not necessarily limited to) Criterion 6.5. | | | |
| Non-conformance: | | | |
| Monitoring of the environmental program on Road Construction and water crossing installation and the related SOPs was not efficient. | | | |
| Objective evidence: | | | |
| Field visit. Review of records. | | | |
| Monitoring failed to identify inadequate implementation of SOP on culvert installation (R02 : Steel culvert and pipe arch installation). | | | |
| Justification for Major or Minor | | | |
| During the field visit, in several instances, it was observed that stabilization on water crossing installations was not efficient to prevent siltation. The audit concluded that the monitoring program was not effective in identifying these issues. We consider this NCR as minor because it does not result in a fundamental failure of the monitoring system. Monitoring of stream crossing installations is a part of the entire monitoring program. | | | |

| Evidence provided to close the non-conformance | |
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| Refer to NC 2016-02 below. | |
| Status Closed or Open | Closed on August 10 2016. |

4.2 Non-Conformitie(s) from present audit

| NC# | 2016-01 | Grade- Major/Minor | Minor |
|--|---------|--------------------|-------|
| Requirement: | | | |
| 6.1.3 The applicant has assembled relevant and current inventory information to serve as a context for regional and landscape level impact assessment. | | | |
| Non-conformance: | | | |
| CBPPL HCVF Assessment Report Map 6 provided misleading mapping on areas to meet the criteria of FSC clause 6.3.12. | | | |
| Objective evidence: High Conservation Value report, August 2015 – Version 4, Map 6, page 104. | | | |
| Justification for Major or Minor | | | |
| This non-conformance is considered minor because it is a temporary lapse, the impacts of the non-conformity are limited in their temporal and spatial scale and it does not result in a fundamental failure to achieve the objective of the relevant FSC criterion or another certification requirement. | | | |
| Evidence provided to close the non-conformity | | | |
| A root cause analysis and corrective action plan have been provided to SAI Global. Follow-up on implementation of the corrective action plan shall be done at the next audit (scheduled for February 2017). | | | |
| Status Closed/Open | Open | | |

| NC# | 2016-02 | Grade- Major/Minor | Major |
|--|---------|--------------------|-------|
| Requirement: | | | |
| Refer to NC 2015-02 above (from the previous audit). | | | |
| 8.2.6 – The applicant monitors environmental impacts of forest management activities assessment in accordance with (but not necessarily limited to) Criterion 6.5. | | | |
| Non-conformance: | | | |
| Monitoring of the environmental program on Road Construction and water crossing installation and the related SOPs was not efficient. | | | |
| Objective evidence: | | | |
| Field visit. Review of records. | | | |
| Monitoring failed to identify inadequate implementation of SOP on culvert installation (R02 : Steel culvert and pipe arch installation). | | | |

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| Justification for Major or Minor | |
| This non-conformance is raised at the level of major because CBPPL failed to fully implement the corrective action plan from the previous audit. It is a minor raised in the S3 (2015 audit) that has been raised to the level of major during the S4 (2016 audit). | |
| Evidence provided to close the non-conformity | |
| <p>During the S4 audit, the auditors followed up on implementation of the corrective action plan for this non-conformance. A field visit was conducted and stream crossings were inspected. The auditors concluded that the corrective action plan was not effectively implemented and this non-conformance was escalated to the level of major and became NC 2016-02.</p> <p>CBPPL was provided with a period of 30 days to demonstrated effective implementation of the proposed corrective action plan.</p> <p>CBPPL provided the following objective evidence of implementation of the corrective action plan for the following stream crossing installations:</p> <ul style="list-style-type: none"> • Crabbes River #1, #3, #5 • Jonathan's Pond #1, #2, #3 • Taylor's Brook #1, #2, #3, #4 <p>Evidence packages included pictures of the installations (input, output, no grub zones, depth of fill, use of rip rap, prevention of sedimentation, ...), Road inspection forms, culvert installation checklists, completed by the operators and verified by CBPPL, Stream Crossing Installation information sheet and maps of the area of the installation.</p> <p>Verification of each evidence package allows to conclude that the corrective action plan has been adequately implemented.</p> <p>We consider this NC as being closed.</p> | |
| Status Closed/Open | Closed on August 10 2016. |

