

**Project No. 1046463-06**

January 21, 2014

Mr. Jerry Canuel  
Aspen Planers Ltd.  
Woodlands Department  
PO Box 160  
Merritt, BC  
CAN, V1K 1B8

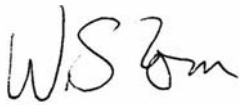
**SUBJECT: REGISTRATION PROGRAM**

Dear Mr. Canuel,

Please find attached the Audit Report raised as a result of our Re-Assessment Audit of your management system to the CAN/CSA - Z809-2008 standard conducted in your Merritt facility starting on October 21, 2013.

We thank you and your organization for the support and co-operation given during the audit.

Best regards,  
**SAI Global**



Will Sloan

Team Leader  
Encls.  
cc: Cindy Hutchison

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## SUSTAINABLE FOREST MANAGEMENT SYSTEM

### CAN/CSA-Z809-2008

**Auditee:** Aspen Planers Ltd.  
**Address:** PO Box 160 Merritt British Columbia  
CAN V1K 1B8

**Contact:** Mr. Jerry Canuel  
**Dates of Audit:** Oct 21, 2013 to Nov 15, 2013  
**Total Number of Audit Days:** 7.00  
**Audit Team Leader:** Will Sloan  
**Type of Audit:** Re-Assessment Audit  
**Audit Frequency:** Annual  
**SIC / NACE Code:** 0811 2421 A02.0 DD20.1

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2. Description of the Defined Forest Area (DFA)
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### REPORT DISTRIBUTION

Aspen Planers Ltd.  
SAI GLOBAL File  
Will Sloan  
Cindy Hutchison

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#### Statement of Confidentiality

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**SECTION 1 - EXECUTIVE SUMMARY**

<b>Scope #</b>	<b>Scope Description</b>
1	Forest management activities - planning, harvesting, transportation and silviculture on the Nicola Thompson Fraser DFAs

**Site:**

Aspen Planers Ltd.  
PO Box 160  
Merritt  
British Columbia  
CAN, V1K 1B8

**Summary of Audit Findings:**

A Re Registration audit was conducted starting on October 21, 2013 on the Aspen Planers Ltd., Nicola Thompson Fraser sustainable forest management system. No non-conformances were identified; however 8 Areas of Concern and 6 Opportunities for Improvement were noted as documented in this audit report. The audit team found that Aspen Planers Ltd. SMF system generally conforms to the requirements of CAN/CSA Z809-2008 and adheres to the company's requirements. 4 positive attributes of the management system were also noted.

**Recommendations:**

The results of the Re-assessment including the review of the performance of the Aspen Planers Ltd. Management System over the past 3 years and the Re-assessment Audit, indicate that Aspen Planers Ltd.'s Management System meets the following criteria for maintenance of registration to CAN/CSA - Z809-2008 and Aspen Planers will be recommended for re-registration to the CAN/CSA - Z809-2008 Sustainable Forest Management standard.

**SECTION 2 - DESCRIPTION OF THE DEFINED FOREST AREA (DFA):**

**Geographic Locations, Forest Types, Size, Legal Tenure and SLF Description:**

NOV 18, 2010

**Licence Summary**

**1. Log supply by Licence source:**  
Aspen Licences

Licence	Description	Restrictions	AAC(m <sup>3</sup> )	Expiry Date
FLA18695	Core	AAC	132,744	November 14, 2022
FLA18695	IFPA-Beetle	Uplift	59,082	August 11, 2011
FLA75062	IFPA-Core	Uplift	90,918	August 11, 2011
FLA65006	IFPA-Stuwix	Uplift	190,000	March 31, 2011
FLA65006	IFPA-Stuwix	AAC	-	December 31, 2007
FLA55528	NRFL-Mego	Smallwood	15,000	January 1, 2012
FLA55525	NRFL-Qwa'eet	Smallwood	60,000	May 31, 2012
FLA81242	NRFL-BCTS	Smallwood	35,000	December 6, 2011
FLA84382	NRFL-LNIB	AAC	51,372	October 10, 2013
FLA84685	NRFL-LNIB	Smallwood	50,000	January 1, 2014
FLA85448	NRFL-LNIB	Smallwood	15,000	January 1, 2015
FLA86832	NRFL-LNIB	AAC	25,751	January 1, 2015
FLA85416	NRFL-USIB	AAC	20,000	January 1, 2014
FLA85417	NRFL-USIB	Smallwood	20,000	January 1, 2014
FLA85445	NRFL-CFIB	AAC	19,400	January 1, 2015
FLA84766	NRFL-CFIB	AACBill28Lillooet	8,421	January 1, 2016
FLA85443	NRFL-CFIB	AAC Lillooet	15,000	January 1, 2016
FLA85446	NRFL-CFIB	Smallwood	20,000	January 1, 2015
FLA86086	NRFL-CWB	Smallwood	30,000	January 1, 2015
FLA86066	NRFL-NIB	Smallwood	20,000	January 1, 2015
FLA73249	NRFL-SIB	AACBill28Lillooet	5,200	January 1, 2016
FLA85452	NRFL-SIB	Smallwood	15,000	January 1, 2015
FLA18701	Core-Lytton	AAC	32,778	November 14, 2013
FLA81521	NRFL-Lytton	uplift	70,000	February 28, 2017
FLA18700	Core-Lillooet	AAC	228,534	
FLA81042	Core-Lillooet	AAC	40,000	
FLA81043	Core-Lillooet	AAC	50,000	
CFAK2E	Core-Logan Lake	AAC	20,000	January 1, 2013
			<b>1,339,200</b>	

