

July 18, 2017

Mr. Faron Knott  
Corner Brook Pulp And Paper Limited  
Woodland Operations  
1 Mill Road  
P.O. Box 2001  
Corner Brook, NL  
CAN, A2H 6J4

**SUBJECT: REGISTRATION PROGRAM**

Dear Mr. Knott:

Please find attached the Audit Report documenting the results of our 12 Month Surveillance Audit of your management system to the ISO 14001:2004 standard conducted at your Corner Brook facility on Jul 05, 2017. The Recommendation at the end of Section 4 of this report provides a status of your registration.

We thank you and your organization for the support and co-operation provided during the audit and if you have any questions, please contact the undersigned.

Best Regards,

Rod Seabrook  
SAI Global Team Leader  
Encls.

**SAI Global Confidential**

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## MANAGEMENT SYSTEM AUDIT REPORT

### REPORT CONTENTS

- Section 1:           Company Information**
- Section 2:           Purpose**
- Section 3:           Management System and Scope**
- Section 4:           Audit Details and Results**
- Section 5:           Audit Findings**

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Corner Brook Pulp And Paper Limited  
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Rod Seabrook

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**SECTION 1 - COMPANY INFORMATION**

**Company Name:** Corner Brook Pulp And Paper Limited  
**Address:** 1 Mill Road  
P.O. Box 2001  
Corner Brook, Newfoundland  
CAN, A2H 6J4  
**Client No.:** 011643  
**Contact Person:** Mr. Faron Knott  
**Title:** Environmental Management Representative

**SECTION 2 – PURPOSE**

The purpose of the audit was to evaluate the extent of conformance to the referenced standard, confirm the effective inter-action between the elements of the system audited, and verify demonstrated commitment to maintain the effectiveness of the system. The purpose of this audit report is to summarize the degree of conformance with relevant criteria, as defined within this report, based on the evidence obtained during the audit of your organization.

This audit was performed in accordance with the requirements of SAI Global procedures which reflect the requirements and guidance provided in recognized international standards relating to audit practices such as ISO/IEC 17021, ISO 19011 and other normative criteria. SAI Global Auditors are assigned to audits according to industry, standard or technical competencies appropriate to the organization being audited. Details of such experience and competency are maintained in our records.

In addition to the information contained in this audit report, SAI Global maintains files containing details of organization size and personnel as well as evidence collected during preliminary and subsequent audit activities relevant to the application for initial registration of your organization. Such information includes details of your primary contact persons and site addresses. Please take care to advise us of any change that may affect the application and/or registration or may assist us to keep your contact information up to date, as required by our Terms and Conditions.

Please note that this report is subject to independent review and approval. Should changes to the outcomes of this report be necessary as a result of the review, a revised report will be issued and will supersede this report.

**SECTION 3 - MANAGEMENT SYSTEM AND SCOPE**

**Audit Standard:** ISO 14001:2004

**US SIC / NACE Codes:** 0811 0851 2411 / A02.0 A02.0 DD20.1

**Scope of Registration**

All Woodlands operations in the Forest Management Districts No. 5,6,9, 10, 14,15 and 16 including management planning, road construction and maintenance, harvesting operations, transportation of fibre, silviculture and support services.

**Statutory and Regulatory Requirements Referenced**

1. Corner Brook Pulp and Paper subscribes to an on-line legal tracking service (Global LTS)
2. Legal requirements applicable to forestry management planning and operations in Newfoundland and Labrador (federal, provincial and municipal)

**Dependency Note**

Not Applicable

**SECTION 4 - AUDIT DETAILS AND RECOMMENDATION**

**Type of Audit:** 12 Month Surveillance Audit

**Audit Dates:** Jul 05, 2017 to Jul 07, 2017

**Duration of Audit:** **Person(s):** 2 **Day(s):** 4.50

**Audit Team**

<u>Position</u>	<u>Name</u>
Team Leader	Rod Seabrook
Team Member	François Grimard

## Surveillance Audit

### Executive Overview

Corner Brook Pulp and Paper Limited underwent a 12 month surveillance audit to the ISO 14001: 2004 Standard during the week of July 3, 2017. The audit took place in conjunction with a transitional upgrade audit to the ISO 14001: 2015 Standard. Because of this, all of the elements of ISO 14001:2004 were required to be audited during the surveillance audit. One minor non-conformance was raised under during the transitional upgrade audit (see upgrade report). Three opportunities for improvement and two positive observations were also made by the audit team. The audit team appreciated the support and hospitality of company staff provided during the audit.

