



Forest Stewardship Council®



Public certification summary for evaluations of controlled wood according to FSC-STD-40-005 V3-1

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Report Date: April 8, 2023
Last update: June 11, 2023



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Disclaimer

The controlled wood public summary template is in conformity with FSC normative requirements. However, use of the template does not prevent CABs from receiving ASI NCs. That is dependent on the correct content entered by CABs.

Public Summary of CH DDS

Information made publically available by the organization, or references to such (according to Section 6 of FSC-STD-40-005 V3-1) is in

- Separate Annex, please refer to Annex A: Canfor Corporation & Canfor Pulp Ltd – FSC CW Due Diligence Summary – September 30 2022
- DDS summary is listed in the following section

1. Description of the supply area(s) and respective risk designation(s)

Source area	A.	CW category	Risk designation	Type of risk assessment	Reference of risk assessment
British Columbia, Canada (excluding Coastal BC)	Category 1	Low risk	<input checked="" type="checkbox"/> FSC risk assessment <input type="checkbox"/> Extended Company Risk Assessment	FSC National Risk Assessment for Canada FSC-NRA-CA V2-1	
	Category 2	Specified risk			
	Category 3	Specified risk			
	Category 4	Low risk			
	Category 5	Low risk			

Source area	B.	CW category	Risk designation	Type of risk assessment	Reference of risk assessment
Alberta, Canada	Category 1	Low risk	<input checked="" type="checkbox"/> FSC risk assessment <input type="checkbox"/> Extended Company Risk Assessment	FSC National Risk Assessment for Canada FSC-NRA-CA V2-1	
	Category 2	Specified risk			
	Category 3	Specified risk			
	Category 4	Specified risk			
	Category 5	Low risk			

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2. The organisations own risk assessment for mixing in the supply chain:

Supply chain/ Sourcing area	Risk Assessment (risk of mixing material with non-eligible inputs in the supply chain/s during transport, processing, and storage)	Risk Level (Low/Specified)
All	<p>[KPMG: Canfor’s assessment of risk of mixing considers the Canfor Kootenays Operation (CFP), the subject of this report. The Canfor DDS also considers Canfor Pulp (CPL), not considered in this report.]</p> <p>The unacceptable sources risk assessment above indicates that material sourced from the geographic areas assessed in consideration of the guidance identified in the FSC National Risk Assessment for Canada and the control measures implemented by CFP and CPL results in CFP and CPL concluding that there is negligible or low risk of sourcing wood fibre from unacceptable sources in the western Canada fibre supply areas defined in this summary.</p> <p>From a practical sense, preventing non-eligible material from entering the CFP & CPL supply chain is straightforward, at the sawmill and pulpmill, CFP & CPL inspect each load of input material to ensure that it includes the origin timber mark on every log or chip delivery, and simply prevent unidentified material (loads with no acceptable origin timber marks) from entering the respective sites. Timber is hammer stamped with the timber mark in the bush prior to transportation to the mill site, this eliminates the risk of mixing during transloading between the forest and the sawmill that might provide risk of contamination.</p>	Low

	<p>Purchase contracts utilized by CFP and CPL specify that the material provided must not originate from unacceptable sources. Supplier declarations are required and scrutinized to ensure that input material does not originate from unacceptable sources. In the unlikely event that ineligible material is discovered or alleged to have entered the CFP or CPL supply chain, the procedures identified in the CFP & CPL Complaint Process described above will be implemented. If corrective action cannot be determined and/or enforced operations at the site or relevant material and/or suppliers shall be excluded from the FSC-FM certified lands and/or the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain. With these controls in place, coupled with the very low risk of sourcing unacceptable material at the origin level, CFP & CPL conclude that the risk of non-eligible material entering their respective supply chains is negligible.</p> <p>With respect to CPL, the vast majority of input material sourced by CPL comes from SFI forest management certified suppliers, primarily from CFP. To date, very little, if any, logs or chips accessed by CPL are sourced from FSC forest management certified sources or acquired with the FSC Controlled Wood claim. By virtue of the screening of input material by way of this unacceptable sources risk assessment, the rejection of material without timber mark verifying acceptable origin, and the control measures noted above, all material entering the CFP and CPL supply chain is considered to be controlled material.</p> <p>Therefore, CFP and CPL conclude that there is low risk of mixing non eligible material with acceptable input material and that there is low risk of mixing uncontrolled with controlled material. Hence, input material sourced from these provinces is considered acceptable as “controlled material” and may be used as inputs to the CFP and CPL FSC product groups.</p>	
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3. The procedure for filing complaints

