



Re-certification Audit

Forest Certification Public Summary Report for
Mistik Management Ltd. (Mistik)

Forest Stewardship Council (FSC®)

2022 Forest Management Audit

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<p>Location of the Forest Area:</p>	<p>The certified forest includes the Mistik Forest Management Agreement (FMA) and the L&M (Northwind Forest Products) FMA areas, managed as one Forest Management Unit under the Mistik Forest Management Plan. The area is northwest Saskatchewan adjacent to the Alberta border. Most of the FMA areas are located north of the town of Meadow Lake extending north to the Kimowin River (north end of Peter Pond Lake), bordered on the west by the Alberta/Saskatchewan border and the Cold Lake Air Weapons Range and on the east by Dore Lake, Lac la Plonge and Lac Ile a la Crosse. An additional portion of the FMP area occurs south of Meadow Lake.</p>
<p>FSC Certificate Registration Code:</p>	<p>KF-FM/COC-001005</p>
<p>Date Certification was Issued:</p> <p>Certificate Expiry Date:</p>	<p>14-November-2022</p> <p>13-November-2027</p>
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Standards

The audit occurred against the FSC® NATIONAL FOREST STEWARDSHIP STANDARD OF CANADA FSC-STD-CAN-01-2018 V 1-0 EN, which is available at <https://connect.fsc.org/document-centre>.

Description of forest management

Descriptions

The forest

The Mistik Forest Management Plan (FMP) area occurs within the Boreal Plain Ecozone, and almost entirely within the Mid-Boreal Upland Ecoregion, with a small area within the Boreal Transition Ecoregion.

The Mid Boreal Upland Ecoregion comprises the area immediately south of the Shield in central and western Saskatchewan, plus in several large more or less isolated upland areas, such as the Thickwood and Pasquia Hills. It is bordered on the south by the Boreal Transition Ecoregion which, as the name implies, corresponds to the area of transition between the boreal forest region to the north and the prairies to the south. On the east it is border by the Mid Boreal Lowland. Physiographically, this ecoregion comprises a series of rolling uplands characterized by an ascending sequence of steeply sloping eroded escarpments, hummocky glacial till plains and level plateau-like tops; surrounded by undulating plains often dominated by undulating glaciofluvial and glaciolactrine deposits. The forests for the most part grow taller here than on the Shield to the north and account for the bulk of the province's merchantable timber. Aspen occurs throughout the ecoregion and is dominant on the south-facing slopes of the major uplands. Where moisture conditions are more favorable, white spruce is often mixed with aspen. Pine assumes its usual dominance in sandy areas. Black spruce and tamarack dominate the low-lying peatland areas.

The ecosystem is fire-dominated, with forest fires occurring frequently in this area and often of considerable size. The fire return period for the FMP area is approximately 45 years, resulting in relatively little old and very old forest (approximately 5-15% depending on the cover type), often present in small patches. On average the area burned by forest fires annually is approximately 3-4 times the area that is harvested each year.

The Mistik FMP area encompasses 1,878,499 hectares of forests, water and non-forested land. The FMP area is currently managed within the context of thirteen management units, including timber reserve and recreation areas ranging in size from 13,705 ha to 355,677 ha. The approved 2019 FMP authorizes a combined maximum harvest of 1,679,067 m³ of coniferous and deciduous wood per year (1,549,739 m³/year from the Mistik FMA area and 129,328 m³/year from the Northwind FMA area). Mistik applies a self-imposed AAC reduction that reflects the current reduced scope of its operations due to market conditions.

Land use history

Harvesting for the Meadow Lake Sawmill began in the early 1970s. Due to poor design and operational difficulties, the mill was abandoned and sold to the provincial government. The boundary of the Mistik FMP area was initially established on June 17, 1988 upon Norsask Forest Products. (NorSask) and the Province of Saskatchewan entering into a Forest Management License Agreement. In 1990 Millar Western Pulp agreed to establish a pulp mill at Meadow Lake as a joint venture with the Province of Saskatchewan to use the hardwoods. Miller Western Pulp purchased a 20% stake in NorSask, and the remainder was to be held by Meadow Lake Tribal Council (MLTC). The FMA agreement was transferred from NorSask Forest Products Inc. to Mistik Management Ltd. on April 24, 1998. Thereafter the agreement became the Mistik FMA. The area is currently managed under the 2019 FMP which includes the Mistik and the smaller L&M (Northwind) FMAs.

