



**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**

<b>Pines</b>	<b>Spruces</b>	<b>True Firs</b>	<b>Other Conifers</b>	<b>Hardwoods</b>
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.

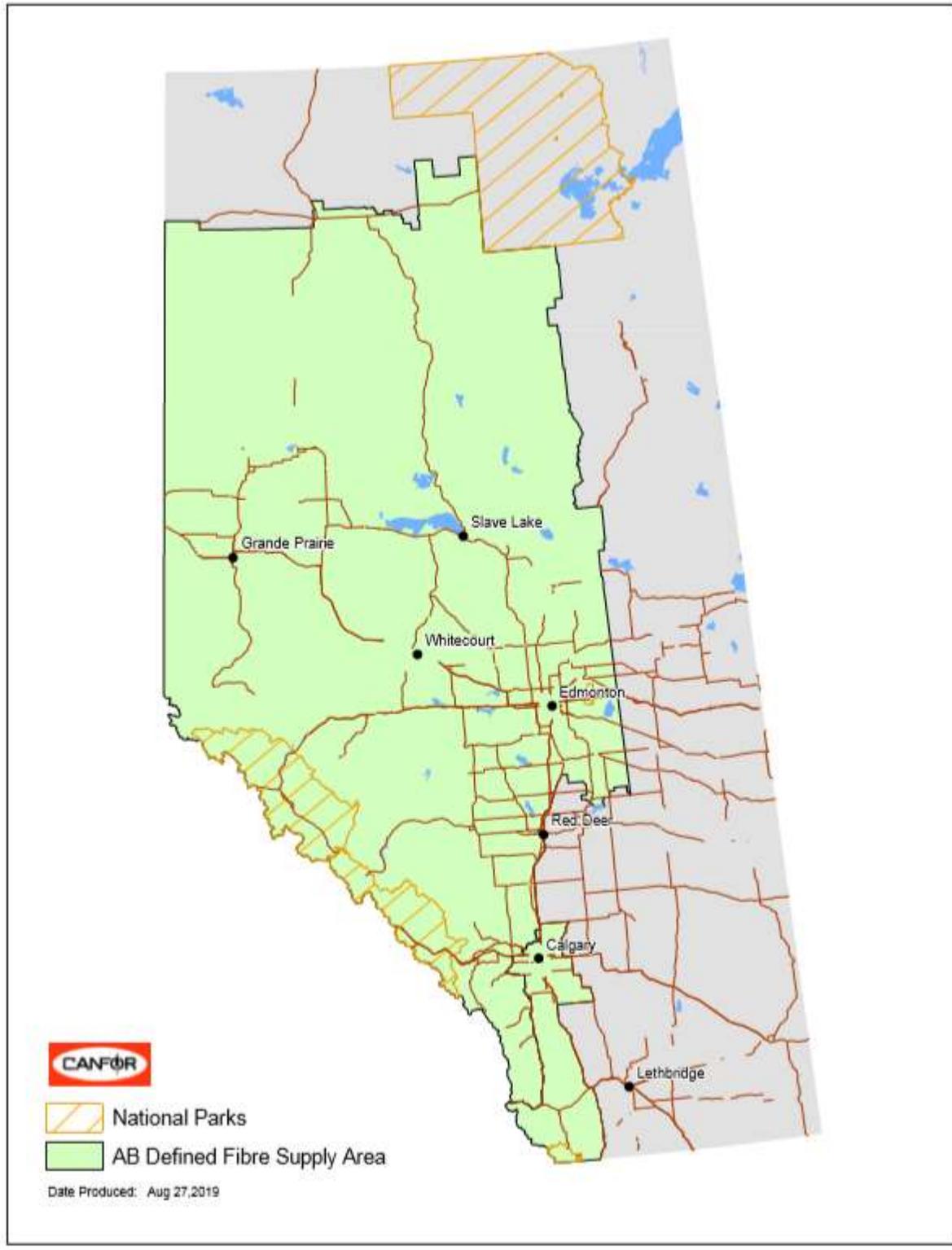


**Figure 1: British Columbia Defined Fibre Supply Area**





**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**

<b>Controlled Wood Indicator</b>	<b>Selected Control Measure(s)</b>
2.3 The rights of Indigenous and Traditional Peoples are upheld.	1
<b>Control Measure #1:</b> 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
<b>Control Measure #8:</b> Evidence demonstrates that forests in the sourcing area have a <i>management plan</i> <sup>1</sup> 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); <b>OR</b> ▪ aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). <b>OR</b> b) Harvest deferrals, set asides, and/or <i>protection areas</i> <sup>2</sup> 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 <sup>3</sup> requirements in the Federal Recovery Strategy.	



**Table #1 – Specified Risk and Control Measures**

<b>Controlled Wood Indicator</b>	<b>Selected Control Measure(s)</b>
3.2 HCV 2: Landscape-level ecosystems and mosaics.	2 & 5
<p><b>Control Measure #2:</b> 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><b>Control Measure #5:</b> 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><b>Control Measure #1:</b> Evidence demonstrates that supplied material does not originate from areas converted to non-forest.</p> <p><b>Control Measure #2:</b> 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><b>Control Measure #3:</b> 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.