

# SFI 2015-2019 – Public Summary Report

## AV GROUP

### (AV Nackawic Woodlands and AV Cell Woodlands) New Brunswick Canada

AV Nackawic and AV Cell are part of a group of companies (AV Group), which are focused on producing specialty pulp products to service the textile and paper industry. The Group is a member of the Aditya Birla Group of India. AV Group consists of two strategically located pulp mills located in Atholville, NB and Nackawic, NB. The operations in the North are found on License #1 and in the South License #8 and Freehold lands.

The Aditya Birla Group is in the League of Fortune 500. It is anchored by a work force of 100,000 employees, belonging to 25 different nationalities. In India, the Group has been adjudged "The Best Employer in India and among the top 20 in Asia" by the Hewitt-Economic Times and Wall Street Journal Study 2007. Over 60 per cent of its revenues flow from its overseas operations.

#### AUDIT

During the period of 29 August to 1 September 2016 AV Group underwent a Surveillance 2 audit to the Sustainable Forestry Initiative® (SFI®) 2015-2019 Forest Management (FM) Standard and the SFI 2015-2019 Fiber Sourcing (FS) Standard.

The registration cycle is over three years with surveillance audits conducted annually. The audit assessed active and/or completed harvest operations through interviews with the company staff and contractors. The audit also assessed the SFI documentation and records at the company's office including stakeholder and First Nations communication.

The SFI program third-party audit was undertaken by SAI Global. SAI Global is an independent third party registrar that is accredited by the ANSI-ASQ National Accreditation Board (ANAB) Standard ensuring the integrity and credibility of the audit process.

#### THE AUDIT TEAM

The SAI Global audit team who performed the audit consisted of Daniel Simonds, audit team leader, and Hervé Bescond, audit team member. The auditors are Professional Foresters and certified auditors.

**REGISTRATION TYPE**

Certificate Type	SFI 2015-2019 Forest Management Standard	SFI 2015-2019 Fiber Sourcing Standard
Single site	x	x

**MULTI-SITE / GROUP EVALUATION**

Not applicable (2 plant locations are audited annually and certified under single-site protocols).

# SFI 2015-2019 Forest Management & Fiber Sourcing Standards

## SCOPE OF CERTIFICATION

SFI 2015-2019 Forest Management Standard:

- Forest management activities – woodland operations; harvesting and silviculture; woodland roads and structures on the Crown Licenses 1, 8 and on the company’s Freehold.

SFI 2015-2019 Fiber Sourcing Standard:

- Sourcing fiber from New Brunswick, Quebec and Maine.

There has been no modification to the scope since the last public summary report.

## AUDIT PROCESS

During this audit, the audit team evaluated the company against the objectives listed in Appendix 3, Table 1. The evidence of compliance observed is listed in Appendix 3, Table 2.

A sample of field review sites were chosen from a list of active sites and sites where forest management activities occurred since the last audit. The site choice also considered activity type, and risk factors, related to the audit objectives selected for review, as well as the opportunity to verify implementation of corrective actions for previous non-conformities.

The multi-site / group sampling approach used for this audit is outlined in Appendix 2.

## SUBSTITUTE INDICATORS

No substitute indicators were evaluated during this audit.

## COMPLAINTS

No complaints have been received; therefore the complaint handling process could not be verified.

## SITES INSPECTED AND ASSESSMENT TIME

Audit Activity	Duration in days
Off-site preparation and on-site office review:	5
Field review:	3

Sites	Number inspected
Roads	XXX
Harvesting Blocks	XXX
Silviculture Sites	XXX
Operations visited: XXXX	

**SUMMARY OF FINDINGS**

Definitions for findings can be found in Appendix 1.

**Areas of non-conformance**

Not applicable.