Complaint Process

- Within two weeks of receiving the complaint provide an initial response that notifies the complainant/s that the complaint has been received and inform the complainant/s of the complaints procedure,
- Conduct a preliminary assessment to determine whether evidence provided in the complaint is or is not substantial, by assessing the evidence provided against the risk of damaging the value (FM certification) or using material from unacceptable sources (CW/CoC certification),
- Engage in dialogue with the complainant/s that aims to solve the complaint provided and assessed as being substantial before further action is taken,
- Canfor Corporation/Canfor Pulp Ltd. will forward all substantial complaints and complaints that have elevated into disputes to the certification body and FSC Canada within two weeks of receipt of the complaint along with information on the steps taken to resolve the complaint with a description of how a precautionary approach will be used,
- Employ a precautionary approach towards FM operations and continued sourcing of the relevant material while a complaint is pending,
- Investigate a complaint assessed as substantial within two months of its receipt and determine corrective actions to be taken by Canfor Corporation/suppliers and the means to implement and enforce the corrective action. If a corrective action cannot be determined and/or enforced operations at the site or relevant material and/or suppliers shall be excluded from the FSC-FM certified lands and/or the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain,
- Conduct follow up verification to ensure corrective action has been taken by Canfor Corporation/suppliers and that it is effective,
- Exclude the relevant material/suppliers from the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain if no corrective action has been taken,
- Notify the complainant, the certification body and FSC Canada of the results of the complaint and any actions taken to achieve resolution,
- Maintain records of correspondence, investigation evidence and all actions taken to resolve the complaint.

Where substantial opposition from Indigenous Peoples to Canfor Corporation/Canfor Pulp Ltd.'s activities is identified Canfor Corporation/Canfor Pulp Ltd. as the case may be will cease operations at the identified site and address the event following the complaint process outlined above.

4. Contact information of the person or position responsible for addressing complaints

Position responsible and contact details	<p><u>Complaints</u></p> <p>The complaints process addresses complaints and complaints that have escalated into disputes. Complaints regarding Canfor Corporation’s forest management and controlled wood certification forwarded to:</p> <p>Sara Cotter, RPF, FMS & Tenures Coordinator Canfor Administration Centre 5162 Northwood Pulp Mill Road, PO Box 9000 Prince George, BC, V2L 4W2 T: 250-962-3500 F: 250-962-3582 E: Sara.Cotter@canfor.com</p> <p>Complaints regarding Canfor Pulp Ltd.’s controlled wood certification can be forwarded to:</p> <p>Teddy Townsley, Manager – Energy and Sustainability Prince George Pulp & Paper 2789 Prince George Pulpmill Road PO Box 6000 Prince George, BC, v2N 2K3 T: 250 962 3705 F: 250 561 3627 E: teddy.townsley@canforpulp.com</p>
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Please fill section 4-7 in case material is not sourced from areas designated as “low risk”.

5. The control measures implemented by the organization for each indicator not designated as low risk in the applicable risk assessment

Sourcing area	Indicator with specified risk	
BC, Alberta	2.3 The rights of Indigenous and Traditional Peoples are upheld.	Control Measure #1: Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not oppose* the Forest Management Plan.

Sourcing area	Indicator with specified risk	
BC, Alberta	3.1 HCV 1: Species diversity.	Control Measure #8: 2. Evidence demonstrates that forests in the sourcing area have a <i>management plan</i> ₁ that contributes to the recovery of woodland caribou <i>critical habitat</i> [*] , as identified in the Federal Recovery Strategy. The management plan identifies and implements: a) Best Management Practices (BMPs) that reduce disturbance to and restore <i>critical habitat</i> [*] including, but not limited to: • access management (e.g. road decommissioning, integrated access plans, restoration of linear features); OR • aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). OR b) Harvest deferrals, set asides, and/or <i>protection areas</i> ₂ within areas of <i>critical habitat</i> [*] , where forest operations are not permitted. Rationale is provided as to how such actions will contribute to reducing the level of disturbance over time in <i>critical habitat</i> [*] , in support of meeting the threshold ₃ requirements in the Federal Recovery Strategy.