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| NC# | 2016-03 | Grade- Major/Minor | Minor |
| Requirement: | | | |
| 6.2.2 Habitats of species at risk known or believed to exist within the forest are identified by field surveys or other means and delineated on maps. | | | |
| Non-conformance: | | | |
| Information regarding species at risk collected by the organization is not being reported to the authority responsible for mapping habitats and occurrences of these species. | | | |
| Justification for Major or Minor | | | |
| This non-conformance is raised at the level of minor because it does not represent a fundamental failure to meet the objectives at the criterion level. | | | |
| Evidence provided to close the non-conformity | | | |
| A root cause analysis and corrective action plan have been provided to SAI Global. Follow-up on implementation of the corrective action plan shall be done at the next audit (scheduled for February 2017). | | | |
| Status Closed/Open | Open | | |

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|--|----------------|---------------------------|--------------|
| NC# | 2016-04 | Grade- Major/Minor | Minor |
| Requirement: | | | |
| 6.3.12 Large areas (thousands of hectares) of contiguous core forest habitat, representative of the habitat types of the land base, exist and are maintained in the management unit. The proportion of the management unit in large areas of core is guided by the outcome of the pre-industrial forest condition analysis and by a target of maintaining at least 20% of the forest management unit. Large cores consist primarily of mature and old-forest, but may also contain inclusions of up to 5% recently disturbed forest. | | | |
| Non-conformance: | | | |
| The organization has not provided evidence that it is maintaining at least 20% of the forest management unit in large areas of mature forest that are undisturbed and representative of the land base. | | | |
| Justification for Major or Minor | | | |
| This non-conformance is raised at the level of minor because it does not represent an fundamental failure to meet the requirements at the criterion level. Furthermore, CBPPL, in the context of the Boreal Forest Agreement, are in the process of defining the core areas. This process is expected to come to a conclusion in December 2016. Follow-up on implementation of corrective action shall be done at the next audit, scheduled for February 2017. | | | |
| Evidence provided to close the non-conformity | | | |
| A root cause analysis and corrective action plan have been provided to SAI Global. Follow-up on implementation of the corrective action plan shall be done at the next audit (scheduled for February 2017). | | | |
| Status Closed/Open | Open | | |

4.3 Positive aspects

- Dangerous goods handling/evidence receipts are available.
- Elaborate safety processes.
 - Pre-Shift safety chat, Tool box safety, Behavior based safety form, Good catch program, Marshaling points, Jobsite hazardous goods list, ...
- Cleanliness of set-ups.
- Positive feedback from stakeholders regarding consultation for the 5 year forest management plan.
- Operator awareness of species at risk and protection measures.
- Thorough internal audit and management review.

4.4 Difficult Assessments

No areas were particularly difficult to assess.

4.5 Observations on elements to be followed during the next audit

N/A

4.5 Recommendation to maintain the certificate

Corner Brook Pulp and Paper Limited has demonstrated, subject to the correction of the non-conformities, that the described system of management is being implemented consistently over the whole forest area covered by the scope of the certificate with the exception of the non-conformitie(s) identified during the audit. As discussed during the closing meeting, please submit a root cause analysis and an action plan for approval within 30 days for both the major and minor non-conformances. Major non-conformities(s) must be closed within 90 days. Implementation of corrective actions for Minor non-conformance(s) will be reviewed at the time of the first surveillance audit or at the latest 12 months after the NC reports have been issued.

A recommendation to maintain the registration is on hold pending the receipt, review and acceptance of the corrective action plan for all non-conformances and the closure of the major non-conformance(s).

August 10, 2016 - Update on the recommendation:

CBPPL have provided objective evidence that allows to close the Major NC. Furthermore, CBPPL have provided a root cause analysis and corrective action plan for the minor NC. A follow-up on implementation shall be done at the next audit (reregistration audit). A recommendation to maintain the certificate is hereby made to SAI Global.