**Area of DFA:**

Land Base Summary for the SFM Plan Area:

	Kamloops	TFL 18	Lillooet	Merritt	Plan Area
<b>Total Area (ha)</b>	<b>2,770,266</b>	<b>74,542</b>	<b>1,125,025</b>	<b>1,130,282</b>	<b>5,100,115</b>
Non-crown	378,315		166,313	210,130	754,758
Non-productive, non-forest	356,420	5,847	453,534	107,467	923,268
<b>Productive Forest (ha)</b>	<b>2,046,659</b>	<b>67,315</b>	<b>504,774</b>	<b>812,685</b>	<b>3,431,433</b>
Parks, protected areas, OGMA's, reserves	699,300	795	20,811	15,935	736,841
Inoperable	96,471		97,964	105,676	300,111
Environmentally Sensitive	66,656	39	43,863	66,406	176,964
Existing Roads	28,553	1402	4,380	17,428	51,763
Low site, reforestation potential	30,138	901	41,046	45,011	117,096
Non-merchantable stands	79,435	175	4,302		83,912
Riparian	21,527	1,991	6,961	50,939	81,418
<b>Long Term THLB (ha)</b>	<b>1,009,305</b>	<b>63,184</b>	<b>292,357</b>	<b>624,123</b>	<b>1,988,969</b>

AAC apportionment summary for the SFM Plan Area:

	AAC (m <sup>3</sup> )	Percent
<b>Management Unit</b>		
Kamloops	4,000,000	51.7
TFL 18	290,000	3.7
Lillooet	635,000	8.2
Merritt	2,814,171	36.4
<b>Total Plan Area</b>	<b>7,674,171</b>	<b>100</b>
<b>Volume allocation participating licencees</b>	<b>AAC (m<sup>3</sup>)</b>	<b>Percent of Plan Area (based on volume)</b>
Aspen DFA	1,070,285	13.9
BCTS DFA	1,359,712	17.7
Canfor DFA	489,138	6.4
Gilbert Smith DFA	61,940	0.8
Tolko DFA	811,206	10.6
	<b>3,792,281</b>	<b>49.4</b>
<b>Volume allocation other parties reporting</b>	275,421	3.6
<b>Total volume reporting into Plan</b>	<b>4,067,702</b>	<b>53.0</b>
<b>Volume allocation SFI certified licencees</b>		
Ainsworth, Interfor, Stuwix, West Fraser, Weyerhaeuser (including NRFL's allocated to or managed by these companies)	2,472,954	32.3
<b>Total volume managed by this NTF Plan or by company SFI Plans</b>	<b>6,540,656</b>	<b>85.2</b>

**Legal Tenure / Licence Description, Aspen Planers:**

Licence	Merritt TSA		Lillooet TSA		Kamloops TSA	
	AAC	Volume Harvested	AAC	Volume Harvested	AAC	Volume Harvested
A18695	191826	118394				
A75062	90918	74460				
A18701			32778	0		
A81521			70000	0		
A18700			228534	9399		
A81042			40000	0		
A81043			50000	66925		
A84766			8421	0		
A73249			5200	0		
A84506	25000	0				
A84685	50000	0				
A85448	15000	0				
A85417	20000	0				
A85446	20000	51040				
A86086	30000	30000				
A86066	20000	20000				
A85452	15000	15000				
A65006	190000	79124				
A84382	51372	43238				
A86832	25751	24343				
A85416	20000	0				
A85445	19400	49623				
A85443		0	15000			
CFAK2E					100000	97540
TOTALS	784267	505222	449933	76324	100000	97540
	AAC Total, all:	1,334,200				
	Cut Total, all:	679,086				

**Volume and Species Harvested:**

Aspen Planers, Nicola Thompson Fraser Defined Forest Area	
	Volume Harvested (m3)
Softwood (Pine, Spruce, Fir)	679,086
Hardwoods	0



### SECTION 3 - ORGANIZATION:

#### Description of the DFA Workforce:

The workforce operating within the DFA is primarily made up of independent owner/operator contractors providing all phases of logging, road construction and maintenance and Silviculture services and unionized and non unionized mill workers. The remainder of the workforce is comprised of Professional Foresters, Engineers and Managers typically undertaking planning, supervision, contract administration and technical consulting work.