Sourcing area	Indicator with specified risk	
BC, Alberta	3.2 HCV 2: Landscape-level ecosystems and mosaics	Control Measure #2: Evidence demonstrates that a minimum of 80% of the IFL is not <i>threatened</i> [*] by forest management operations in the <i>long-term</i> [*] . AND The cumulative impacts of forest harvesting will not reduce the IFL to below 50,000 ha.

Sourcing area	Indicator with specified risk	
BC, Alberta	3.2 HCV 2: Landscape-level ecosystems and mosaics	Control Measure #2: Evidence demonstrates that a minimum of 80% of the IFL is not <i>threatened</i> [*] by forest management operations in the <i>long-term</i> [*] . AND The cumulative impacts of forest harvesting will not reduce the IFL to below 50,000 ha.

Sourcing area	Indicator with specified risk	
BC, Alberta	3.2 HCV 2: Landscape-level ecosystems and mosaics	<p>Control Measure #5: Forest operations do not reduce IFLs below 50,000ha, AND all meet applicable options below:</p> <p>a) For an IFL between 50,000ha and 62,500, cumulative impacts forest operations do not affect more than 10% of the IFL.</p> <p>b) For an IFL between 62,501 and 75,000 ha, cumulative impacts forest operations do not affect more than 20% of the IFL.</p> <p>c) For an IFL between 75,001 and 200,000 ha, cumulative impacts forest operations do not affect more than 30% of the IFL.</p> <p>d) For an IFL between 200,001 and 500,000 ha, cumulative impacts forest operations do not affect more than 35% of the IFL.</p> <p>e) For an IFL larger than 500,001 ha, cumulative impacts forest operations do not affect more than 45% of the IFL.</p>

Sourcing area	Indicator with specified risk	
Alberta	4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02%, or 5000 hectares average net annual loss for the past 5 years (whichever is less). Applies to BC & Alberta only.	<p>Control Measure #1: Evidence demonstrates that supplied material does not originate from areas converted to non-forest.</p>

Sourcing area	Indicator with specified risk	

Alberta	4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02%, or 5000 hectares average net annual loss for the past 5 years (whichever is less). Applies to BC & Alberta only.	Control Measure #2: Evidence demonstrates that supplied material originates from acceptable sources of conversion, including: <ul style="list-style-type: none"> • Conversion that results in conservation benefits (e.g. ecological restoration, species at risk protection), and • Publicly approved changes in zoning within urban areas
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Sourcing area	Indicator with specified risk	
Alberta	4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02%, or 5000 hectares average net annual loss for the past 5 years (whichever is less). Applies to BC & Alberta only.	Control Measure #3: The Organization demonstrates support for existing integrated land management processes designed to reduce the cumulative impact of changes to non-forest landscapes. <ul style="list-style-type: none"> • Documented support promoting integrated land management processes that aim to reduce the cumulative impact of conversion of forests to non-forest uses; • Participation in integrated land management discussions; and • Working within their sphere of influence to enact mitigation strategies designed to reduce the impact of conversion to non-forest uses

6. Stakeholder consultation process(es) performed by the organization

Not applicable, the organization did not engage a formal consultation process.

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7. The organization engaged one or more experts in the development of control measures

Yes No

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8. The organization undertook field verification as a control measure

Yes No

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Certification public summary

Type of evaluation: Main evaluation Re-evaluation

Note: For surveillance evaluations, please use the last section of surveillance public summary.

