



A&A TRADING LTD.



2014 SFI Public Summary Report

**A&A Trading Ltd.
Sustainable Forestry Initiative® (SFI) Standard [2010-2014]**

Project Scope and Objectives

PricewaterhouseCoopers LLP (PwC) completed a SFI Re-registration Assessment on A&A Trading Ltd.'s ("A&A Trading" or "the Company") log procurement activities in British Columbia (B.C.) and forest management activities on B.C. Forest Licenses A19229 and A80590 along the Sunshine Coast. The forestry and procurement activities of the Group are managed by A&A Trading from its corporate office in Vancouver, B.C. The PwC Lead Assessor was Bruce Eaket, R.P.F., EMS (LA).

The primary objective of the assessment was to assess A&A Trading's SFI management system and to evaluate A&A Trading's implementation of the SFI Standard across the operations.

Indicators

All of the indicators in the SFI Standard were within the scope of the assessment, with the exception of Objectives 11-13 as A&A Trading does not source fibre from outside of the United States and Canada. There were no substitute indicators.

Assessment Process

The assessment team conducted interviews and reviewed appropriate documentation to assess policies and procedures, and tested implementation of SFI program requirements. The report was dated May 15, 2014.

Summary of Conformance and Good Management Practices

A&A Trading operates in coastal B.C. and is a member of the Western Canada SFI Implementation Committee, which is active in defining logger training requirements, monitoring forest practices and developing information for forest landowners.

With regard to wildlife, A&A Trading provides field identification cards and training to staff and contractors for handling the occurrence of threatened and endangered species. A&A Trading is committed to conserving biological diversity and has developed and implemented stand and landscape level measures to promote biodiversity across the landscape that contribute to the conservation of forest plants and wildlife species. Conservation efforts are completed at both the landscape and stand level. The primary function of stand level retention is to provide stand

structure and habitats within or adjacent to harvested areas for terrestrial and aquatic species. Methods of implementation include Wildlife Tree Retention Areas (WTRA), dispersed individual tree retention and maintenance of on-block coarse woody debris. Establishment and criteria for stand level biodiversity placement is guided by A&A's Stand Level Biodiversity Guidelines.

A&A Trading plants all harvested areas within the prescribed timeframes using a mixture of ecologically suitable tree species. When procuring logs, A&A Trading procurement staff utilize a risk based assessment process to assist in the purchase decision and determine whether on-site monitoring inspections are required. A&A Trading has also implemented an Environmental Management System (EMS), certified to the ISO 14001 Standard, across their forest management tenure operations. A&A Trading's EMS includes an operations manual and programs that assign roles and responsibilities related to SFI.

The final two pages of this summary contain a few best management practice photographs and comments from A&A Trading. Specific Good Management Practices identified by PwC are noted below:

- A&A Trading generally plants blocks within one year of harvest completion.
- To promote public safety, A&A Trading does not haul wood through the town of Sechelt, even though it would reduce transportation costs.
- Worksites are well organized and free of industrial waste.
- The road construction and water management practices were of high quality, with no instances of erosion observed during the assessment.

Summary of Findings

There was one minor non-conformity identified during the assessment relating to completing bridge inspections within the recommended scheduled time periods.

Opportunities for improvement were identified in the following areas:

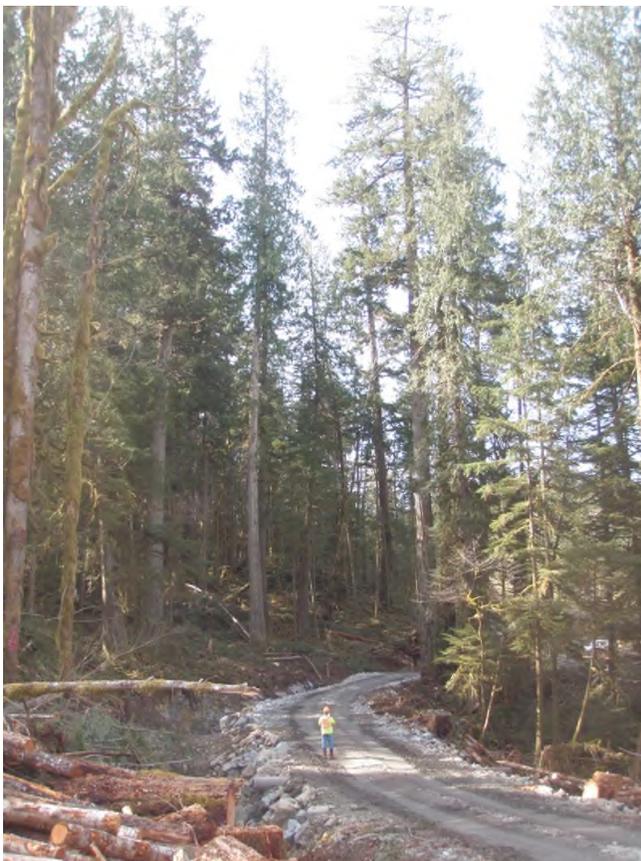
- Conducting SFI refresher training for contractors;
- Adding SFI/biodiversity indicators to block inspection forms;
- Conducting a minimum number of wood purchase monitoring inspections each year; and,
- Confirming why trees were not felled away from one section of a category S6 stream.

Conclusion

A&A Trading Ltd. has maintained conformance with the requirements of the SFI Standard. The Certificate can be obtained by contacting David Marquis of A&A Trading Ltd. at 604-740-0603 or by e-mail at: dmarquis@aatrading.com.



Glacial Creek - Log dump: Metal dump skids helps reduce the amount of log bark lost thereby minimizing environmental impacts.



Sechelt Peninsula Road Construction: Rock ballast roads help to maintain water quality especially when hauling in wet conditions.



Visual Management: Elements of good visual design help to minimize visual impacts of forest operations.