#### Management Objectives and Responsibilities on the DFA:

The following Licencees are actively involved in performance reporting and the continual improvement of the Nicola Thompson Fraser Sustainable Forest Management Plan:

- Ardew Forest Products Ltd.
- Aspen Planers Ltd.
- BC Timber Sales
- Canadian Forest Products Ltd.
- Gilbert Smith Forest Products Ltd
- Tolko Industries Ltd

Non-participating Licencees within the Plan area commit to reporting on the Plan as follows:

- Non-Replaceable Forest Licences (NRFLs):

Licencees holding NRFLs have a limited ability to influence achievement of Targets for some SFM Plan Indicators. These licencees are committed to reporting against Targets they do influence. These licencees report against Targets 2, 5, 6, 11-12, 14, 16, 18, 20-21, 23, 27, 30, and 36.

- Small Scale Salvage Program (SSSP):

Over the past several years, the small scale salvage operations, managed by the BC Ministry of Forests, Lands and Natural Resource Operations, have managed their operations to deal with the need to salvage trees killed by Mountain Pine Beetle with this program as well as the Forests for Tomorrow program. The Ministry is committed to the achievement of the Plan and will report on their performance against the Targets they do influence. The Ministries Small Scale Salvage Program and the Forests For Tomorrow Program will report against the following Targets: 2, 5, 6, 12, 14, 16, 18, 20-21, 23, 27, 30, and 36. It should be noted that as the pine beetle epidemic is declining, the SSS program is also declining in both area and volume harvested.

Resource use planning in British Columbia occurs at a variety of levels ranging from strategic land use plans (LRMPs) to Landscape Unit plans to site specific plans for small areas (e.g., silvicultural prescriptions for individual cutblocks).

Strategic land use plans provide broad direction for the sustainable management of land and resources through the establishment of resource management zones (e.g., protected areas, special management areas, and general resource management zones), management objectives, and strategies to guide land and resource management activities.

Landscape Unit Plans occur at a smaller scale than strategic land use plans and are intended to ensure that biodiversity objectives identified in provincial forest legislation are met. Landscape Unit Plans address Old Growth Management Areas and wildlife tree retention.

Operational and site plans address resource management at a site specific level and are guided and often regulated by objectives and strategies in strategic land use plans and Landscape Unit plans.

In the course of these strategic level planning process plus additional analysis of sensitivities during the TSA Timber Supply Review process, alternative management strategies were evaluated against a base case. A determined strategy was selected following opportunities for public review and comment. Because Timber Supply Reviews occur for each of the three TSAs as well as TFL 18 at five year intervals, the SFM Plan area continually undergoes comparative analysis of the planned or expected outcome and the actual outcome of forest management strategies. The selected strategies that define the outcome of the Timber Supply Reviews become in essence, the management plan for the specific management unit (TSA or TFL).

The Nicola Thompson Fraser SFM Plan is aligned with the strategic direction of the most current version of these management unit plans. The plans, in conjunction with Timber Supply Reviews, both guide and forecast sustainability. SFMP strategy recognizes the Goals, Objectives and Strategies in these strategic plans, which support achievement of sustainable forest management. The SFMP strategy includes appropriate communication with and consideration for First Nations, Public and Integrated Resource Management interests. A SFMP strategy is to choose appropriate indicators to confirm forest management practices are aligned with the Goals and Objectives of higher level plans.

The SFMP utilizes indicators and targets that:

- reflect key goals, objectives and direction of the strategic plans
- address the Canadian Council of Forests Ministers Criteria and CSA defined Elements
- are within the purview of the forest industry to influence and manage

A set of strategies has been developed to achieve the SFMP objectives and targets. These strategies document the relevance of the Indicator to the SFMP and sustainability, and summarize actions required to meet the target. Applicable strategies are documented by indicator/target in Section 5 of the SFMP. More extensive information is provided in Section 6 for many of these strategies.

#### **Aboriginals Consultation Process:**

The BC Ministry of Forests, Lands and Natural Resource Operations is responsible for First Nations consultation; in addition Aspen Planers has internal processes for referrals and consultation.