Regional context

Mistik is a forest management company that is wholly owned by the MLTC, which includes 9 First Nations (Cree and Dene) with traditional territories either within or adjacent to the Mistik FMA area and is the largest First Nations owned forest products company in Canada. Northwind Forest Products (Northwind) is wholly owned by the MLTC and is based in Glaslyn, Saskatchewan and operates a wood product mill which produces pressure treated posts and rails. Meadow Lake Mechanical Pulp is jointly owned by Elite Shine Investments Ltd. (80%) and Paper Excellence BV (20%), both of which are privately held companies.

There are a total of 33 communities within and adjacent to Mistik's FMP area including 19 municipalities (predominantly Metis) and 14 Indian Bands. Nine out of the 14 Indian Bands associated with the FMP area are members of the MLTC.

Mistik has created various Co-management Boards (CMBs) based on an extensive community open house process and a consensus resolution of the MLTC. These represent the variety of stakeholders in the area. The CMBs are provided funds by Mistik on the basis of volume of timber harvested within their respective areas. Due to markets, the company continues to concentrate its operations in the southern two-thirds of the Mistik FMA, although it is working towards re-establishing a harvesting presence in the northern third of the FMA.

General description of the management system

The silvicultural and/or other management systems being implemented

Mistik utilizes a clearcut harvest system with residual patches of mature forest are retained throughout harvest units.

Where possible, Mistik plans harvesting areas as disturbance events using a single pass system. Employing a diversity of cutblock sizes and shapes, Mistik maintains a proportion of overstory structure and immature trees within harvested areas in an attempt to emulate the natural disturbance patterns imposed on the landscape by forest fires.

A summary of the management plan

The management objectives

Forest Management Objectives are outlined in the Government of Saskatchewan Forest Management Planning Standard - Saskatchewan Environmental Code. This manual describes requirements for a Forest Management Plan, and requires the plan author to develop values, objectives, indicators, and targets (VOITs).

The following objectives are specified:

- 1.1.1.1 Conservation of the biological diversity of Saskatchewan's forests.
- 1.2.1.1 Maintain habitat for identified forest dwelling species.
- 1.3.1.1 No loss of natural tree genetic diversity through forest management activities.
- 2.1.1.1 Maintain the stability, resilience and rates of biological production in forest ecosystem.
- 3.1.1.1 Maintain and/or enhance the quantity and quality of soil and water.
- 4.1.1.1 Mitigate the impact of the forest and forest activities on the productive landbase.
- 5.1.1.1 Maximize the economic benefits without compromising the productive capacity of forest ecosystem.
- 5.2.1.1 Minimize injury, loss and damage caused by wildfire.
- 5.2.1.1 To ensure that other forest uses are addressed.
- 5.3.1.1 Maintain or enhance benefits.
- 6.1.1.1 To ensure that Aboriginal and Treaty Rights are respected while planning and implementing forestry activities.
- 6.2.1.1 To avoid impacting culturally important sites.
- 6.2.1.2 To protect forest based traditional ecological knowledge of the Aboriginal communities.

6.3.1.1 To contribute to the resiliency of communities.

6.4.1.1 Improve the engagement and information sharing of stakeholders in FMP development and implementation.

The forest resources

Land use and ownership status

The FMP is Crown land licensed to Mistik Management Ltd. and L&M Wood Products through a Forest Management Agreements. L&M Wood Products recently changed their name to Northwind Forest Products Ltd., however the tenure agreement remains with L&M.

Socio-economic conditions

The population associated with the Forest Management Unit (FMU) area-related communities in 2011 was approximately 18,000 people. Other than the city of Meadow Lake and the Rural Municipality of Meadow Lake, the population of all of the FMU area communities was below 1,500 in 2011. On average, FMP area communities tend to be small and widely dispersed throughout the vicinity of the FMU area.

Approximately 80% of the population associated with the twenty-four communities in the FMU area in 2011 was of Aboriginal ancestry.

The FMU area communities exhibited a wide range in median age 38 from 18 to 53 years of age in 2011. The average (30 years) for all FMU area communities was significantly less than the Saskatchewan average of 38 years.

Approximately 48% of the population (ages 20 to 64) in the province of Saskatchewan had some sort of post-secondary qualifications (trades diploma, college diploma or university degree) in 2011. For the FMP area the proportion was 29%.