Certification evaluation date: January 9, 2023

1. Description of the DDS, including supplier structure for each participating site

Exact number of suppliers: 31

Approximate or exact number of sub-suppliers: 0

Supplier type:

Primary processor

Average length of the non-FSC-certified supply chain(s): 1

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Risk of mixing with non-eligible inputs: Low

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2. Evaluation of justification for excluding confidential information provided by the organization (according to Clause 6.2 (d) in FSC-STD-40-005 V3-0)

NA

3. Timeline and circumstances of an extension for the period during which the organization shall adapt the DDS to approved FSC risk assessments

Applicable Not applicable

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4. Information about who has developed the DDS or elements of it, including whether the DDS was developed by an external party

Canfor produced the DDS

5. Brief description of the system developed for the evaluation of the DDS

Canfor conducts field assessments of up to 100% of private land purchases

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6. Brief summary of findings from field verification(s)

NA

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7. Summary of stakeholder consultation conducted by the certification body, including:

7.1. Geographical area(s) for which stakeholder consultation was conducted (e.g. geo-reference data, state, province, supply units)

Western Canada

7.2. List of stakeholders invited by the certification body to participate in the consultation (identified per stakeholder group)

- Economic interests
- Social interests
- Environmental interests
- FSC-accredited certification bodies active in the country
- National and state forest agencies
- Experts with expertise in controlled wood categories
- Research institutions and universities
- FSC regional offices, FSC network partners, registered standard development groups and NRA working groups in the region

7.3. Summary of the stakeholder comments received

As required by FSC-STD-20-011 at criterion 6, KPMG conducted a stakeholder consultation. A total of 56 stakeholders were identified including groups associated with Indigenous Peoples, governments and agencies, non-governmental organisations, and local tenure holders. Interested and affected stakeholders were contacted by mail and invited to comment on: "... concerns or observations regarding the Company's due diligence system ...". A questionnaire was provided and KPMG received one response with concerns. A stakeholder located in the area where Canfor sources controlled materials expressed concern with harvesting conducted in the vicinity of their domestic water license intake along a stream.

7.4. Brief description of how the certification body has taken stakeholder comments into account

The audit considered Canfor planning and practices associated with the development and no issues were identified. The local community was consulted and Canfor adjusted harvesting plans in response to community concerns. The individual raising the concerns with KPMG did not contact Canfor, nor did they participate in a field review offered by Canfor. Since Canfor was responsive to the stakeholders who did participate, KPMG did not take this matter further.

8. List of all nonconformities against FSC-STD-40-005

2022	Grading	Due date	Open/closed
Finding No. 1.	Minor	January 8, 2024	Open
Clause	FSC-STD-40-004 V3-1 15.3		
5.4 If the sales documentation issued by the organization is not included with the shipment of the product and this information is relevant for the customer to identify the product as being FSC-certified, the related delivery documentation shall include the same information as required in Clause 5.1 and a reference linking it to the sales documentation.			
Description			
The FSC-STD-40-004 Standard at indicator 5.1 requires the organization to include an FSC claim on sales invoices when FSC certified materials are sold. The Standard at 5.3 provides for the FSC claim to also be included on transportation documents in some situations. The Canfor Multi-site Documented Control System includes procedures for the inclusion of an FSC claim on the sales invoice and the audit confirmed Canfor met this requirement. However, the audit came across a Canfor Bill of Lading associated with the sale of lumber, identifying the materials as 'FSC Certified' and this is not a claim recognized by the Standard.			
NOTE: Canfor stated they did not intend to include a claim on its transport document, the words were intended to be a communication to the shipper to source FSC certified materials.			
Corrective action			
1. Revise the Bill of Lading template to remove the words "FSC Certified", which could be misconstrued as making a claim regarding FSC content. If the intent is to make a claim, use appropriate FSC claim (FSC Mix Credit, FSC 100%).			

2022	Grading	Due date	Open/closed
Finding No. 2.	Minor	January 8, 2024	Open
Clause	FSC-STD-50-001 V2-1 1.3		
1.5 The organization shall either have an approved trademark use management system in place or submit all intended uses of FSC trademarks to its certification body for approval. Please see Annex A for further information on trademark use management system.			
Description			
The FSC-STD-50-001 at indicator 1.5 requires the organization to gain approval from the certification body for trademark use. FSC trademarks are used on multiple Canfor websites and pages. The trademark usage requires approval by the certification body, who also confirms that the use follows all requirements of the trademark standard. There is not evidence that approval has been obtained. Further, the requirements for off-product or promotional use of FSC trademarks is not clear in the Canfor Multi-site Documented Control System.			
Corrective action			

1. Seek CB assistance to review Canfor use of FSC logo and trademark on the Canfor external website.
2. Update use of the FSC logo and trademark on the Canfor external website per the suggestions made by the CB.
3. Add direction re: off product or promotional use of the FSC trademarks to the Canfor FSC CoC Documented Control System document.
4. Advise Canfor Sustainability Report author and Website Manager of trademark use rules.