5.0 COMPLAINTS, DISPUTES AND APPEALS

On receiving a complaint, the relevant details are recorded on a complaint register by the person receiving the complaint.

A SAI Global person is responsible for the handling of complaints/appeals, and forwards the complaint on to the respective Manager in charge of SAI Global FSC Program for resolution.

An initial response, including an outline of the proposed course of action to follow up on the complaint, will be sent within two (2) weeks of receiving the complaint.

SAI Global will keep the complainants informed of progress in evaluating the complaint.

An investigation of the allegations and all its proposed actions in response to the complaint/appeal will be dealt within three (3) months of receiving the appeal. Upon completion of the investigation a full report of the investigation and its findings are then sent to the complainant.

Full implementation of actions and confirmation of implementation (e.g. correction and closing out of non-compliances that may have been identified as a result of the complaint) outlined in the final report will be completed.

SAI Global ensures that the persons engaged in the appeals, complaints and disputes handling processes are different from those who carried out the audits, made the certification decisions and the day to day implementation.

If the issue has not been resolved through the full implementation of SAI Global's procedures the person or organization raising the complaint/dispute/appeal has the opportunity to refer their complaint/dispute/appeal to FSC's dispute resolution process.

6.0 NEXT AUDIT

Next Scheduled Audit: reregistration

Date: February 27, 2017

DRAFT

APPENDICE 1 – LIST OF STAKEHOLDERS

This is a confidential document the list is on file with SAI Global

APPENDICE 2 – FMU QUANTITATIVE INFORMATION

| | | | | |
|---|----------|---------------------|--|-----------------|
| Changes in the certificate scope (if yes, complete the following table, if not leave blank) | | | | Yes / No |
| Type of certificate | | | | |
| Single UAF | | Multiple UAF | | Group |
| Small SLIMF | | Low intensity SLIMF | | Group SLIMF |
| Number of members of Group or Group SLIMF | | | | |
| | | Number | Area ha. | |
| Less than 100 ha | | | | |
| 100-1,000 ha | | | | |
| 1,000-10,000 ha | | | | |
| More than 10,000 ha | | | | |
| Total | | | | |
| FMUs list | | | | |
| Name/Description | Area ha. | Forest Zone | Location Latitude N/S - Longitude E/O | |
| | | Temperate | | |
| | | Boreal | | |
| | | Subtropical | | |
| | | Tropical | | |
| Forest type | | Area ha | | |
| Natural | | | | |
| Plantation | | | | |
| Forest area classification | | | | |
| Type de tenure (Private or Public) | | | | |
| Total certified area ha. | | | | |
| Management tenure | | Area ha. | | |
| Privately managed | | | | |
| Publically(state/Province) managed | | | | |
| Community managed | | | | |
| | | | | Area ha. |
| Production forest (from which timber may be harvested) | | | | |
| Forest and non-forest land protected from commercial harvesting and managed primarily for conservation objectives | | | | |
| Protected from commercial harvesting and managed primarily for the production of NTFPs or services. | | | | |

| | |
|--|--|
| Classified as 'high conservation value forest' | |
| Production forest classified as 'plantation' | |
| Production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems | |
| Production forest regenerated primarily by natural regeneration or by a combination of natural regeneration and coppicing of the naturally regenerated stems | |

| Changes in the HCV (if yes, complete the following table, if not leave blank) | | Yes / No |
|---|-------------|----------|
| List of High Conservation Values: | | |
| Categories | Description | Area ha. |
| 1 - Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, and refugia). | | |
| 2 - Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. | | |
| 3 - Forest areas that are in or contain rare, threatened or endangered ecosystems. | | |
| 4 - Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control). | | |
| 5 - Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health). | | |
| 6 - Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities). | | |

| Changes in the list of main commercial timber and non-timber species (if yes, complete the following table, if not leave blank) | | | Yes / No |
|---|-----------------|----------------------|----------------|
| List of main commercial timber and non-timber species included in scope of certificate: | | | |
| Common Name | Scientific Name | Approximate AAC (m3) | Non-timber (✓) |
| | | | |
| | | | |
| | | | |
| | | | |

| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |

| Non-timber forest products included in scope: | |
|---|--|
| Product | Approximate Annual Commercial Production |
| N/A | |
| | |

| List of product categories included in the scope certificate: | |
|---|-------------|
| Product | Description |
| No changes. | |
| | |

Note: These products are available for sale as FSC® certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.