### Management System – Main Components

#### Management System Documentation

The management system manual revision was reviewed and found to be in conformance with the requirements of the ISO 14001:2004 standard.

#### Management Review

Management review meetings are conducted at quarterly intervals. A review of the records of the most recent management reviews was performed and found to meet the requirements of the ISO 14001:2004 standard.

#### Policy

Based on the results of this audit, the Corner Brook Pulp And Paper Limited management system is effectively implemented and fulfils the stated policy.

#### Objectives

Based on the results of this audit, the Corner Brook Pulp And Paper Limited management system is effectively implemented and the stated objectives are being met.

#### Internal Audits

Internal audits are being conducted at planned intervals to ensure conformance to planned arrangements, the requirements of the ISO 14001:2004 standard and the established management system.

#### Compliance Evaluation

Corner Brook Pulp And Paper Limited has implemented processes for periodically evaluating its compliance with applicable legal and other requirements. Compliance evaluations are ongoing with a separate compliance evaluation conducted as part of the internal audit process every 3 years.

#### Continual Improvement

Corner Brook Pulp And Paper Limited is implementing an effective process for the continual improvement of the management system through the use of the policy, objectives, audit results, data analysis, corrective and preventive actions and management review.

**Review of Changes**

None identified

**Previous Audit Issues**

Actions taken to address issues with water crossing installations observed in previous audits were considered effective and improved practices were observed in the field.

**Usage of Marks, Logos and Certificate**

The registration certificate is displayed at the Corner Brook Pulp and Paper Limited woodlands office. The company uses the Certified System logo on maps and the annual Sustainable Forest Management Indicator Report.

**Environmental and/or Health and Safety Management System Components****Site Inspection**

The audit team toured the site and concluded that the conditions of the site reflect an effectively implemented management system.

**Aspect and Hazard Identification**

Based on the results of this audit, the Corner Brook Pulp And Paper Limited management system has established, implemented and maintained procedures for the identification, evaluation and upkeep of environmental aspects and the associated impacts and risks

**Operational Controls, Monitoring and Measurement Processes**

Implementation of necessary operational, monitoring and measurement controls for fibre utilization, visual quality, spills, damage to habitat, and water crossing installations was adequately demonstrated. Site disturbance in the Canoe Pond harvest area was found to be inconsistent with the stated purpose of one of the company's work instructions. crossing installations, associated with the significant environmental aspect of protecting water quality, is an issue (See NCR-2017-01)

**Emergency Preparedness and Response**

Corner Brook Pulp And Paper Limited has identified the potential for the following emergency situations and developed and tested response procedures.

- Forest fire
- Equipment fire
- Fuel/Oil spills
- Siltation
- Lost Employee
- Personal injury
- Herbicide spills

The last drill, conducted May 29, 2017, covered response to a medical incident.

**Recommendation:**

The results of this 12 Month Surveillance Audit indicates that the management system of Corner Brook Pulp And Paper Limited does not fully meet the requirements the ISO 14001:2004 standard and has not been maintained based on the area of nonconformance identified during the audit and as documented in the attached Non-conformance Report. Please submit a response Root Cause Analysis within the next 30 days and completed corrective action plan within the next 60 days. A recommendation for continued registration to the ISO 14001:2004 standard and to the scope of registration identified in this report is on hold pending the receipt, review and acceptance of the corrective action taken.

Please note that this report is subject to independent review and approval. Should changes to the outcomes of this report be necessary as a result of the review, a revised report will be issued and will supersede this report.