Since the original Plan was developed, new licensees have become involved in the SFM process. Stu'wix Resources Ltd., representing the First Nations Communities, acquired a renewable forest licence and is now an active licensee in the Merritt TSA. Stu'wix is certified to the SFIS 2010-2014 Standard.

The following First Nations, through their forestry business initiatives were involved in the development of the initial Merritt TSA Sustainable Forest Management Plan: Princeton Wood Preservers/Hu'kwa Resources Inc. and Qwa'et Forest Products.



Communications with First Nations as part of the Forest Stewardship Planning process is ongoing.

#### **SECTION 4 - AUDIT FINDINGS:**

<b>Scope #</b>	<b>Scope Description</b>
1	Forest management activities - planning, harvesting, transportation and silviculture on the Nicola Thompson Fraser DFAs

#### **Audit Objective:**

##### **Stage 2 – RR Audit**

To confirm the management system complies with the applicable elements of the Standard; to confirm the organization complies with its own policies and procedures; to confirm the management system is suitable for the organization; to confirm that the management system is suitable and effective, and enables the client to achieve its own objectives.

#### **Audit Criteria: CSA Z809:2008**

**Audit Scope:** Facilities/organizational units/functional units audited are PO Box 160 Merritt British Columbia, CAN, V1K 1B8. The DFA is located within the Nicola Thompson Fraser SFMP.

#### **Description of SAI Global and the SAI Global Audit Team:**

SAI Global is a third party management system certification Registrar. Established in 1984, SAI Global has worked with thousands of organizations in North America and around the world, issuing registration certificates to those that meet international and national management system standards.

The SAI Global Sustainable Forest Management audit team members bring with them considerable experience in the area of sustainable forest management and environmental management systems auditing. Audit teams are comprised of certified auditors and registered professional foresters. All audit team members are subject to strict confidentiality and conflict of interest agreements.

The following personnel conducted this audit:

**Audit Team**

<u>Position</u>	<u>Name</u>
Team Leader	Will Sloan
Technical Expert	Cindy Hutchison

**Audit Coverage:**

**Noted Deviations from the Audit Plan:**

No deviations from the audit plan were noted.

**Operations / Cut-Blocks Visited during the field audit include:**

<b>Nicola Thompson Fraser DFA</b>	
<b>Block / Road Number / Name</b>	<b>Type of Operation Observed</b>
<b>Lillooet TSA, October 22, 2013. First Nations also participated on field trip.</b>	
FL A81043, CP 705, Blk 16. Jaeden Resources Ltd contractor	Active road building. Good knowledge of SFM demonstrated by the 3 person crew: terrain stability; water management; cultural heritage (CMT's on site); engineered road section/end-haul; fires, spills;. Issues noted: <ul style="list-style-type: none"> <li>• No MSDS on-site;</li> <li>• No safety orientation</li> </ul> Suggestions for improvement from crew: <ul style="list-style-type: none"> <li>• Remove/re-fresh old ribbon on these older Ainsworth blocks;</li> <li>• Have layout crews come and learn from the loggers while site is active</li> </ul>
FL A81043, CP 705, Blk 17.	Completed road building. Engineered section: ¾ bench with end-haul. Cross drains still to be installed along with final surfacing. No issues noted.
FL A81043, CP 244, Blk 14	Harvest complete, 2011; planted 2013. No issues noted.
FL A81043, CP 193, Blk 27. Bridge River Logging	Active cable harvesting. No issues noted.
FL A81043, CP 193, Blk 29	Harvest complete winter 2012/13. No issues noted. No ground based harvest done resulting in

	noted. No ground based harvest done, resulting in no retention being left. SP allows this for cable harvesting systems.
<b><u>Merritt TSA, October 23, 2013</u></b>	
FL A18695, CP 347, Blk 1. R Neslon-Smith Logging	Active ground based harvest. No issues noted.
FL A18695, CP 347, Blk 3. R Neslon-Smith Logging	Inactive ground based harvest. Block ± 90% complete.
FL A55525, CP 503, Blk 1	Harvest complete 2002; planted 2004; Free growing survey 2012 (2012/09/29). 829 free growing sph; 500 sph minimum. Survey noted patchy stocking, verified during audit.
<b><u>Kamloops TSA, October 23, 2014</u></b>	
FL A88772, CP 22K, Blk 2. J&J Stirling Logging Ltd. contractor	Active harvest (bunching). No issues noted.
FL A84382, CP 345, Blk 3	MSP (drag scarification) complete. Good mineral soil exposure noted; good cone distribution also noted. Discussion with regards to viability of cones; Silviculture Forester does testing of cones to ensure viability.

