



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

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Certification Body	KPMG Forest Certification Services Inc.
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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 publicly 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., FSC-CW Due Diligence Summary

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
<i>British Columbia (excludes coastal BC), Canada</i>	Category 1	Low risk	<input checked="" type="checkbox"/> FSC risk assessment <input type="checkbox"/> Extended Company Risk Assessment	<i>FSC-NRA-CA V2-0</i>
	Category 2	Specified risk		
	Category 3	Specified risk		
	Category 4	Specified risk		
	Category 5	Low risk		

Source area B.	CW category	Risk designation	Type of risk assessment	Reference of risk assessment
<i>Western Alberta, Canada</i>	Category 1	Low risk	<input checked="" type="checkbox"/> FSC risk assessment <input type="checkbox"/> Extended Company Risk Assessment	<i>FSC-NRA-CA V2-0</i>
	Category 2	Specified risk		
	Category 3	Specified risk		
	Category 4	Specified risk		
	Category 5	Low risk		

2. The procedure for filing complaints – see attached Annex

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

Position responsible	FMS & Tenures Coordinator
Contact detail	250-962-3500

Please fill section 4-7 in case material is not sourced from areas designated as “low risk”.

4. 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	Control Measure
BC, Alberta	2.3/The rights of Indigenous and Traditional Peoples are upheld.	FSC Canada NRA <u>Control Measure 1</u> : 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	Control Measure
<ul style="list-style-type: none"> • Alberta-British Columbia foothills forests, • Canadian Aspen forests and parklands, • Mid-continental Canadian forests, • Muskwa-Slave Lake forests, • Alberta Mountain forests, • North Central Rockies forests. 	3.1/HCV1 Species Diversity (Critical Habitat for SAR of Special Significance)	<p>FSC Canada NRA <u>Control Measure 8</u>: Evidence demonstrates that forests in the sourcing area have a management plan that contributes to the recovery of woodland caribou critical habitat*, as identified in the Federal Recovery Strategy. The management plan identifies and implements:</p> <p>a) Best Management Practices (BMPs) that reduce disturbance to and restore critical habitat* including, but not limited to:</p> <ul style="list-style-type: none"> • access management (e.g. road decommissioning, integrated access plans, restoration of linear features); OR • aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). <p>b) Harvest deferrals, set asides, and/or protection areas within areas of critical habitat*, 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 critical habitat*, in support of meeting the threshold requirements in the Federal Recovery Strategy.</p>

Sourcing area	Indicator with specified risk	Control measure
<ul style="list-style-type: none"> • Alberta-British Columbia foothills forests, • Canadian Aspen forests and parklands, • Mid-Continental Canadian Forests, • North Central Rockies forests. 	3.2/HCV2 Landscape-level ecosystems and mosaics	<p>The Canfor DDS applies two of the FSC NRA Control Measures, depending on the Intact Forest Landscape (IFL), as follows:</p> <p><u>Control Measure 2</u>: Evidence demonstrates that a minimum of 80% of the IFL is not threatened by forest management operations in the long-term. AND The cumulative impacts of forest harvesting will not reduce the IFL to below 50,000 ha</p> <p><u>Control Measure 5</u>: Forest operations do not reduce an IFL below 50,000 ha, AND all meet applicable options below:</p> <p>a) For an IFL between 50,000 and 62,500 ha, 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>

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

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

Applicable, consultation is a control measure or internal audit tool. Please fulfill this section.

N/A

N/A

5.1. The areas for which the stakeholder consultation has been conducted (e.g. geo-reference data, state, province, supply unit)

N/A

5.2. List of the stakeholder groups invited by the organization to participate in the consultation, please check

N/A

5.3. Summary of the stakeholder comments received and considerations

N/A

Note: Comments shall only be published with prior consent from the consulted stakeholder and not associated with stakeholder's personal identifiable information.

5.4. The organization's justification for concluding that the material sourced from these areas can be used as controlled material or sold with the FSC Controlled Wood claim

N/A

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

Yes No

N/A

N/A

NOTE: For individual experts this includes the experts' qualifications and the scope of their services. The personal identifiable information such as names of experts, their license/registration numbers (if applicable) shall only be included with given consent from experts. For publicly available expertise, the specific sources of information shall be cited.

7. The organization undertook field verification as a control measure

Yes No

The organization has provided a justification for the exclusion of confidential information

Yes No

None of the information required to be included in this public summary is confidential, and accordingly none has been excluded.

Certification public summary N/A this was not a certification audit – see Surveillance public summary below.

Type of evaluation: Main evaluation Re-evaluation

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

Certification evaluation date: ----

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

Exact number of suppliers: ----

Approximate or exact number of sub-suppliers: ----

Supplier type:

Note: When both primary and secondary processors are included, please select both types.

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

Risk of mixing with non-eligible inputs:

Note: Brief description of the material flow, documents kept at different transactions and other controls to indicate the risk of mixing with unacceptable material.