Surveillance public summary

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2. Click or tap here to enter text.

Finding No. 1.	Minor	Choose a building block.	Open

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Scope

Canfor Corporation and Canfor Pulp Ltd.’s due diligence system (DDS) supports each allied company’s multi-site chain of custody certification registered under FSC-CW/CoC certificate codes:

Canfor Corporation: KF-COC-001058/KF-CW-001058

Canfor Pulp Ltd.: KF-COC-001056/KF-CW-001056

The list of participating sites, by company covered by the multi-site certifications include:

Canfor Corporation:

- Radium Hotsprings Sawmill,
- Elko Sawmill,
- Skookumchuck Whole Log Chipping Operation,
- Canfor Wood Products Marketing.

Canfor Pulp Ltd.:

- Prince George Pulp & Paper Mill,
- Intercontinental Pulp Mill,
- Northwood Pulp Mill,
- Canfor Pulp Sales.

Information on Canfor Corporation and Canfor Pulp Ltd. is available at <https://www.canfor.com/>

FSC Products Groups

Canfor Corporation:

- W1.2/SPF, Fdi, Lw bark hog fuel,
- W3.1/SPF, Fdi, Lw wood chips,
- W3.2/SPF, Fdi, Lw sawdust,
- W3.3/SPF, Fdi, Lw shavings,
- W1.1/SPF, Fdi, Lw logs,
- W6.1/SPF, Fdi, Lw lumber,
- W5.2/Fdi, Lw rough green lumber.

Canfor Pulp Ltd.

- P1.1/mechanical pulp,
- P1.1.2/mechanical, bleached - refiner pulp,
- P1.3/chemical pulp, bleached,
- P1.4/chemical pulp, unbleached,
- P2.3/wrapping and packaging paper.

Species used in Canfor Corporation & Canfor Pulp Ltd.’s FSC® Product Groups

Pines	Spruces	True Firs	Other Conifers	Hardwoods
Lodgepole Pine (<i>Pinus contorta</i>), Jack pine (<i>Pinus banksiana</i>), White pine (<i>Pinus monticola</i>), Ponderosa Pine (<i>pinus ponderosa</i>)	White Spruce (<i>Picea glauca</i>), Engelmann Spruce (<i>Picea engelmannii</i>), Black spruce (<i>Picea mariana</i>) Hybrid White Spruce (<i>Picea spp.</i>),	Subalpine (Balsam) fir (<i>Abies lasiocarpa</i>), Amabilis fir (<i>Abies amabilis</i>), Grand fir (<i>Abies grandis</i>)	western larch (<i>Larix occidentalis</i>), Douglas-fir (<i>Pseudotsuga menziesii</i>), Western hemlock (<i>Tsuga heterophylla</i>), Western red cedar (<i>Thuja plicata</i>)	Aspen (<i>Populus tremuloides</i>), Balsam poplar (<i>Populus trichocarpa</i>), Paper Birch (<i>Betula papyrifera</i>)

Defined Fibre Supply Areas

Canfor Corporation and Canfor Pulp Ltd. have defined fibre supply areas in western Canada that are shown in the following figures.