**Personnel (ie Staff/contractors) interviewed in the field:**

Aspen staff included:

- Jim Harvey, Logging Manager;
- Dave Rennie, Logging Manager;
- Aaron Neustaeter, Harvest Supervisor;
- Dean Redknap, Harvest Supervisor;
- Rob Scott, Roads Manager;

In addition, the following contractor operators were interviewed:

- Buncher;
- Yarder Engineer;
- Skidder;
- Cat for road building;
- Excavator for road building;
- Processor;
- Bucker;
- Loader.

**Members of the public participation process interviewed:**

One member of the public advisory group agreed to be interviewed for the audit. The following is a summary of their comments:

**PAG Comments:**

- No Aspen representative last two meetings, April 25th and June 20th field trip. Although Leona Antoine (an Aspen woodlands employee/contractor) was present at the field trip, she is not shown in the List of Interested Parties as an Aspen representative and was unable to answer questions on behalf of Aspen;
- Continued good facilitator and meeting minutes;
- Noted 3 new members from the Merritt area;
- Meetings are progressive; and clear;
- Generally the licensees appear committed to the CSA process;
- PAG get reasonable answers to questions, no feeling of stalling or unwillingness to provide answers. If answer can not be provided at the time, then timely follow up is generally done;
- Process overall is working;
- No changes to the VOIT's were suggested.

**Provincial Government personnel interviewed:**

No member of the BC Ministry of Forests, Lands and Natural Resource Operations, Compliance and Enforcement, were available for interviews and they did not supply the requested C&E summary.

**Aboriginal People interviewed:**

Aspen Planers sent out the SAI First Nations letter to 40 bands and other First Nation bodies. SAI received several requests by First Nations to be involved in the audit, as a result a First Nations Technical Expert was assigned to the audit to verify the First Nation elements of the Standard. The following were interviewed as part of the audit:

- Bridge River Indian Band
- Lillooet Tribal Council
- Cooks Ferry Band
- Upper Nicola Indian Band

In addition, one member of the T'it'q'et First Nation in Lillooet participated on the field day of the Lillooet operations.

**VOITs verified (field & office)**

Indicator	Description/Target Number	Field and/or Office	Improvement
All Indicators are Z809:2008 CORE indicators unless otherwise noted. All VOIT’s were reviewed in the office; those also verified in the field are noted with “F” in the table below.			
1.1.1	Ecosystem Area by Type, Target 1.		TSR reporting. Variance: none.
1.1.2	Forest Area by type or species composition, Target 2.		Variance: none
1.1.3	Forest area by seral stage or age class, Targets 3 and 4.		Variance: Two age classes meet this target within 50 years (attaining target sooner than 50 years seen as a benefit). TSR reporting.
1.1.4	Degree of within-stand structural retention or age class, Target 5a and 5b.	F	Variance For Targets 5a and 5b: 10%
1.2.1	Degree of habitat protection for selected focal species, including species at risk, Targets 6, 7 and 8		Variance: as provided for within the legal framework
1.2.2	Degree of suitable habitat in the long term for selected focal species, including species at risk, Targets 7, 8 and 9.		Variance: as provided for within the legal framework.
1.2.3	Proportion of regeneration comprised of native species, Target 10.		Variance: as provided for within the legal framework.
1.2.4	Grass seeding application on newly constructed roads (non-core indicator). Target 11.		Variance: 3 months.

Indicator	Description/Target Number	Field and/or Office	Improvement
All Indicators are Z809:2008 CORE indicators unless otherwise noted. All VOIT's were reviewed in the office; those also verified in the field are noted with "F" in the table below.			
1.4.1	Proportion of identified sites with implemented management strategies, Targets 6, 12 a & b and 13.	Target 6 not applicable to Kamloops TSA	Variance 12b target to be met on at least 90% of cutblocks where ecosystems identified as "prioritized Red-listed ecological communities" occurred. For remaining targets there is no variance other than what is provided for within the legal framework.
1.4.2	Protection of identified sacred and culturally important sites, Target 14.	F	Variance: none.
1.4.3	Management and or protection of special geological features (non-core indicator). Target 15.		Variance: none
2.1.1	Reforestation Success, Targets 16 and 17.	F	Variance 16. 12 months beyond the 3-year target 17. None, other than what is provided for within the legal framework.
2.2.1	Additions and deletions to the forest area, Target 18.	F	Variance: none
2.2.2	Proportion of the calculated long-term sustainable harvest level that is actually harvested, Target 19.		Variance: According to the Cut Control Regulation and Policy.
2.2.3	Level of conformance to riparian management area and lakeshore commitments contained within plans* (non-core indicator), Target 20.  * Plans prepared by licencees are in accordance with legal and higher level plan requirements	F	Variance: 5%.