**SECTION 5 – AUDIT FINDINGS**

<b>Functions, Activity, Processes and Areas Audited</b>	
All of the applicable requirements of the ISO 14001:2004 standard for the functions, processes and areas listed below were reviewed.	
Scope, Logos, Use of Certificate	<p>Have 3 year agreement with Crown to log in District 10. Scope statement needs updating to include District 10. Current certificate posted in Faron's office, office hallway and Manager's office</p> <p>Use SAI Global 5 check mark logo on SFM Indicator report and field maps;</p>
2016 NC follow-up	<p>2016-01</p> <p>Water crossing installations were reviewed during the field audit and no issues were found. The non-conformance is considered addressed and closed.</p>
Policy	<p>The Forest and Environmental Policy is signed by management and dated April 2017. It is made available publicly through the CBBPL website (<a href="http://www.cbpl.com/wp-content/uploads/2017/06/Forest-Environ-Policy-for-FSC-white-background-April-2017-8x11-1.pdf">http://www.cbpl.com/wp-content/uploads/2017/06/Forest-Environ-Policy-for-FSC-white-background-April-2017-8x11-1.pdf</a>) and in the 2016 Environmental Progress Report, also available on the website.</p> <p>The Policy covers all required elements of the Standard plus additional commitments made by the company.</p> <p>Ref: EMS / SFM Handbook - Manual # 1 Section 3, Version No.: 1</p> <p>Conclusion: Conforms</p> <p>OFI - Consider the relevance of adding a commitment to 'climate change mitigation and adaptation' to the Forest and Environmental Policy</p>
Planning	<p>4.3.1 Environmental Aspects</p> <p>Environmental Aspects and Impacts were defined in the Environmental Aspects Manual, as the basis in determining which aspects required action plans and targets. The methodology for determining significance is defined by procedure. There are six identified significant aspects. The list of significant environmental aspects was revised during the past quarterly management review, the last meeting being held on June 29, 2016. No major changes since last review; no new significant aspect.</p> <p>SEA: Fibre recovery, Visual quality, Water quality, Soil disturbance, Spills, Damage to habitat.</p> <p>This element was appropriately implemented.</p> <p>Ref: EMS / SFM Handbook - Manual # 1 Section 4, Version No.: 6 Functions and Activities, Section 2.1 1.2 Aspect and Impact Chartv7.xls as of May 20, 2016 Minutes of June 29, 2016 management review meeting.</p> <p>Conclusion: Conforms</p> <p>4.3.2 Legal and Other Requirements</p> <p>The audit verified the company's use of an on-line legal tracking service to identify legislation and regulations pertinent to forestry enterprises operation in Newfoundland and Labrador (Global LTS). The Environmental Management</p>

	<p>Representative receives notifications and reviews the information for applicability to CBPPL. Actual and potential changes in legislation or corporate requirements is a standing agenda item at the quarterly management review meetings. In addition to regulatory requirements CBPPL maintains a list of Voluntary Agreements to which it subscribes. The list is reviewed and updated as required during the quarterly management reviews.</p> <p>Ref: Manual #1 Section 5 - Compliance Obligations and Evaluation 6.1.3, 6.1.4, 9.1.2.docx version 1, May 8, 2017 Manual #8 Section 2</p> <p>Conclusion: Conforms</p> <p>OFI - Consider whether legal requirements exist for the maintenance of documentation of fuel quantities carried in fuel tanks and fuel trucks on CBPPL operations</p> <p>4.3.3 Objectives, Targets and Programme(s)</p> <p>The procedure states that targets must be Specific, Measurable, Achievable, Realistic, and Trackable. Four objectives and targets (Programmes) are developed as part of the EMS and considering the significant environmental aspects. They also integrate some of the FSC and CSA Z809 requirements.</p> <p>Fuel Consumption program: Target set in 2009 was to measure and monitor fuel consumption. Program is partly completed for trucks consumption. Additional actions are developed for forestry machinery and carbon emission with FP Innovations. Ongoing.</p> <p>Residual retention program: target is to retain a minimum of 10% of the operating area that resembles the structural characteristic of natural disturbance. Evidence of monitoring and results checked with the planning manager. Monitoring shows that this % is well above 10% for all districts where there has been harvesting operations.</p> <p>Programs are in place and are monitored - Management review shows that programs and targets are assessed every quarter.</p> <p>A fifth program is in place and is related to improvement of the documentation. The objective is to improve CBPP Woodlands EMS documentation which includes documents necessary for the ISO, CSA and FSC certification programs as well as their participation in the CBFA.</p> <p>Conclusion: Conforms</p>
Implementation and Operation	<p>4.4.1 Resources, Roles, Responsibility and Authority</p> <p>Roles and responsibilities for individual positions covering areas including environment, safety, training, quality, planning, and operations are described in the procedure for Leadership, Resources, Roles Responsibility and Authority. Also included are the role of the Woodlands Management Committee and the EMS Management Review Committee. Individuals are in place and fulfilling their roles as described.</p> <p>Responsibilities associated with individual procedures within the EMS are described within each procedure and overall responsibilities are listed by position in Manual 1 Section 7. Responsibilities of contractors and other</p>