APPENDICE 3- GROUP MEMBERSHIP LIST (UPDATE)

N/A – this is a single site.

APPENDICE 4 – HISTORY OF CLOSED NCR

| NC # | Indicator | I/RR | S1 | S2 | S3 | S4 |
|---------|-----------|-------|----|----|----|----|
| 2012-01 | 1.4.1 | minor | | | | |
| 2012-02 | 1.6.3 | minor | | | | |
| 2012-03 | 2.1.1 | minor | | | | |
| 2012-04 | 3.1.1 | minor | | | | |
| 2012-05 | 3.4.1 | minor | | | | |
| 2012-06 | 4.4.2 | minor | | | | |
| 2012-07 | 4.4.3 | minor | | | | |
| 2012-08 | 4.4.5 | minor | | | | |
| 2012-09 | 5.5.1 | minor | | | | |
| 2012-10 | 6.1.6 | minor | | | | |
| 2012-11 | 6.1.9 | minor | | | | |
| 2012-12 | 6.2.2 | minor | | | | |
| 2012-13 | 6.2.5 | minor | | | | |
| 2012-14 | 6.3.4 | minor | | | | |
| 2012-15 | 6.3.5 | minor | | | | |
| 2012-16 | 6.3.6 | minor | | | | |
| 2012-17 | 6.3.7 | minor | | | | |
| 2012-18 | 6.3.10 | minor | | | | |
| 2012-19 | 6.3.12 | MAJOR | | | | |
| 2012-20 | 6.3.13 | minor | | | | |
| 2012-21 | 6.3.14 | minor | | | | |

| | | | | | | |
|---------|-------------------|-------|-------|-------|-------|--|
| 2012-22 | 6.3.17 and 6.3.18 | minor | | | | |
| 2012-23 | 6.4.1 | minor | | | | |
| 2012-24 | 6.5.1 | minor | | | | |
| 2012-25 | 6.6.1 | minor | | | | |
| 2012-26 | 6.6.2 | minor | | | | |
| 2012-27 | 6.6.3 | minor | | | | |
| 2012-28 | 6.6.4 | minor | | | | |
| 2012-29 | 6.8.1 | minor | | | | |
| 2012-30 | 6.9.1 | minor | | | | |
| 2012-31 | 6.9.2 | minor | | | | |
| 2012-32 | 6.9.3 | minor | | | | |
| 2012-33 | 7.2.3 | minor | | | | |
| 2012-34 | 8.2.6 | minor | | | | |
| 2012-35 | 8.2.7 | minor | | | | |
| 2012-36 | 8.3.1 | minor | | | | |
| 2012-37 | 9.1.2 | minor | | | | |
| 2012-38 | 9.2.1 | minor | | | | |
| 2012-39 | 9.3.1 | minor | | | | |
| 2012-40 | 9.3.3 | minor | | | | |
| 2012-41 | 9.4.1 | minor | | | | |
| 2013-01 | 6.3.17 | | MAJOR | | | |
| 2013-02 | 6.3.1 | | minor | | | |
| 2013-03 | 1.6.3 | | minor | | | |
| 2013-04 | 6.3.1 | | minor | | | |
| 2014-01 | 1.1.4 | | | MAJOR | | |
| 2014-02 | 6.5.1 | | | minor | | |
| 2014-03 | 4.5.2 | | | minor | | |
| 2014-04 | 6.6.2 | | | minor | | |
| 2014-05 | 6.5.1 | | | minor | | |
| 2014-06 | 4.4.3 | | | minor | | |
| 2014-07 | 6.2.6 | | | minor | | |
| 2015-01 | 6.5.1 | | | | MAJOR | |
| 2015-02 | 8.2.6 | | | | minor | |
| | | | | | | |