Indicator	Description/Target Number	Field and/or Office	Improvement
All Indicators are Z809:2008 CORE indicators unless otherwise noted. All VOIT's were reviewed in the office; those also verified in the field are noted with "F" in the table below.			
3.1.1	Level of soil disturbance, Targets 18, 21 and 22.	F	Variance: none
3.1.2	Level of downed woody debris, Target 23	F	Variance: none
3.2.1	Proportion of watershed or water management areas with recent stand-replacing Disturbance, Target 24.		Variance: 5% of cutblocks harvested areas requiring further hydrological assessment had no further assessments completed.
3.2.2	Managing water quality through road inspections (non-core indicator). Target 25		Variance: none
4.1.1	Net Carbon Uptake, Targets 3, 16 and 18.		Variance: Two age classes meet this target within 50 years (attaining target sooner than 50 years seen as a benefit). TSR reporting.
5.1.1	Quantity and quality of timber and non-timber benefits, products, and services produced in the DFA, Targets 19, 27, 28, 29, 30 and 31.		Variance: for target 19, According to the Cut Control Regulation and Policy.
5.2.1	Level of investment in initiatives that contribute to community stability, Targets 19, 31, 32 and 33.		Variance: for target 19, According to the Cut Control Regulation and Policy.
5.2.2	Level of investment in training and skills development. Target 34		Variance: 10%
5.2.3	Level of direct and indirect employment, Targets 19, 32 and 33.		Variance: for target 19, According to the Cut Control Regulation and Policy.

Indicator	Description/Target Number	Field and/or Office	Improvement
All Indicators are Z809:2008 CORE indicators unless otherwise noted. All VOIT's were reviewed in the office; those also verified in the field are noted with "F" in the table below.			
5.2.4	Level of Aboriginal participation in the forest economy, Target 35		Variance: none
6.1.1	Evidence of a good understanding of the nature of Aboriginal title and rights, Target 27.		Variance: none
6.1.2	Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans, Target 27.		Variance: none
6.1.3	Level of management and/or protection of areas where culturally important practices and activities (hunting, fishing, gathering) occur, Targets 14 and 27.	F	Variance: none
6.2.1	Evidence of understanding and use of Aboriginal knowledge through the engagement of willing Aboriginal communities, using a process that identifies and manages culturally important resources and values, Targets 14 and 27.		Variance: none
6.3.1	Evidence that the organization has co-operated with other forest-dependent businesses, forest users, and the local community to strengthen and diversify the local economy, Targets 28, 29, 31, 36 and 37.		Variance: 36. 10% 37. 5%

Indicator	Description/Target Number	Field and/or Office	Improvement
All Indicators are Z809:2008 CORE indicators unless otherwise noted. All VOIT's were reviewed in the office; those also verified in the field are noted with "F" in the table below.			
6.3.2	Evidence of co-operation with DFA-related workers and their unions to improve and enhance safety standards, procedures, and outcomes in all DFA-related workplaces and affected communities, Target 38.	F	Variance: none
6.3.3	Evidence that a worker safety program has been implemented and is periodically reviewed and improved, Target 39	F	Variance: none
6.4.1	Level of participant satisfaction with the public participation process, Target 40.		Variance: none
6.4.2	Evidence of efforts to promote capacity development and meaningful participation in general, Targets 28 and 41		Variance: none
6.4.3	Evidence of efforts to promote capacity development and meaningful participation for Aboriginal communities, Targets 27, 35 and 41.		Variance: none
6.5.1	Number of people reached through educational outreach, Target 41.		Variance: none  Website is maintained: <a href="#">Sustainable Forestry</a>
6.5.2	Availability of summary information on issues of concern to the public, Targets 42.		Variance: none  Website is maintained: see above.

### Review of Changes:

No significant changes were noted since the 2012 S2 audit.

**Summary:**

The findings were discussed with Mr. Jerry Canuel.

The Audit Team Leader commenced the closing meeting by thanking the Aspen Planers Ltd. staff for the cooperation and courtesy extended to the audit team during the audit.

In addition, the Audit Team Leader detailed the registration process, the requirements for future surveillance audits, and the re-assessment process.

The official closing meeting was attended by the personnel listed in Attachment #2.

**The SAI Global Audit Team recorded the following audit results:****Documentation Review:**

The audit team reviewed the SFM documentation (interim SFM monitoring report, SFM plan) and associated Aspen Planers procedures.