suppliers are also described. Responsibilities are also listed for the Woodlands Management Committee and EMS Management Review Committee.

Responsibilities for the achievement of the SFM performance requirements (VOITs) are stated in the SFM Plan. Resourcing of the EMS appears to be adequate. SFM requirements assessed through internal audits and reported to top management during quarterly management reviews.

Ref:  
Manual 1 Section 7 Version 1

Conclusion: Conforms

#### 4.4.2 Competence, Training and Awareness

The Woodlands Management Committee (WMC) is responsible for the identification of training requirements. It is the WMC's responsibility to ensure that employees have obtained the knowledge and skills necessary to perform their job function in a competent manner while maintaining Company policies, rules, and all legislated requirements relating operations and training. Training skills matrix identifies the training and skills required for persons performing tasks on the organization's behalf in the implementation of the EMS/SFM. The Safety & Training Coordinator is responsible for the development and implementation of training and programs identified by the WMC as well as monitoring training records and ensuring they meet the requirements of the Environmental Management System.

The field audit found that personnel were competent in all areas pertaining to their roles and responsibilities (field visit in Districts 15 and 16):  
Overall good knowledge of FM/Environmental policy, environmental risks, SOP's, ER Plan, Species at risk, etc.

Evidence of training was provided for all the employees met during the field visit (orientation forms signed by employees) and by the Safety & Training Coordinator.

Interviews:  
Safety & Training Coordinator  
9 operators and supervisors in District 15.  
5 operators and supervisors in District 16.

Documentation:  
Intelex (HR software)  
Pre-work form  
Employee work site orientation checklist / form

Conclusion: Conforms

#### 4.4.3 Communications

Processes are in place and functioning for both internal and external communications. Internal communications take place principally through email, meetings and reports. Communications with contractors is through contract requirements, training and regular discussions with company staff.

The company website provides the general public and other interested parties with access to a variety of information and reports including the SFM Plan,

	<p>Five Year Plans and maps, SFM Indicator reports, and external audit reports – see <a href="http://www.cbppl.com/">http://www.cbppl.com/</a></p> <p>The Public Advisory Committee plays a key role in providing input and advice to the company. The public advisory group also has a website that provides information to the public. – see <a href="http://www.cbpplpac.ca/">http://www.cbpplpac.ca/</a></p> <p>Records of input from stakeholders are retained including responses.</p> <p>Ref: Manual 1 Section 9 Version 1 2016 Environmental Progress Report 2016 SFM Indicator Report CBPPL website - <a href="http://www.cbppl.com/">http://www.cbppl.com/</a> PAC website - <a href="http://www.cbpplpac.ca/">http://www.cbpplpac.ca/</a></p> <p>SEAs are communicated externally through the Environmental Progress Report (see 2016 Report page 8) available to the public at <a href="http://www.cbppl.com/publications/">http://www.cbppl.com/publications/</a></p> <p>Conclusion: Conforms</p> <p>OFI - Consider whether the Annual list of Agreement Verification letters should be added to the Communications procedure</p> <p>4.4.4 Documentation</p> <p>CBPPL has developed a Forestry and Environment Policy that describes the company's commitment to responsible and sustainable practices including compliance to legal requirements, prevention of pollution and continual improvement in sustainable forest management and environmental performance.</p> <p>The company has four environmental objectives, targets and programs associated with managing their significant environmental aspects (and one about improving documentation).</p> <p>There are 3 Levels of Documentation Level 1 - describes the Environmental Management System and provides direction to the development of the system. Level 2 - provides information on how the system is implemented. Level 3 - provides the supporting reference materials.</p> <p>The EMS is described and managed through a series of manuals including Manual 1 which provides an overview of the company and the management system. Documents, including records, are managed and retained in support of the management system. Documentation was found to be current and records complete.</p> <p>Ref: EMS / SFM Handbook - Manual # 1 Section 10 Version 1</p> <p>Conclusion: Conforms</p> <p>4.4.5 Control of Documents</p> <p>The procedure applies to documents managed under ISO 14001 and CSA Z809. Manual 1 EMS documents have been reviewed and updated as of May 8, 2017 and all documents reset to version 1. Most documentation is</p>
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managed electronically although some documents are managed in hard copy form. Electronic versions of the documents are described as being controlled while printed copies are uncontrolled. CBPPL staff provide current versions of documents for updating of field binders. The procedure describes the process as follows :