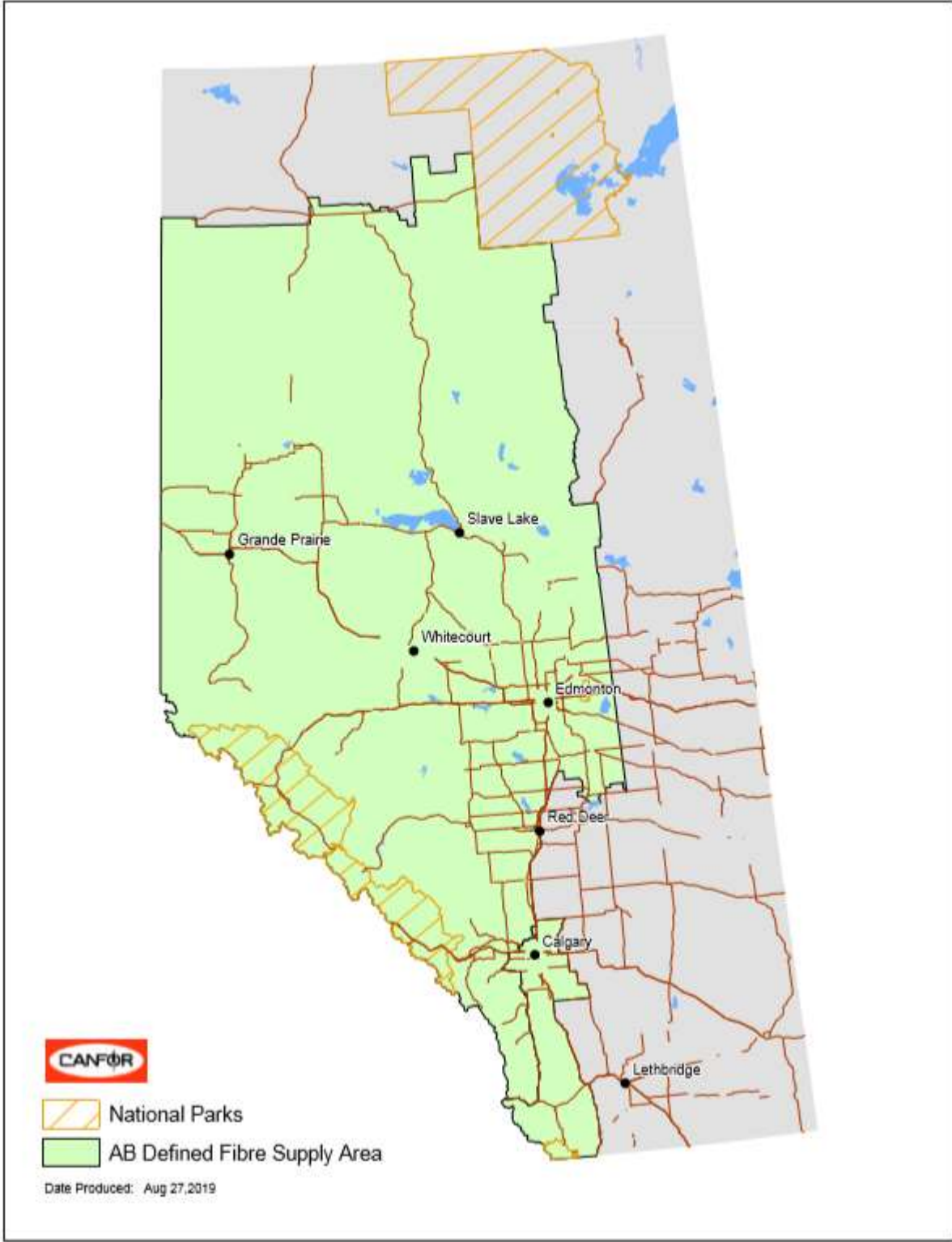


Figure 1: British Columbia Defined Fibre Supply Area





Figure 2: Alberta Defined Fibre Supply Area





Unacceptable Source Risk Assessment & Control Measures

The most current version of the National Risk Assessment (NRA) for Canada V2-1 was approved November 5, 2019 and updated July 31, 2020 is available at <https://fsc.org/en/document-centre/documents/resource/344>. The NRA for Canada forms the basis of this unacceptable source risk assessment.

Risk Mitigation under sec. 4.12 of the Controlled Wood Standard.

Table #1 identifies the NRA indicators with specified risk within the British Columbia, Alberta and Saskatchewan defined fibre supply areas and the control measures selected by Canfor Corporation and Canfor Pulp Ltd. to mitigate the risk of sourcing material from unacceptable sources.