There was a wide range in average annual employment income (\$12,443 to \$41,181) among communities in the FMP area in 2011.

Forest composition

There are approximately 1,057,000 ha of potentially productive provincial forest types within the Mistik FMP area. Hardwood-leading (primarily trembling aspen) forests are the dominant (32%) forest types within the potentially productive forest land base of the Mistik FMP area. Jack pine-dominated forest stands are the next most extensive followed by black spruce leading forest types. Cumulatively, mixedwood forests comprise approximately 18% of the potentially productive forest land base of the FMP area. The least abundant forest types are other hardwoods (primarily balsam poplar) and white spruce forest types. In terms of age, a third (36%) of the provincial forest types are dominated by mature or old stands.

Profile of adjacent lands

The FMU borders the Province of Alberta, the Turnor TSA to the north, the North West TSA to the northeast, the Prince Albert TSA to the east, and the Turtleford TSA to the south. The Cold Lake Air Weapons Range falls in the centre of the FMU. There are approximately 33 communities within and adjacent to the FMU.

the management structures implemented by the certificate holder

Management structure

Mistik is a forest management company that is wholly owned by the MLTC.

Division of responsibilities

Within the Mistik organization, roles and responsibilities for forest management and certification are divided between a Planning, Operations, and Certification Group, reporting to the General Manager.

All forest management activities are implemented by contractors who are trained by the organization in procedures as part of a corporate Environmental Management System.

Use of contractors and provision of training

All harvesting is done by contractors trained in the corporate Environmental Management System requirements.

Harvesting techniques and equipment

There has been strong public preference in the northern communities of the Mistik FMP area for forest harvesting systems that are low productivity, labor-intensive and low-capital cost. Mistik **has** encouraged contractors to move into fully mechanized but single-phase harvest operations.

Equipment used is as follows:

- Felling – this is the process of cutting the tree down. This mainly used to happen with chainsaws but now is almost 100% done with a feller buncher.
- Skidding – this is the process of moving the felled tree from the stump to the location near the road where it will be piled; this is now mostly done with a grapple skidder.
- Processing – this is the process of turning the tree into a log. Each mill has dimensions that they have to have their log resources altered to in order to be able to use it in their facility. There are two primary equipment types that can do this – a delimeter and a processor. The tree has to have defects, limbs, and tops removed, and then it is cut to the required lengths.
- Road Building – roads of various classes have to be built in order to haul the logs to the mills. The three primary pieces of equipment used for this are a dozer, an excavator, and a grader.
- Water Course Crossings – sometimes Mistik has to cross watercourses of varying sizes with roads. Mistik uses several methods to do this including using culverts, bridges, brush mats, ice bridges, etc. All water course crossings have to be part of the Annual Aquatic Habitat Protection Permit (AHPP) that the Fisheries Branch of the Ministry of Environment issues.
- Hauling – Mistik has to move the logs from the harvest area (e.g. cutblocks) to the mills. Mistik does this with the use of two types of equipment – log loaders and log haul trucks (semi).
- Road Reclamation – in most cases after the logs have been removed from the harvest areas (e.g. cutblocks) and brought to the mill, the road that was created to do this is no longer needed and can be turned back into being part of the productive forest land base. The two primary types of equipment used to do this are a dozer and an excavator.
- Slash Abatement – tree debris is created during the processing stage when the trees are processed at road side. Depending on the type of tree species this debris will either be spread in the cut over, piled and burned, or used in the road reclamation process.

Rationale for species selection

Mistik attempts to renew harvested forest stands to either their pre-harvest tree species composition or to a successional phase suitable to the harvested forest ecosite. Due to short fire return intervals and relatively large areas burned in the FMU area each year, Mistik has tailored its renewal program to minimize risk to silvicultural investment and maximize future forest management and timber product options. In general, Mistik attempts to maximize the area of mixedwood renewal, minimize investment per hectare (e.g., plant less trees per hectare while planting more total hectares) and accept natural forest succession dynamics as the preferred mode of minimizing risk and maximizing future forest management and timber product options.

The environmental safeguards

Environmental safeguards are outlined in site level plans, with details in Environmental Management System Standard Operating Procedures.