**Opportunities for improvement**

- OFI (FM - 3.1.1): Consider having more detail on the requirements for service trucks and trailers.
- OFI (FM 5.4.1): Consider making an explicit policy statement regarding the requirement to “provide recreational opportunities to the public”.
- OFI (FM 8.3.2)\_: Consider a more formal process to track and record regular meeting with 1<sup>st</sup> Nations leaders & demonstrate conformance to EMS communications procedures.
- OFI (9.1.3): Consider reviewing the checklists to ensure that no equipment are missed during the regular surveillance.

**Exceptional practices**

- Close engagement with DNR staff

**Status of previous audit non-compliances**

The status of previous audit non-conformances is as follows:

NC#	Type	Performance Measure #	Status (closed/upgraded to major)
FM 2015-01	Minor	11.2.2	closed
FS 2015-01	Minor	6.2.2	closed

## CERTIFICATION DECISION SFI 2015-2019 FOREST MANAGEMENT STANDARD

### ***Surveillance Audit***

Based on the results of this surveillance audit it has been determined that the management system is effectively implemented and meets the requirements relative to the scope of registration and audit criteria, therefore, a recommendation to maintain the registration is made to SAI Global.

# Appendices

## Appendix 1: DEFINITIONS

### ***Major Non-Conformances***

Pervasive or critical to the achievement of the SFI objectives

All major non-conformances require an action plan to be implemented by the auditee within 90 days of an initial audit or registration cannot be achieved. Subsequently for surveillance audits, an action plan shall be implemented by the auditee within 60 days for the registration to be maintained.

### ***Minor Non-Conformances***

Isolated incidents that are non-critical but must be addressed before the next surveillance audit to maintain compliance to the SFI standard. Non resolved minor non-conformance will be escalated to a major non-conformance.

### ***Opportunity for Improvement***

Are not non-conformances but are comments on specific areas where improvements can be made.

### ***Exceptional practices***

Areas that are deemed to be of outstanding practices.

## Appendix 2: MULTI-SITE / GROUP SAMPLING APPROACH

Not applicable

### Appendix 3: EVIDENCE OF CONFORMITY TO THE SFI 2015-2019 FOREST MANAGEMENT STANDARD

**Table 1 Objectives Audited**

Objective 1	Forest Management Planning	X
Objective 2	Forest Health and Productivity	X
Objective 3	Protection and Maintenance of Water Resources	X
Objective 4	Conservation of Biological Diversity	X
Objective 5	Management of Visual and Recreational Benefits	X
Objective 6	Protection of Special Sites	X
Objective 7	Efficient Use of Forest Resources	
Objective 8	Recognize and Respect Indigenous Peoples' Rights	X
Objective 9	Legal and Regulatory Compliance	X
Objective 10	Forestry Research, Science and Technology	X
Objective 11	Training and Education	X
Objective 12	Community Involvement and Landowner Outreach	X
Objective 13	Public Land Management Responsibilities	X
Objective 14	Communications and Public Reporting	X
Objective 15	Management Review and Continual Improvement	X

**Table 2 Evidence Observed**

Environmental management system (EMS) Manual	X	Cutblock size calculations	X
Written policies	X	Employee observation forms (species at risk, invasive plants, other values)	X
Standard Operating Procedures (SOPs) for best management practices	X	Pre-work discussions/meeting records	X
EMS and SFI field handbook	X	Monitoring records for non-timber values	
Training records (staff and contractors)	X	Utilization records	

