

SFI 2015-2019 – Public Summary Report

Corner Brook Pulp & Paper Limited

DESCRIPTION OF COMPANY

CBPPL has exclusive ownership of the timber resource on the Districts within which it operates. This right originates from several sources: a series of agreements, purchases, deeds, grants, and licenses dating from 1922 to 1994. The Bowater's Newfoundland Act of 1938 amended the term and conditions of all timber licenses currently held and subsequently acquired by CBPPL. By this Act, the term of all licenses held by CBPPL at that time and any future licenses subsequently acquired by the Company was extended to 99 years, commencing on the 29th day of November 1938. The Act states that during the term of the license "... every such license shall operate to vest in the licensee during the continuance of such license the right to take and keep exclusive possession of the land therein described ... and shall vest in the holder thereof all right of property whatsoever in all trees and timber cut within the limit of the license...".

The Bowater's Newfoundland Act also requires that "The Company will at all times carry out its cutting operations in Newfoundland in accordance with good logging practice in such a manner as will best conserve the Company's forest areas so as to ensure both the permanent supply of timber for its mills and extensions aforesaid and the export of timber as herein provided."

The company SFI representative is Mr. Faron Knott.

AUDIT

During the period of June 24 to June 28, Corner Brook Pulp & Paper Ltd. (CBPP) underwent and Initial audit to the Sustainable Forestry Initiative® (SFI®) 2015-2019 Forest Management (FM) Standard and the SFI 2015-2019 Fiber Sourcing (FS) Standard which does not include the review of Appendix 1 Rules for Use of SFI Certified Sourcing Label.

The registration cycle is over five years with surveillance audits conducted annually. The audit assessed active and/or completed harvest operations through interviews with the company staff and contractors. The audit also assessed the SFI documentation and records at the company's office including stakeholder and First Nations communication.

The SFI program third-party audit was undertaken by SAI Global. SAI Global is an independent third party registrar that is accredited by the ANSI-ASQ National Accreditation Board (ANAB) Standard ensuring the integrity and credibility of the audit process.

THE AUDIT TEAM

The SAI Global audit team who performed the audit consisted of Rod Seabrook, audit team leader, and Dan Simonds, audit team member. Mr. Seabrook is a Certified Environmental Auditor and

Associate member of the Ontario Professional Foresters Association. Mr. Simons is a Certified Forester and qualified auditor.

REGISTRATION TYPE

Certificate Type	SFI 2015-2019 Forest Management Standard	SFI 2015-2019 Fiber Sourcing Standard
Single site	X	X

MULTI-SITE / GROUP EVALUATION

Not applicable.

SFI 2015-2019 Forest Management Standard

FOREST LAND AND MANGEMENT PLAN INCLUDED IN THE AUDIT SCOPE

Forest land within the scope includes all forested land on insular Newfoundland for which CBPP has management responsibility. This does not include transmission lines that cross CBPPL limits. These timber limits span from the Codroy Valley on the southwest corner of the island, to Cat Arm on the Northern Peninsula, and east to Gander in central Newfoundland and are contained within provincial forest management Districts 5, 6, 9, 14, 15, and 16. In addition, CBPPL has been given a three year approval to harvest within District 10.

The provincial government produces a Sustainable Forest Management Strategy that outlines sustainable and adaptive ecosystem management strategies for the whole province. The provincial government released a Provincial Sustainable Forest Management Strategy (PSFMS) Document (2014-2024). This strategy is implemented through the Five-Year Operating Plan, a planning document required by the Forestry Act and submitted to the provincial government for each Forest Management District. The Five-Year Operating Plan has a detailed format that identifies where, when and how forest management activities will occur within a particular District.

SCOPE OF CERTIFICATION

Forest Management Activities: planning, road construction and maintenance, harvesting operations, transportation of fibre, silviculture and support services in Forest Management District No. 5, 6, 9,10,14,15 and 16.

AUDIT PROCESS

During this audit, the audit team evaluated the company against the objectives listed in Table 1. The evidence of compliance observed is listed in Table 2. Both tables are found in the section Evidence of conformity to the SFI 2015-2019 Forest management standard.

A sample of field review sites were chosen from a list of active sites. The site choice also considered activity type, and risk factors, related to the audit objectives selected for review, as well as the opportunity to verify implementation of corrective actions for previous non-conformities.

SUBSTITUTE INDICATORS

No substitute indicators were evaluated during this audit.

COMPLAINTS

No complaints have been received; therefore the complaint handling process could not be verified.