The management strategy for the identification and protection of rare, threatened and endangered species

For each federally-listed or provincially-listed 'species at risk' within the Mistik FMP area, Mistik is committed to creating a detailed forestry impact mitigation plan. The plans are created with the collaboration of provincial wildlife experts, other agencies and Mistik Management Ltd. Currently, woodland caribou (Figure 6.81) is the only wildlife species occurring within the Mistik FMP area listed as threatened by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC, Canadian Species at Risk, November 2004). The preferred habitat of

woodland caribou is mature forests which contain large quantities of lichen adjacent to wetland complexes composed of bogs and fens. The Mistik FMP area contains an abundance of such habitat.

Monitoring procedures

Growth, yield and forest dynamics (incl. changes in flora and fauna)

Mistik's approach to measuring forest productivity is to ensure that a high-quality and statistically-robust temporary sample plot (TSP) network is established within the FMU area on a periodic basis. Mistik has completed one of the most comprehensive TSP programs in western Canada with over 171 UTM mapsheets, 1,019 forest stands, 5,442 plots and over 80,000 individual trees sampled.

In the late 1990s, the Province of Saskatchewan placed the responsibility for conducting forest inventory on FMA licensees. In collaboration with Land Data Technologies Inc. and Silvacom Ltd. of Edmonton, Alberta, Mistik commenced re-inventory of the FMP area to the Saskatchewan Forest Vegetation Inventory (SFVI) standard in 1998. The eight year-long project was completed in 2006. The new forest inventory represents a significant investment, both financial and logistic, by Mistik and its shareholders in current, high-quality information related to forest productivity, determination of sustainable timber harvest levels, location of preferred wildlife habitat and other timber and non-timber forest values.

Environmental and social impacts, and costs, productivity, and efficiency

Monitoring of environmental and social impacts, and costs, productivity, and efficiency is done through the Annual Monitoring Report publicly available on the organization's website.

Summarized quantitative data on the use of pesticides (names and quantities of pesticides applied, size of area treated annually)

Mistik Management Ltd. does not use pesticides in the FMU.

A description of any area of forest which the certificate holder has chosen to exclude from the scope of the certificate

No areas have been excluded from the scope of the certificate.

The evaluation process

The audit duration was 29 days between July 18, 2022, and November 10, 2022. The preparation included document review and stakeholder consultation. The on-site evaluation was completed from Mistik office in Meadow Lake. Sites were evaluated in all locations across the FMU, both close to communities, and isolated. All processes were reviewed, including harvesting, silviculture, road building and maintenance, and camps. Site were chosen based on type, environmental and social values, and potential risks.

Operational Strengths

- Stand level planning was noted to be exemplary.
- Outstanding responsiveness to stakeholders.
- A pre-work with buncher operators was identified as very well done.
- High-level of engagement of Indigenous People in the business.

Opportunities

2022-OFI-01 Consider reviewing best practices of pulling woody debris back on reclaimed roads with contractors performing road rehabilitation.

2022-OFI-02 Mistik has a system to address stakeholder concerns considering an escalating set of procedures from issue to concern to complaints and disputes. Consider clarifying how the dispute resolution process is made publicly available.

2022-OFI-03 Consider being more specific in the written policy on “long-term commitment to forest management practices consistent with FSC Principles and Criteria and related Policies and Standards.”

Non-conformities identified during the current audit

The following minor non-conformities were identified during the audit:

1	Minor non-conformity:	2022-NC-01
	FSC Standard Criterion:	FSC Criterion 2.3 The Organization shall implement health and safety practices to protect workers from occupational safety and health hazards. These practices shall, proportionate to scale, intensity and risk of management activities, meet or exceed the recommendations of the ILO Code of Practice on Safety and Health in Forestry Work.
	FSC Indicator:	FSC Indicator 2.3.1 Compliance with relevant occupational health and safety regulations...
	Client Procedure:	<p>Temporary Work Camp Standards 2022-04-01</p> <ul style="list-style-type: none"> • 1-1(13) Temporary work camp permit holders are responsible for the actions of their contractors, subcontractors, agents, and employees • 1-4(5) Garbage shall be stored in covered, leak proof and wildlife resistant containers. • 1-4(1) ...sewage arriving from food preparation, laundry and bath shall be (a) fully contained within an attached septic bag or septic tank 1-4(3) (c) if used in winter, be fitted with a heated blanked designed for the septic bag to prevent freezing. • 1-5(7) All fuels shall be stored in (a) a standardized tank that is periodically inspected and tested; or (b) a double walled tanks or (c) containers with secondary means of containment capable of holding at least 110 percent of the product’s volume. <p>OCCUPATIONAL HEALTH AND SAFETY, 2020. The Saskatchewan Employment Act.</p> <ul style="list-style-type: none"> • General duties of employers • 3-1 The duties of an employer at a place of employment include: (a) the provision and maintenance of plant, systems of work and working environments
	Non-conformity:	Unsafe worker conditions identified at Almar Camp at 42km gravel pit.