Table #1 – Specified Risk and Control Measures

Controlled Wood Indicator	Selected Control Measure(s)
2.3 The rights of Indigenous and Traditional Peoples are upheld.	1
Control Measure #1: Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not <i>oppose*</i> the Forest Management Plan.	
3.1 HCV 1: Species diversity.	8
Control Measure #8: Evidence demonstrates that forests in the sourcing area have a <i>management plan</i> ¹ that contributes to the recovery of woodland caribou <i>critical habitat*</i> , as identified in the Federal Recovery Strategy. The management plan identifies and implements: a) Best Management Practices (BMPs) that reduce disturbance to and restore <i>critical habitat*</i> including, but not limited to: • access management (e.g. road decommissioning, integrated access plans, restoration of linear features); OR ▪ aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). OR b) Harvest deferrals, set asides, and/or <i>protection areas</i> ² within areas of <i>critical habitat*</i> , where forest operations are not permitted. Rationale is provided as to how such actions will contribute to reducing the level of disturbance over time in <i>critical habitat*</i> , in support of meeting the threshold ³ requirements in the Federal Recovery Strategy.	



Table #1 – Specified Risk and Control Measures

Controlled Wood Indicator	Selected Control Measure(s)
3.2 HCV 2: Landscape-level ecosystems and mosaics.	2 & 5
<p>Control Measure #2: Evidence demonstrates that a minimum of 80% of the IFL is not <i>threatened</i>* by forest management operations in the <i>long-term</i>*. AND The cumulative impacts of forest harvesting will not reduce the IFL to below 50,000 ha.</p> <p>Control Measure #5: Forest operations do not reduce IFLs below 50,000ha, AND all meet applicable options below: a) For an IFL between 50,000ha and 62,500, cumulative impacts forest operations do not affect more than 10% of the IFL. b) For an IFL between 62,501 and 75,000 ha, cumulative impacts forest operations do not affect more than 20% of the IFL. c) For an IFL between 75,001 and 200,000 ha, cumulative impacts forest operations do not affect more than 30% of the IFL. d) For an IFL between 200,001 and 500,000 ha, cumulative impacts forest operations do not affect more than 35% of the IFL. e) For an IFL larger than 500,001 ha, cumulative impacts forest operations do not affect more than 45% of the IFL.</p>	
4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02%, or 5000 hectares average net annual loss for the past 5 years (whichever is less). Applies to BC & Alberta only.	1, 2 & 3
<p>Control Measure #1: Evidence demonstrates that supplied material does not originate from areas converted to non-forest.</p> <p>Control Measure #2: Evidence demonstrates that supplied material originates from acceptable sources of conversion, including: ▪ Conversion that results in conservation benefits (e.g. ecological restoration, species at risk protection), and ▪ Publicly approved changes in zoning within urban areas</p> <p>Control Measure #3: The Organization demonstrates support for existing integrated land management processes designed to reduce the cumulative impact of changes to non-forest landscapes. ▪ Documented support promoting integrated land management processes that aim to reduce the cumulative impact of conversion of forests to non-forest uses; ▪ Participation in integrated land management discussions; and ▪ Working within their sphere of influence to enact mitigation strategies designed to reduce the impact of conversion to non-forest uses</p>	



Complaints

The complaints process addresses complaints and complaints that have escalated into disputes.

Complaints regarding Canfor Corporation's forest management and controlled wood certification can be forwarded to:

Sara Cotter, RPF, FMS & Tenures Coordinator
Canfor Administration Centre
5162 Northwood Pulp Mill Road, PO Box 9000
Prince George, BC, V2L 4W2
T: 250-962-3500
F: 250-962-3582

E: Sara.Cotter@canfor.com

Complaints regarding Canfor Pulp Ltd.'s controlled wood certification can be forwarded to:

Teddy Townsley, Manager – Energy and Sustainability
Prince George Pulp & Paper
2789 Prince George Pulpmill Road
PO Box 6000
Prince George, BC, v2N 2K3
T: 250 962 3705
F: 250 561 3627
E: teddy.townsley@canforpulp.com