SITES INSPECTED AND ASSESSMENT TIME

Audit Activity	Duration in days
Onsite	3.5
Sites	Number inspected
Roads	4
Harvesting Blocks	4
Silviculture Sites	6
Operations visited: Northwest Forest Resources, Noble Resources, LTD Construction, Three Rivers Silviculture	

SUMMARY OF FINDINGS

Areas of non-conformance

NC#	Type	Performance Measure #	Description	Corrective Action Plans
2019-01	Minor	9.1.2	Legal requirements were not fully followed	Corrective Action plans were reviewed and accepted
2019-02	Minor	11.1.5	The written agreement for the use of QLPs is not yet executed in currently active contracts.	Corrective Action plans were reviewed and accepted

Implementation and effectiveness of corrective actions will be verified during the next audit

Opportunities for improvement

- Consider verifying the accuracy of the status of items noted on the daily equipment checklists
- Consider conducting hands-on fire extinguisher training with workers
- Consider equipping pickups used on the thinning operation with spill pads
- Consider testing the operability of the mobile satellite phone on the thinning operation

Good practices

- Excellent cooperation from personnel involved in the audit
- Very clean job sites
- Active participation of contractors in monthly EHS meetings
- Quality and detail of Environmental SOPs and Work Instruction

Status of previous audit non-compliances

Not applicable since this is the Initial audit.

CERTIFICATION DECISION SFI 2015-2019 FOREST MANAGEMENT STANDARD

Initial / Re-registration Audit

Based on the results of this initial audit it has been determined that the management system is effectively implemented and meets the requirements relative to the scope of registration and audit criteria. The action plans related to the non-conformances have been reviewed and considered acceptable. Implementation of action plans for minor non-conformance will be reviewed at the next surveillance audit. Therefore, a recommendation for registration is made to SAI Global.

EVIDENCE OF CONFORMITY TO THE SFI 2015-2019 FOREST MANAGEMENT STANDARD

Table 1 Objectives Audited

Objective 1	Forest Management Planning	X
Objective 2	Forest Health and Productivity	X
Objective 3	Protection and Maintenance of Water Resources	X
Objective 4	Conservation of Biological Diversity	X
Objective 5	Management of Visual and Recreational Benefits	X
Objective 6	Protection of Special Sites	X
Objective 7	Efficient Use of Forest Resources	X
Objective 8	Recognize and Respect Indigenous Peoples' Rights	X
Objective 9	Legal and Regulatory Compliance	X

Objective 10	Forestry Research, Science and Technology	X
Objective 11	Training and Education	X
Objective 12	Community Involvement and Landowner Outreach	X
Objective 13	Public Land Management Responsibilities	X
Objective 14	Communications and Public Reporting	X
Objective 15	Management Review and Continual Improvement	X

Table 2 Evidence Observed

Environmental management system (EMS) Manual	X	Harvest inspection records	X
Written policies	X	Road and bridge inspection records	X
Standard Operating Procedures (SOPs) for best management practices	X	Cut block size calculations	X
EMS and SFI field handbook	X	Pre-work discussions/meeting records	X
Training records (staff and contractors)	X	Monitoring records for non-timber values	X
SFI/EMS training agenda	X	Utilization records	X
Health and safety manual and/or employee policy manual	X	Laws, legislation, regulations records	X
Timber supply review	X	Annual management review records	X
Maps (pre-harvest, harvest, post-harvest, and silviculture)	X	Internal audit records	X
Timber development standards	X	Corrective action logs	X
Non-timber values impact assessments (riparian, visual, recreation, biodiversity, cultural heritage, other:)	X	Education/community involvement records	X
GIS inventories (soils, forest, land classification, non-timber values)	X	Stakeholder communications records	X
Long term management plans and sustainable harvest level calculation	X	Agreements and communications with Indigenous communities	X
Cutting/harvesting permits	X	Logging agreements and/or contracts	X
Operational plans (annual, cut block level)	X	Wood producer training programs	X
Wet/adverse weather plans or guidelines	X	Wood producer information package	
Reforestation plans	X	SFI and company websites	X

Fire preparedness plan	X	SFI Implementation committee (participation/support)	X
Spill prevention and response plan	X	Climate change information and/or meeting minutes	X
Silviculture surveys and reports	X	Research and discussion papers	X
Standards for seed use	X	Support for research and science	X
Chemical use/spray records and applicator certification	X	Pre-harvest inspection records	X
Free to grow records	X	Post-harvest inspection records	X
Planting program records	X		

SFI 2015-2019 Fiber Sourcing Standard*

**This report does not include the review of Appendix 1 Rules for Use of SFI Certified Sourcing Label*

PROGRAM PARTICIPANT’S FIBER PROCUREMENT AND/OR MANUFACTURING OPERATIONS

CBPP procures fiber in the form of logs from wood producers working on Crown land under licence to the Crown and from sawmill residual chips from area sawmills. All procured fiber originates in Newfoundland.

SCOPE OF CERTIFICATION

Sourcing of fiber from Newfoundland. The Appendix 1: Rules for Use of SFI Certified Sourcing Label is not covered by the scope of this certificate

.AUDIT PROCESS

During this audit, the audit team evaluated the company against the objectives listed in Table 1. The evidence of compliance observed is listed in Table 2. Both tables are found in the section Evidence of conformity to the SFI 2015-2019 Fiber Sourcing standard.

A sample of field review sites were chosen from a list of active sites. The site choice also considered activity type, and risk factors, related to the audit objectives selected for review.

SUBSTITUTE INDICATORS

No substitute indicators were evaluated during this audit.

COMPLAINTS

No complaints have been received; therefore the complaint handling process could not be verified.