		<p>The auditor observed the following during a review of the Almar camp:</p> <ul style="list-style-type: none"> • Bags of garbage stored in open trailer (not wildlife proofed) and open to attract wildlife. • Smoke detectors not working in bunkhouse. • No evidence of CO detectors in bunkhouse. • Exposed wiring on light fixture.
	Justification for classification as a minor non-conformity:	The impacts of the non-conformity are limited in their temporal and spatial scale and it does not result in a fundamental failure to achieve the objective of the relevant FSC Criterion.
	Corrections prior to certification decision, if applicable	None
	Timeline for correction:	Correction to be complete by 10-November-2023

2	Minor non-conformity:	2022-NC-02
	FSC Standard Criterion:	FSC Criterion 6.7 The Organization shall protect or restore natural watercourses, water bodies, riparian zones and their connectivity. The Organization shall avoid negative impacts on water quality and quantity and mitigate and remedy those that occur.
	FSC Indicator:	FSC Indicator 6.7.1 Best management practices are in place that identify measures to protect water bodies, riparian zones, and water quality. At a minimum, the measures address the following:...5. Minimizing disruption of natural drainage patterns, including when locating and constructing roads, landings and skidways;.6. Prevention of sedimentation of water bodies; and 7. Protection of intermittent streams and ephemeral streams.
	Non-conformity:	<p>Stream protection measures insufficient in two road crossings identified during field review.</p> <p>The auditor observed the following during a field review:</p> <p>Road 1: Crossing/culvert not properly installed; culvert bent and not functioning. It was also observed that the filter cloth appeared to be insufficient.</p> <p>Road 2: Water flowing down road (because of a berm created during grading of the road) and pooling at the crossing location causing sedimentation into ephemeral stream.</p>
	Justification for classification as a minor non-conformity:	The non-conformity is unusual/ non-systematic and it does not result in a fundamental failure to achieve the objective of the relevant FSC Criterion.

	Corrections prior to certification decision, if applicable	None
	Timeline for correction:	Correction to be complete by 10-November-2023

3	Minor non-conformity:	2022-NC-03
	FSC Standard Criterion:	Criterion 6.3 The Organization shall identify and implement effective actions to prevent negative impacts of management activities on the environmental values, and to mitigate and repair those that occur, proportionate to the scale, intensity and risk of these impacts.
	FSC Indicator:	6.3.2 The means identified in Indicator 6.3.1 to protect soils from physical damage and prevent negative impacts are effectively implemented.
	Client Procedure:	EMSOP012_HAZARDOUS MATERIALS <ul style="list-style-type: none"> Slip tanks transporting fuel shall be secured into the vehicle. Slip tanks carrying diesel fuel greater than 450 litres (99 gallons) shall have TDG labels or placards on all visible sides of the fuel tank.
	Non-conformity:	Control measures to protect the environment from damage from hazardous material during emergency not implemented (i.e., proper strapping, labelling for material identification, and fire extinguishers).
	Justification for classification as a minor non-conformity:	The non-conformity is unusual/ non-systematic and it does not result in a fundamental failure to achieve the objective of the relevant FSC Criterion.
	Corrections prior to certification decision, if applicable	None
	Timeline for correction:	Correction to be complete by 10-November-2023

4	Minor non-conformity:	2022-NC-04
	FSC Standard Criterion:	FSC Criterion 8.2 The Organization shall monitor and evaluate the environmental and social impacts of the activities carried out in the Management Unit, and changes in its environmental condition.