**Status of any previously recorded non-conformances (NCRs)**

No previously recorded or outstanding NCRs.

**Positive Aspects of the Management System:**

- Recruitment of new members;
- Use of solar panel on Nelson-Smith's ETV to keep the battery trickle charged;
- Excellent awareness of contractors;
- Continued generally good performance against the Indicators and Targets.

**Non-conformances:**

No instances of Non Conformity were encountered during the course of this audit.

**Opportunities for Improvement (OFI):**

5.2 Interested parties: Aspen may wish to consider noting the dates that FN communications are sent on the List of Interested Parties, similar to the attendance tracking for PAG meetings.

5.5 Communication: Consider reviewing the NTF web site and its links to other processes to verify that the links are active. 4 of 14 sites checked during the audit had links that did not work, including the link to the CSA Z809 Standard itself.

7.3.1 DFA: Consider providing more detail within the SFMP detailing the specific DFA for each participant. The current format could lead a reader to the erroneous assumption that licensees

such as Weyerhaeuser, Bell Pole, West Fraser, Interfor and others are participating in the CSA SFM when in fact they are not.

7.4.7 Emergency preparedness and response: Aspen may wish to review their spill response and prevention plan as the audit found:

- Drip containment requirements are not clearly defined. One section of the ERP states that nozzles should be in 20l bucket, while another section says they should be upright;
- The ERP states that fuel tanks over 454l need to be certified, not the actual 450l.

7.5.4 Audits: There is an example audit protocol in Section 5.4 of the EMS Manual. The audit noted that it has not been updated to the revised EMS, CSA or PEFC standards, nor does it include CSA specific elements. Aspen may wish to consider revising the protocol to align it the actual requirements that are being audited. It should be noted the EMS Manual does not require the protocol be used; however it would be a useful tool for auditors of the Aspen system if maintained.

VOIT Specific:

Target: 35. Maintain and/or increase the number of working relationships (partnerships, joint ventures, cooperative agreements, memorandum of understanding, or business contracts) with First Nations. Aspen may wish to consider:

- a yearly meeting to review contracts and agreements with First Nations communities as there is often a high turn-over in positions; and
- clarifying the target level at which a licence holder may choose to “maintain” the number of working relationships with willing First Nations (e.g. at zero) and what, if any, opportunities for First Nations should be provided on licences owned by the certification participant.

Please note that these Opportunities for Improvement will be reviewed as part of the preparation for the next audit.

#### **Areas of Concern (AoC):**

5.2 Interested parties: The Standard requires that the organization shall...

c) demonstrate through documentation that efforts were made to contact and encourage affected and interested communities, including Aboriginal communities, to become involved in the SFM public participation process. The audit found:

- there is only one active First Nations member on the PAG group;
- First Nations member interviewed had no knowledge of the PAG group or of letters received and;
- indicated they were not getting the information required.

Documentation was provided by Aspen Planers that solicitation letters were sent to First

Nations 2013-01-31. All were addressed to “chairperson” or “chief and council” while the Standard requires that efforts are made to contact affected and interested communities and is not limited to Chief and Council/Chairperson.

When attempting to engage Aboriginal Peoples in a meaningful way, an organization should:

- approach the Aboriginal community to determine the appropriate authority on the theme of SFM. The appropriate authority might be the elected Chief and Council, or a forestry committee established by a band. The appropriate authority can vary by community;
- be open to the perspectives of Aboriginal Peoples on their participation and on key aspects of SFM. Information about the SFM plan should be provided to Aboriginal communities associated with the DFA (e.g., through workshops or training sessions), particularly if they are not already receiving information through active participation in an advisory group. Providing this information can facilitate mutual understanding and encourage further Aboriginal participation.

Ensure that the appropriate authority within the First Nation’s communities is identified and effectiveness of marketing of the PAG group to First Nations is verified.

7.2 SFM Policy: Top management shall define and maintain the organization’s SFM commitment. The audit found, based on review of the PAG Meeting Minutes and Attendance tracking on the Interested Parties list that the last two PAG meetings have not had an Aspen representative (April 25th and June 20th (field trip to Pimainus and Tyner), 2013. This was also mentioned as a concern by the PAG member interviewed.

Ensure that management commitment to the SFM Policy is maintained.

7.3.3 Rights and regulations. The Standard requires the organization shall...

(c) demonstrate that Aboriginal title and rights, and treaty rights have been identified and respected;

The audit found that for one First Nation, the Upper Nicola Indian Band, that:

- Aspen Planers did not follow the consultation agreement they had with UNIB;
- Aspen Planers did not seek acceptance of their plans in the Paradise Lake area or ensure that the UNIB had a clear understanding of the plans;
- Aspen Planers working relationship with UNIB, in the case of Paradise Lake, was broken and communication was ineffective.