The EMS documents reside permanently on a network drive on a file server located in the Data Processing department of CBPPL. The file server's network name is "cbsgroups". The document itself is located on a mapped network drive called "groups on 'cbsgroups' " under the "Woodlands" folder in another folder called "EMS". The "Woodlands" folder is accessible to everyone in the Woodlands group but the file itself is read-only access.

No issues with uncontrolled documents / no obsolete documents found during the field visits. All relevant documents were found in Service trucks (Districts 15 and 16).

The following documents were verified:

Emergency Response plan, June 15, 2017

Harvesting & Road Construction pre-work form, July 24, 2015

Employee Work site orientation checklist, April 13, 2016

Road staff inspection report, June 13, 2016

All SOP's available in both service trucks (FMD 15 and 16).

The controlled documents are readily available through the electronic network. Documents are periodically revised as indicated by the revision dates at the end of procedures.

Documentation has been reviewed and re-coded accordingly to the clause numbers of the new ISO 2015 standards.

Ref.

EMS / SFM Handbook - Manual # 1 Section 11 Version 1

Conclusion: Conforms

#### 4.4.6 Operational Control

Activities audited in District 15 (Major's Logging) and District 16 (NWFR, LTD Construction):

- Road construction
- Harvesting
- Water crossing installation/removal, temporary and permanent
- Supervision (Monitoring)
- Training
- Emergency response plan
- Hazardous waste material disposal
- Implementation of SOPs
- Service truck
- Fuel supply management

Employees interviewed during the field audit (14 operators/supervisors) demonstrated good knowledge of operational control procedures applicable to their operations.

Overall good knowledge of FM/Environmental policy, environmental risks, SOP's, ER Plan, Species at risk, etc.

Excellent management of Residual dangerous goods,

Excellent knowledge and implementation of safety procedures.

Pre-shift safety chats, Pre-work planning meeting.

	<p>The water crossings (culverts and bridge) verified during the field visits were adequately rip-raped and stabilized. Some culverts on the new roads could have been longer to facilitate the stabilization of the slope but no evidence of actual or past siltation/problem. Two sites where temporary crossings were removed were also visited: complying.</p> <p>Some rutting of fine textured soils in the Canoe Pond harvest block was observed, contrary to the requirements of Work Instruction EWI-6. See Minor NCR-2017-01</p> <p>Ref. Manual # 1, 12 - Operational Planning and Control 8.1.docx, Version No: 1, Environmental Work Instruction Manual, Manual # 6). Each work instruction is documented</p> <p>Conclusion: Minor non-conformance</p> <p>4.4.7 ERP Version 7 June 15, 2017</p> <p>List of emergency situations:</p> <ul style="list-style-type: none"> <li>•</li> </ul> <p>Procedures established for each</p> <p>Schedule of periodic testing developed</p> <p>Marshalling points established for operations</p> <p>Internal and external contact lists maintained</p> <p>Operations have ERP on-site</p> <p>A standard emergency response procedure has been defined by the organization listing what needs to be done in the case an emergency situation does occur&gt; Internal and external contact lists are maintained. Forms that must be filled out are also included in the emergency response procedure.</p> <p>Employees interviewed (14) during the field audit demonstrated good understanding of the emergency preparedness and response procedures established by the organization, including the location of the closest emergency marshalling point. All operators and supervisors were able to explain how they would react in case of an emergency and were they could find relevant information as the list of emergency phone numbers to be used to contact the appropriate authorities. The emergency response manual was accessible and available on site, stored in the service truck/trailer. Relevant emergency equipment such as fire extinguishers, portable water pumps, spill kits, stretcher, first aid kit and FM radios were available and functional where required.</p> <p>Ref. Emergency response procedure in place Manual # 1, Section 13, Version No.: 1 Emergency Response Plan Version 7 – current June 15, 2017</p> <p>Conclusion: Conforms</p>
Checking	4.5.1 Monitoring and Measurement