SFI/EMS training agenda	X	Laws, legislation, regulations records	X
Health and safety manual and/or employee policy manual	X	Annual management review records	X
Timber supply review	X	Internal audit records	X
Maps (pre-harvest, harvest, post-harvest, and silviculture)	X	Corrective action logs	X
Timber development standards		Education/community involvement records	X
Non-timber values impact assessments (riparian, visual, recreation, biodiversity, cultural heritage, other: )		Records of public inquiries and complaints	X
GIS inventories (soils, forest, land classification, non-timber values)	X	Stakeholder communications records	X
Long term management plans and sustainable harvest level calculation	X	Agreements and communications with Indigenous communities	X
Cutting/harvesting permits		Multi-licensee and/or government meeting minutes	X
Operational plans (annual, cutblock level)	X	Logging agreements and/or contracts	X
Wet/adverse weather plans or guidelines	X	Wood producer training programs	X
Reforestation plans	X	Wood producer information package	X
Pest management plan	X	SFI Annual Report	X
Fire preparedness plan	X	SFI and company websites	X
Spill prevention and response plan	X	SFI brochure	X
Silviculture surveys and reports	X	SFI Implementation committee (participation/support)	X
Standards for seed use		Climate change information and/or meeting minutes	X
Chemical use/spray records and applicator certification	X	Research and discussion papers	
Tree improvement reports	X	Support for research and science	X
Green-up records	X	External audit field inspections	X
Free to grow records	X	External audit interviews (office and field)	X
Planting program records	X		
Harvest inspection records	X		
Road and bridge inspection records	X		
Pre-harvest inspection records	X		

Post-harvest inspection records	X		
Government compliance records			

**Appendix 4: EVIDENCE OF CONFORMITY TO SFI 2015-2019 FIBER SOURCING STANDARD**

**Table 1 Objectives Audited**

<b>Fiber Sourcing Within the United States and Canada</b>		
Objective 1	Biodiversity in Fiber Sourcing	X
Objective 2	Adherence to Best Management Practices	X
Objective 3	Use of Qualified Resource and Qualified Logging Professionals	X
Objective 4	Legal and Regulatory Compliance	X
Objective 5	Forestry Research, Science, and Technology	X
Objective 6	Training and Education	X
Objective 7	Community Involvement and Landowner Outreach	X
Objective 8	Public Land Management Responsibilities	X
Objective 9	Communications and Public Reporting	X
Objective 10	Management Review and Continual Improvement	X

<b>Fiber Sourcing Outside the United States and Canada</b>		
Objective 11	Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas	N/A
Objective 12	Avoidance of Controversial Sources including Illegal Logging	N/A
Objective 13	Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws	N/A

**Table 2 Evidence Observed**

Environmental management system (EMS) Manual	X	SFI Annual Report	X
Written policies	X	SFI and company websites	X
Standard Operating Procedures (SOPs) for best management practices	X	SFI brochure	X
EMS and SFI field handbook	X	SFI Implementation committee (participation/support)	X
Training records (staff and contractors)	X	External audit field inspections	X
SFI/EMS training agenda	X	External audit interviews (office and field)	X
Cutting/harvesting permits		Education/community involvement records	X
Operational plans (annual, cutblock level)	X	Records of public inquiries and complaints	X
Wet/adverse weather plans or guidelines	X	Stakeholder communications records	X
Reforestation plans	X	Logging agreements and/or contracts	X
Best management practices monitoring records	X	Wood producer training programs	X
Evaluation of best management practices	X	Wood producer information package	X
Government compliance records		Policies provided to wood producers	X
Pre-work discussions/meeting records		Education and outreach to forest landowners	X
Monitoring records for non-timber values		List of qualified logging professional/certified logging professional	X
Utilization records		Agreements for purchased stumpage	
Laws, legislation, regulations records	X	Program to assess and address risk of Illegal logging	X
Corrective action logs	X	Research and discussion papers	
Support for research and science	X	Climate change information and/or meeting minutes	



SAI Global forestry specialist group registers/certifies forest companies to ISO 14001, OHSAS 18001, CSA Z809 and CSA Z804 SFM, SFI Forest Management, SFI CoC, SFI Fiber Sourcing, SFI Certified Sourcing Label, PEFC CoC, FSC® Forest Management, FSC® CoC.

The group, led by Sylvain Frappier, Technical Manager - Forestry, consists of a highly qualified team of professional foresters, technical and industry experts.

Contact [certification.americas@saiglobal.com](mailto:certification.americas@saiglobal.com) for more information.

**Company Contact:**

Pierre Mezzetta  
Forest Planner  
AV Group (AV Nackawic & AV Cell Woodlands)  
103 Pinder Road  
Nackawic, New Brunswick E6G 1W4

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