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)

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

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

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

The description shall include:

- A mechanism for verifying risk designations against available sources of information and applicable requirements;
- Field verification with a scope and sampling pool relevant for the DDS under evaluation. The sampling pool shall be sufficient to confirm mitigation of risk related to origin and risk of mixing of material with non-eligible inputs;
- Corroborating evidence provided by the organization with independent sources when possible.

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

Note: This Includes audits at the forest level and on-site verification of suppliers in the supply chain), with justification for the sampling rate applied in any type of field verification of the DDS.

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)

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

Note: Personal identifiable information of stakeholders shall not be included, unless consent from stakeholders was given for publication.

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

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

2018	Grading	Due date	Open/closed
Finding No. 1.	Minor	March 13, 2019	Open
Clause	FSC-STD-40-005 V3-1 1.3		
Description			
Corrective action			

2018	Grading	Due date	Open/closed
Finding No. 2.	----	----	----
Clause	FSC-STD-40-005 V3-1 1.3		
Description			
Corrective action			

Note: Please click the add button to the bottom-right of the table to add additional nonconformities. Corrective actions are necessary before certification in the case of major nonconformities.

Surveillance public summary

1. Surveillance evaluation date

The audit occurred August 12-14, and September 9-11, 2020.

2. Significant changes in the DDS since previous evaluation

Since the 2019 audit, Canfor Kootenays has modified its DDS to meet the requirements of the FSC Canada National Risk Assessment, including specified risk categories and control measures as outlined earlier in this report. No findings were identified against the amended DDS.

3. Actions taken by the organization to correct any Nonconformities identified during previous evaluations

Applicable Not applicable

2019	Grading	Due date	Open/closed
Finding No. 1.	Minor	November 20, 2020	Closed
Clause	FSC-STD-40-005 V3-1 1.3		
FSC 40-003 requires the Central Office conduct an annual review of its audit program and procedures, and that the results of all audits shall be included in the review in order to address any necessary changes or identified issues.			
Description of nonconformity			
While the audit found that appropriate staff were aware of audit findings and procedures are reviewed from time to time, an overall review of the audit program and procedures does not occur annually.			
Corrective action			
A management review occurred prior to the 2020 audit, and included a review of the audit program, procedures, and prior internal and external audit results.			

4. New nonconformities and conditions – N/A no new nonconformities were identified during the canfor 2020 audit.

	Grading	Due date	Open/closed
			Open
Clause			

5. The updated certification decision

The audit found that Canadian Forest Products Ltd – Kootenays operation has reached the level of conformance required for continued certification to the FSC-STD-40-003 V2-1, FSC-STD-40-004 V3-0 and FSC-STD-40-005 V3-1 standards. This opinion is based on the fact that no major nonconformities were identified during the assessment. As a result, a decision has been reached by the lead auditor to recommend that Canadian Forest Products Ltd. – Kootenays operation continue to be certified to the FSC-STD-40-003 V2-1, FSC-STD-40-004 V3-0, FSC-STD-40-005 V3-1 standards.



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 includes:

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,
- Taylor Pulp Mill,
- Canfor Pulp Sales.

Information on Canfor Corporation and Canfor Pulp 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 Spruce (<i>Picea glauca</i>), Engelmann Spruce (<i>Picea engelmannii</i>), Black spruce (<i>Picea mariana</i>) Hybrid White Spruce (<i>Picea spp.</i>),	Balsam fir (<i>Abies lasiocarpa</i>),	western larch (<i>Larix laricina</i>), Douglas fir (<i>Pseudotsuga menziesii</i>), Hemlock (<i>Tsuga heterophylla</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 both British Columbia and Alberta that are shown in the following figures.