	<p>Table 14.1 Monitoring EMS Compliance (Legal and SEA's) contains all the Significant Environmental Aspects identified by the organization and the procedures used for monitoring the activities. Implementation of the monitoring and measurements procedures was verified at all sites visited during the audit (Districts 15 and 16) where the following activities were on-going: Road construction, Water crossing installations and removal, Harvesting (feller-buncher, processor and harvester), Supervision (Monitoring), mechanical maintenance at Service truck, Fuel supply, etc.</p> <p>The following monitoring reports/forms were reviewed:</p> <ul style="list-style-type: none"> <li>• Harvest Area Completion No.3 inspection</li> <li>• Culvert Installation Checklist</li> <li>• Roads staff inspection report</li> <li>• Environmental incident report</li> <li>• EMS compliance no. 2 inspection</li> </ul> <p>The field visit demonstrated that the roads staff inspection report was adequately completed by the roads inspector on new road being built in District 15.</p> <p>The water crossings (culverts and bridge) verified during the field visits were adequately rip-raped and stabilized. Bridge construction was observed in District 16 and attention was being paid to minimizing the potential for sediment entering the stream. Some culverts on the new roads could have been longer to facilitate the stabilization of the slope but no evidence of actual or past siltation/problem. To be followed. Two sites where temporary crossings were removed were also viewed and found to comply.</p> <p>Calibration: no equipment needs to be calibrated.</p> <p>Minor NC2015 Monitoring of the environmental program on Road Construction and water crossing installation and the related SOPs was not efficient.</p> <p>Evidence: Monitoring failed to identify inadequate implementation of SOP on culvert installation (R02: Steel culvert and pipe arch installation).</p> <p>Raised to MAJOR in 2016 Ref: Culverts installation on road in Tommy's arm, sectors K-08 and K-09 Follow-up in 2017: NCR closed. Water crossings installations viewed during the 2017 field audit demonstrated improvements in installation practices and no significant deficiencies were observed.</p> <p>Conclusion: Conforms</p> <p>4.5.2 Evaluation of compliance</p> <p>The evaluation of compliance to legal and other requirements are conducted as per Manual #1 Section 5 procedure</p> <p>Evaluations of legal compliance are conducted on a 3 year cycle as part of the internal audit – last conducted 2016. A report was prepared. In addition, legal compliance is evaluated during routine inspections of operations as per EMS compliance inspection procedures. Results and findings were documented in the 2016 internal audit report and action plans were developed. Compliance to other requirements (agreements) are evaluated annually and summarized</p> <p>Ref :</p>
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	<p>EMS/SFM Handbook – Manual 1 Version 1</p> <p>Conclusion: Conforms</p> <p>4.5.3 Nonconformity, Corrective action and Preventive Action</p> <p>Processes are in place to identify, review, report and respond to non-conformances. Sources of non-conformances include environmental inspections, audits, inspections by regulatory agencies, and management review.</p> <p>The Woodlands Management Committee reviews and approves all incidents and may require an investigation be conducted. Corrective/preventive actions are developed, implemented and tracked. A sample of non-conformances and their associated action plans were reviewed and found to be complete and appropriate. The three corrective actions raised during the internal audit were also verified. Actions to address the non-conformances were found to be effectively implemented.</p> <p>Ref:          EMS / SFM Handbook - Manual Section 15 - Nonconformity and Corrective Action 10.1, 10. 2.docx          Records of environmental inspections          Internal audit records          Corrective Action Requests          EMS 13- incident report          Management review          Inspection no. 1 and 2 (EMS compliance) and 3 (harvest area completion)          Roads staff inspection reports</p> <p>Conclusion: Compliance</p> <p>4.5.4 Control of Records</p> <p>The procedure is complete and describes well the process to control environmental records. No issues were found related to records control. All records needed for the completion of the audit were traceable and available. All records are identified, located and listed in the Table 16.1 Environmental Records. Retention time and location is defined for each record.