MANUFACTURING UNITS SUPPLIED AND ASSESSMENT TIME

Audit Activity	Duration in days
Off-site preparation and on-site office review	1
Field review	1

Sites	Number inspected
Roads	1
Harvesting Blocks	1
Silviculture Sites	0
Manufacturing units supplied from the sites visited:	1

SUMMARY OF FINDINGS

Definitions for findings can be found in Appendix 1.

Areas of non-conformance

NC#	Type	Performance Measure #	Description	Corrective Action Plans
2019-01	Minor	2.2.2	Use of information from verifiable BMP monitoring has not identified areas in need of improved performance.	Corrective Action plans were reviewed and accepted
2019-02	Minor	6.1.5	The written agreement for the use of QLPs is not yet executed in currently active contracts.	Corrective Action plans were reviewed and accepted

Implementation and effectiveness of corrective actions will be verified during the next audit

Opportunities for improvement

Not applicable.

Good practices

- Excellent cooperation from personnel involved in the audit

Status of previous audit non-compliances

Not applicable since this is the Initial audit.

CERTIFICATION DECISION SFI 2015-2019 FIBER SOURCING STANDARD

Initial

Based on the results of this initial audit it has been determined that the management system is effectively implemented and meets the requirements relative to the scope of registration and audit criteria. The action plans related to the non-conformances have been reviewed and considered acceptable. Implementation of action plans for minor non-conformances will be reviewed at the next surveillance audit. Therefore, a recommendation for registration is made to SAI Global.

EVIDENCE OF CONFORMITY TO SFI 2015-2019 FIBER SOURCING STANDARD

Table 1 Objectives Audited

Fiber Sourcing Within the United States and Canada		
Objective 1	Biodiversity in Fiber Sourcing	X
Objective 2	Adherence to Best Management Practices	X
Objective 3	Use of Qualified Resource and Qualified Logging Professionals	X
Objective 4	Legal and Regulatory Compliance	X
Objective 5	Forestry Research, Science, and Technology	X
Objective 6	Training and Education	X
Objective 7	Community Involvement and Landowner Outreach	X
Objective 8	Public Land Management Responsibilities	X
Objective 9	Communications and Public Reporting	X
Objective 10	Management Review and Continual Improvement	X

Fiber Sourcing Outside the United States and Canada		
Objective 11	Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas	N/A
Objective 12	Avoidance of Controversial Sources including Illegal Logging	N/A

Objective 13	Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws	N/A
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Table 2 Evidence Observed

Environmental management system (EMS) Manual	X	Support for research and science	X
Written policies	X	SFI and company websites	X
Standard Operating Procedures (SOPs) for best management practices	X	SFI Implementation committee (participation/support)	X
Training records (staff and contractors)	X	External audit field inspections	X
SFI/EMS training agenda	X	External audit interviews (office and field)	X
Operational plans (annual, cutblock level)	X	Education/community involvement records	X
Wet/adverse weather plans or guidelines	X	Logging agreements and/or contracts	X
Best management practices monitoring records	X	Wood producer training programs	X
Evaluation of best management practices	X	List of qualified logging professional/certified logging professional	X
Government compliance records	X	Program to assess and address risk of Illegal logging	X
Laws, legislation, regulations records	X	Climate change information and/or meeting minutes	X

DEFINITIONS

Major Non-Conformances

Pervasive or critical to the achievement of the SFI objectives

All major non-conformances require an action plan to be implemented by the auditee within 90 days of an initial audit or registration cannot be achieved. Subsequently for surveillance audits, an action plan shall be implemented by the auditee within 60 days for the registration to be maintained.

Minor Non-Conformances

Isolated incidents that are non-critical but must be addressed before the next surveillance audit to maintain compliance to the SFI standard. Non resolved minor non-conformance will be escalated to a major non-conformance.

Opportunity for Improvement

Are not non-conformances but are comments on specific areas where improvements can be made.

Good practices

Areas that are deemed to be mentioned

MULTI-SITE / GROUP SAMPLING APPROACH

This multi-site / group organization maintains an internal audit program determined to be reliable, in this case SAI Global sampling approach is as follow where n = number of sites:

- i. $\sqrt{(n)}$ for initial certification audits
- ii. $0.6 \sqrt{(n)}$ for surveillance audits
- iii. $0.8 \sqrt{(n)}$ for re-registration audits

The central office function is audited annually.

OR

This multi-site / group organization did not maintain its internal audit program. SAI Global applies the following sampling where n = number of sites:

$\sqrt{(n)}$

The central office function is audited annually.



Foreground: recent harvest block with vegetation management ready for planting

Background: older harvest blocks showing signs of green-up

SAI Global forestry specialist group registers/certifies forest companies to ISO 14001, OHSAS 18001, CSA Z809 and CSA Z804 SFM, SFI Forest Management, SFI CoC, SFI Fiber Sourcing, SFI Certified Sourcing Label, PEFC CoC, FSC® Forest Management, FSC® CoC.

The group, led by Sylvain Frappier, Technical Manager - Forestry, consists of a highly qualified team of professional foresters, technical and industry experts.

Contact certification.americas@saiglobal.com for more information.

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