Complaint Process

- Within two weeks of receiving the complaint provide an initial response that notifies the complainant/s that the complaint has been received and inform the complainant/s of the complaints procedure,
- Conduct a preliminary assessment to determine whether evidence provided in the complaint is or is not substantial, by assessing the evidence provided against the risk of damaging the value (FM certification) or using material from unacceptable sources (CW/CoC certification),
- Engage in dialogue with the complainant/s that aims to solve the complaint provided and assessed as being substantial before further action is taken,
- Canfor Corporation/Canfor Pulp Ltd. will forward all substantial complaints and complaints that have elevated into disputes to the certification body and FSC Canada within two weeks of receipt of the complaint along with information on the steps taken to resolve the complaint with a description of how a precautionary approach will be used,
- Employ a precautionary approach towards FM operations and continued sourcing of the relevant material while a complaint is pending,
- Investigate a complaint assessed as substantial within two months of its receipt and determine corrective actions to be taken by Canfor Corporation/suppliers and the means to implement and enforce the corrective action. If a corrective action cannot be determined and/or enforced operations at the site or relevant material and/or suppliers shall be excluded from the FSC-FM certified lands and/or the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain,
- Conduct follow up verification to ensure corrective action has been taken by Canfor Corporation/suppliers and that it is effective,
- Exclude the relevant material/suppliers from the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain if no corrective action has been taken,
- Notify the complainant, the certification body and FSC Canada of the results of the complaint and any actions taken to achieve resolution,
- Maintain records of correspondence, investigation evidence and all actions taken to resolve the complaint.

Where substantial opposition from Indigenous Peoples to Canfor Corporation/Canfor Pulp Ltd.'s activities is identified Canfor Corporation/Canfor Pulp Ltd. as the case may be will cease operations at the identified site and address the event following the complaint process outlined above.



CFP & CPL Risk of Mixing Input Material with Ineligible Material Assessment

The unacceptable sources risk assessment above indicates that material sourced from the geographic areas assessed in consideration of the guidance identified in the FSC National Risk Assessment for Canada and the control measures implemented by CFP and CPL results in CFP and CPL concluding that there is negligible or low risk of sourcing wood fibre from unacceptable sources in the western Canada fibre supply areas defined in this summary.

From a practical sense, preventing non-eligible material from entering the CFP & CPL supply chain is straightforward, at the sawmill and pulpmill, CFP & CPL inspect each load of input material to ensure that it includes the origin timber mark on every log or chip delivery, and simply prevent unidentified material (loads with no acceptable origin timber marks) from entering the respective sites. Timber is hammer stamped with the timber mark in the bush prior to transportation to the mill site, this eliminates the risk of mixing during transloading between the forest and the sawmill that might provide risk of contamination.

Purchase contracts utilized by CFP and CPL specify that the material provided must not originate from unacceptable sources. Supplier declarations are required and scrutinized to ensure that input material does not originate from unacceptable sources. In the unlikely event that ineligible material is discovered or alleged to have entered the CFP or CPL supply chain, the procedures identified in the CFP & CPL Complaint Process described above will be implemented. If corrective action cannot be determined and/or enforced operations at the site or relevant material and/or suppliers shall be excluded from the FSC-FM certified lands and/or the Canfor Corporation/Canfor Pulp Ltd. controlled wood supply chain. With these controls in place, coupled with the very low risk of sourcing unacceptable material at the origin level, CFP & CPL conclude that the risk of non-eligible material entering their respective supply chains is negligible.

With respect to CPL, the vast majority of input material sourced by CPL comes from SFI forest management certified suppliers, primarily from CFP. To date, very little, if any, logs or chips accessed by CPL are sourced from FSC forest management certified sources or acquired with the FSC Controlled Wood claim. By virtue of the screening of input material by way of this unacceptable sources risk assessment, the rejection of material without timber mark verifying acceptable origin, and the control measures noted above, all material entering the CFP and CPL supply chain is considered to be controlled material.

Therefore, CFP and CPL conclude that there is low risk of mixing non eligible material with acceptable input material and that there is low risk of mixing uncontrolled with controlled material.

Hence, input material sourced from these provinces is considered acceptable as “controlled material” and may be used as inputs to the CFP and CPL FSC product groups.