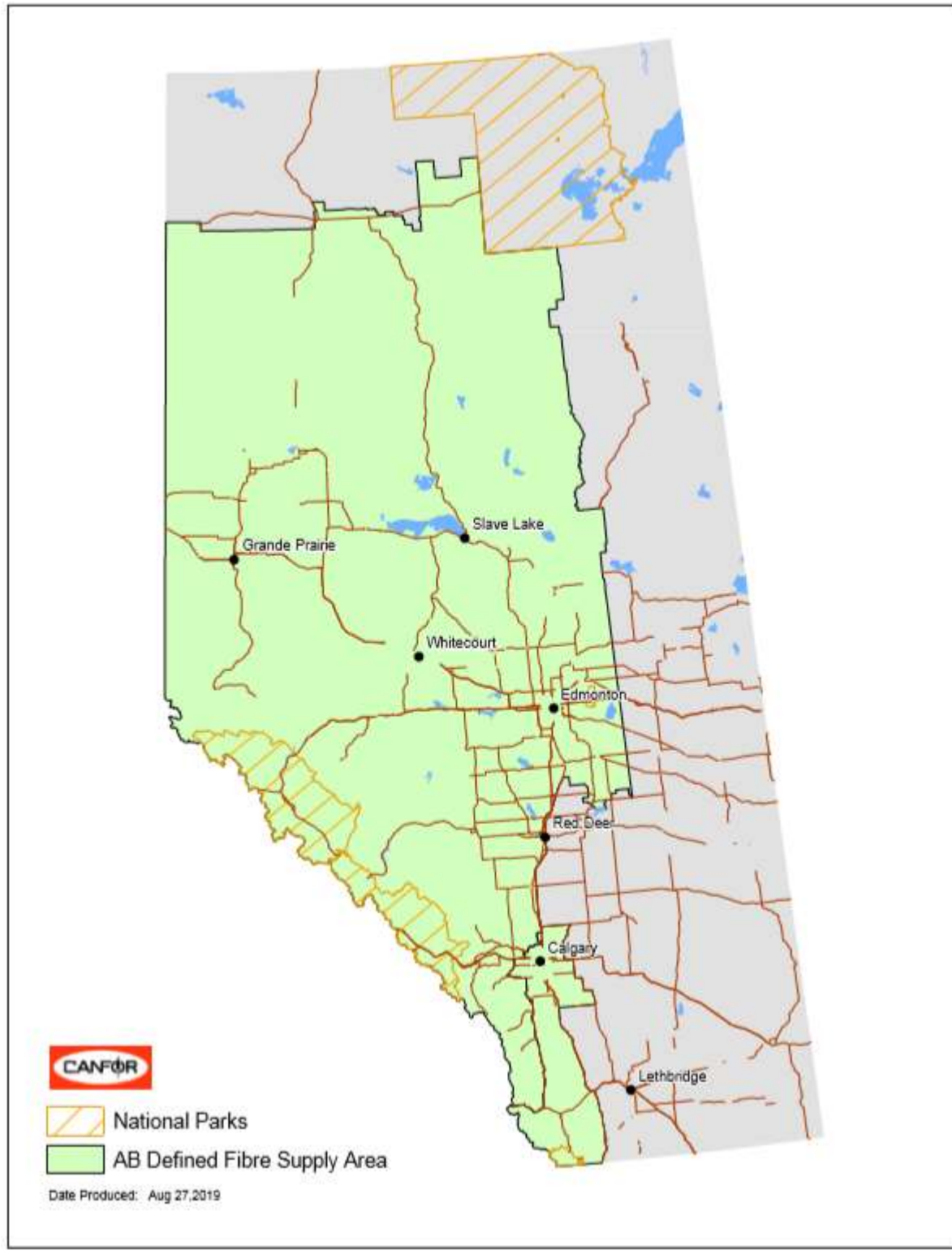


Figure 1: British Columbia Defined Fibre Supply Area





Figure 2: Alberta Defined Fibre Supply Area





Risk Assessment & Control Measures

The most current version of the National Risk Assessment (NRA) for Canada was approved November 5, 2019 and is available at <https://fsc.org/en/document-centre/documents/resource/344>.

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

Table #1 identifies the NRA indicators with specified risk within the British Columbia and Alberta defined fibre supply areas and the control measures selected by Canfor Corporation and Canfor Pulp Ltd.

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).	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:

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

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

Fibre Supply Coordinator

2789 Prince George Pulpmill Road
PO Box 6000
Prince George, BC V2N 2K3
T: 250-563-0161
F: 250-561-3627

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 informs 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 or FS certification) or using material from unacceptable sources (CW/CoC certification),
- Engage in dialogue with the complainant/s that aims to resolve the complaint provided and assessed as being substantial, using best efforts to resolve the issue(s) before further action is taken,
- Failing best efforts of both parties to resolve the issue(s), if the complaint remains unresolved, the parties will exchange written summaries of the issue(s), any resolutions reached, outstanding issues and will, if desired, describe any proposed solutions to be considered and arrange for appropriate senior Canfor personnel to meet with the complainant and attempt to resolve the issue(s),
- If after discussing the issue(s) with the appropriate senior Canfor personnel, the issue(s) remain unresolved, and if deemed appropriate, the parties may, by unanimous agreement, consider retaining the services of a facilitator or mediator to attempt to resolve the issue(s), the parties will bear their own costs in resolving the dispute and will equally share the expenses and fees of any facilitator or mediator retained.
- Canfor Corporation/Canfor Pulp Ltd. will forward all substantial complaints and complaints that have elevated into disputes to the certification body and FSC Canada for FSC-CW/CoC or FM complaints 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 Forest Management 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 a dispute arising from the infringement of Indigenous Peoples rights or substantial opposition to Canfor Corporation/Canfor Pulp Ltd.'s forest management activities is expressed by Indigenous Peoples, Canfor Corporation/Canfor Pulp Ltd. as the case may be, will cease forest management operations at the identified site for as long as is required to address the dispute following the complaint process outlined above.