The Standard goes beyond legal compliance and includes other methods of respecting Aboriginal title and rights, such as:

- seeking acceptance of forest management plans on the basis of Aboriginal communities having a clear understanding of the plans;
- development of meaningful and effective working relationships with willing Aboriginal Peoples, which are integral components of involving Aboriginal communities and facilitating acceptance of forest management plans

Ensure discussions with First Nations regarding forest management plans are clear, effective, and there is acceptance of plans.



7.5.1 Monitoring and measurement: The audit found several deficiencies in the inspection process for active operations:

- MSDS not available at two active sites:
  - Jaeden Resources, active road building on CP 705-16
  - J&J Sterling Logging, active bunching and road building on CP 22K-2
- Spill kit missing from skidder on Nelson-Smith, CP 347-1;
- Multiple instances of drip containment not in conformance with Aspen's procedures;
- No anti-freeze pads on the Bridge River Logging yarder at CP 193-27.

These issues were identified during the audit but had not been noted in inspections or pre-works done on these operations. This continues to be an issue as identified last year, however Aspen has identified a weakness in their corrective and preventive action process as noted below.

Ensure that the inspection process is effective in monitoring operations for conformance to Aspen's procedures.

7.5.2 Corrective and preventive action, establish and maintain procedures: The audit found that while a procedure is in place for corrective and preventative actions, it was not being suitably maintained and implemented. Review of 12 months of NC reports shows not all the requirements of the EMS have been followed. This includes meeting the timeline requirements specified in NC Process Table and no verification of effectiveness of the preventative actions. Aspen has already identified this as a weakness in the SFM system, and is taking steps to address it.

Ensure that the Aspen corrective and preventative action process is implemented as required.

VOIT AoC's:

Indicator 2.2.1: Additions and Deletions to forest area: Indicator 2.2.1 only addresses deletions related to permanent roads and landings inside blocks. No other deletions are accounted for, such as roads between blocks, and no additions are taken into account at all. An example would be road r/w that has been day-lighted, such as for safety with danger trees, then the surrounding timber is harvested at a later date but the r/w is not reforested as it is out-side the block NAR.

Ensure that all additions and deletions to the forest area are considered, and not just limited to deletions within cutblocks.

Element 4.2: Protect forest lands from deforestation or conversion to non-forests, where ecologically appropriate: Indicator 2.2.1 is used for 4.2.1. The locally developed value is documented as "Maintenance of the forest land-base"; while the objective is "Minimal loss of forest land within the DFA". 2.2.1 does not fully address this value or objective, and does not address all of Element 4.2. Indicator 2.2.1 only addresses deletions related to permanent roads and landings inside blocks. No other deletions are accounted for, such as roads between blocks, and no additions are taken into account at all. An example would be road r/w that has been day-lighted, such as for safety with danger trees, then the surrounding timber is harvested at a later date but the r/w is not reforested as it is out-side the block NAR.

Ensure that the indicators fully reflect the locally developed values and objectives.

6.3.3 Evidence that a worker safety program has been implemented and is periodically reviewed and improved: Target 39 is all forest companies are SAFE Co. certified or equivalent registered and or/certified. Aspen reported that they are not certified, but eligible for registration, therefore meeting the equivalent, and reporting meeting the target (there is no variance allowed). There is no documentation in the SFMP that this is an allowable interpretation of the indicator/target.

Ensure that reporting for this VOIT is consistent with the target.

**SECTION 5 - GENERAL ASSESSMENT AND RECOMMENDATION:**

Based on the review of the company's SFM program, and the audit results, the following recommendation is made:

**Re-Assessment:**

The results of the Re-assessment including the review of the performance of the Aspen Planers Ltd. Management System over the past 3 years and the Re-assessment Audit, indicate that Aspen Planers Ltd.'s Management System meets the following criteria for maintenance of registration to CAN/CSA - Z809-2008.

An effective inter-action exists between all elements of the management system;  
The entire management system is effective in light of any changes and Top Management has demonstrated a commitment to maintain the effectiveness of the system.

**Next Scheduled Audit:** A-00246549

**Dates:** Oct 14, 2014 to Oct 17, 2014

**Type of Audit:** S1

**No. of Persons:** 1

**No. of Audit Days Required:** 4

**Forest Areas for the Next Audit:**

Operations in the Lillooet and Merritt TSA's, including those in the vicinity of Princeton, BC.

Will Sloan  
**SAI Global**  
Team Leader

Date: December 3, 2013