</p> <p>Ref:          Procedure EMS SFM Handbook Manual 1, Section 16- Version 1          External Communication Record          PAC meeting minutes          Emergency response test reports          Environmental aspects and impacts chart          Harvest Area Completion NO.3 inspection - completed          Culvert Installation Checklist- completed          Roads staff inspection report- completed          Harvest and road construction prework          Minutes of Management review quarterly meetings          Internal audit report          Audit action plan</p> <p>Conclusion: Conforms</p> <p>4.5.5 Internal Audit</p> <p>The lead auditor report was released on June 28, 2017. The audit criteria</p>
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	<p>included ISO 14001:2004, ISO 14001:2015, CSA Z809-2008 and FSC National Boreal Standard.</p> <p>The audit scope covers the Woodlands Operations of CBPPL. It includes all activities, products and services of the company as referenced in the EMS/SFM/FSC management systems.</p> <p>The audit was performed by Hearn Consulting Inc. (Debbie Hearn) along with CBPPL staff as auditors. Internal audits are conducted annually. The 2017 internal audit was conducted in 2 phases: Part I April 24 – May 5, 2017 (interviews, document review and field tour (Lynx Pond); Part II June 23, 2017 (Road building operations)</p> <p>Audit resulted in 3 Major NCs (applying to both ISO and CSA). Major NCs were recorded on Corrective Action request forms.</p> <p>The minor NCs and OFIs raised were recorded and followed-up using a document entitled “2017 Internal Audit Action Plan”</p> <p>All internal auditors were trained by external consultant and/or SAI Global. Certificates available. The 3 new internal auditors were accompanied by experienced auditors. Demonstration was made that the selection and assignment of the auditors have allowed the audit process to remain objective and impartial.</p> <p>Ref:  EMS / SFM Handbook - Manual # 1 Section 17, Version No.: 1Manual # 1 Section 17 (internal audit procedure)  2017 Internal audit report (ISO/CSA non-compliances)  CAR forms and 2017 Internal Audit Action Plan .docx</p> <p>Conclusion: Conforms</p>
Management Review	<p>Management reviews are held quarterly. The Environmental Management Committee leads the review and a standing list of agenda items, consistent with the requirements of the Standard, is covered at each meeting. A quorum of four committee members is required for decisions to be made. Meeting minutes document the results and outputs consist of a list of recommendations assigned to individuals for follow-up with target dates.</p> <p>Quarterly meeting minutes since the previous external audit were reviewed and found to be complete. The audit team found the meetings to be comprehensive. The Woodlands Manager continues to demonstrate a high level of awareness, involvement in and support for the EMS/SFM systems.</p> <p>Ref:  Manual #1 Section 18 Version 1  Quarterly Management review meeting minutes and recommendations (2016: Q3, Q4; 2017 Q1, Q2)</p> <p>Conclusion: Conforms</p>

**Non-Conformances (NCRs):**

All of the applicable requirements of the ISO 14001:2004 were audited and considered to be adequately implemented with the exception of the non-conformances identified below.

<b>NCR No.</b>	<b>Level</b>	<b>Clause</b>	<b>Description</b>	<b>Final CAR Due Date:</b>
2017-01	Minor	4.4.6	The intent of work instruction EWI-6 “to minimize the potential for soil disturbance during phases of forest harvesting and forest road construction”, associated with the significant environmental aspect of soil disturbance during forwarding, was not met in the 2017 Canoe Pond harvest area	September 5, 2017

**Opportunities for Improvement (OFI)**

- Consider whether the Annual list of Agreement Verification letters should be added to the Communications procedure
- Consider whether legal requirements exist for the maintenance of documentation of fuel quantities carried in fuel tanks and fuel trucks on CBPPL operations

**Next Scheduled Audit:** A-00350747  
**Date(s):** Jun 28 to Jun 29, 2018  
**Type of Audit:** S2 Surveillance  
**No. of Persons:** 2  
**No. of Audit Days Required:** 3

Rod Seabrook  
 SAI Global Team Leader

**Date:** July 18, 2017