FSC Indicator:	<p>FSC Indicator 8.2.1 Monitoring is sufficient to identify significant environmental impacts of management activities, including (where applicable):... 6. Physical damage to soil, loss of soil nutrient and loss of productive forest area;...7. Adverse effects of increased access;...</p> <p>FSC Indicator 8.2.3 Systems are in place to obtain up-to-date monitoring information identifying significant changes in environmental conditions caused by forest management activities, including (where applicable):... 4. Water bodies, riparian zones, water quality and flow in watersheds...</p>
Client Procedure:	<p>EMSOP015_SELF INSPECTION & REPORTING</p> <ul style="list-style-type: none"> On a semi-annual basis perform road and watercourse crossing inspections on all forest resource roads
Non-conformity:	<p>Road inspection not completed and per EMSOP015 on road in 07-015-021 road, therefore, issues noted in 2022-NC-02 were not identified.</p>
Justification for classification as a minor non-conformity:	<p>The non-conformity is a temporary lapse and it does not result in a fundamental failure to achieve the objective of the relevant FSC Criterion.</p>
Corrections prior to certification decision, if applicable	<p>None</p>
Timeline for correction:	<p>Correction to be complete by 10-November-2023</p>

Stakeholder Consultation Process

A general description of the consultation process with stakeholders

A letter to stakeholders entitled “Forest Management Stakeholder Consultation” was forwarded on July 29, 2022. The letter included an invitation to respond to a questionnaire about Mistik’s planning and practices on the Mistik tenure areas on Meadow Lake Saskatchewan, and a request for comments on forest management and planning practices on the Mistik tenure areas, including Mistik’s environmental, social and economic performance and the manner in which stakeholders’ views have been incorporated into Mistik’s management planning processes. Furthermore, the letter outlined KPMG’s commitment to confidentiality and information on a dispute resolution process. Comments could be provided through letter, phone, or email. Stakeholders were invited to interviews.

A stakeholder consultation information package was also posted on KPMG’s FSC Stakeholder Consultation web page from July 29, 2022 to November 8, 2022.

Systematic presentation of the comments received from stakeholders before, during or after the evaluation, and the corresponding follow-up action and conclusions from the certification body

Telephone interviews were conducted with a sample of representatives of local Indigenous communities and external stakeholders with an interest in the Mistik and NorthWind Forest Products FMAs. Interviewees were

selected for interviews based on: (1) the relevance of their views in relation to the scope of the audit, (2) their availability at the time of the audit, and (3) audit time constraints.

A total of 12 questionnaires were received, of which KPMG followed up with telephone interviews with 8 individuals or representatives of groups. An additional 3 individuals/groups had interviews without a questionnaire completed.

Two respondents expressed concerns with the KPMG stakeholder consultation process:

- An individual noted errors in the questionnaire and as a result did not respond.
- An Indigenous Community noted procedural concerns including lack of capacity to respond, unreasonable time frame, insufficient information to respond. In this case additional materials were provided and additional time was provided for a discussion. As well the Indigenous Group expressed that KPMG lacked a focus or understanding on impacts to treaty and Aboriginal rights. KPMG correspondence spoke to audit 'field' sampling and the Indigenous Community considered this to be a non-Indigenous approach to the land and further that KPMG disingenuously referenced 'free prior informed consent'.

Individuals and groups responded with a number of issues and all were considered by KPMG in the audit:

- Utilization of burned and down trees.
- Tree planting.
- Cabin not adequately buffered from harvesting and further concerns with buffers on roads, lakes and watercourses.
- Access management.
- Utilization of trapper surveys of take to be used by Mistik in fur bearer management.
- Temporary work camps not meeting regulations.
- Woodland caribou management.
- Lack of community benefits for northern communities and along with this concern was an issue with how Mistik dealt with northern harvesting contractors in 2008.
- A guide outfitter was concerned with harvesting negatively affecting deer and moose habitat and their guide outfitting business is negatively impacted.
- Leaving logging debris after harvesting.
- Lack of Mistik response or accommodation upon participation with Mistik regarding forest management planning.
- Access to firewood for remote communities.
- Trucks travelling too fast on forest roads near an Indigenous Community.

KPMG received stakeholder questionnaires and follow-up telephone interviews were conducted where additional information was required. The audit field sample was chosen to allow KPMG to consider Mistik's planning and practices regarding reforestation, buffers to cabins and water features, access management, temporary work camp, caribou critical habitat, logging debris and utilization, forest road travel speed and firewood access. The stakeholder comments were also reviewed to ensure issues are taken into account in Mistik planning and that operationally Mistik has effective controls over practices. KPMG researched the issues considering Mistik's monitoring program.

Some items raised by Indigenous communities and stakeholders led to findings including a temporary work camp with non-conformities identified.

Regarding logging traffic speed and a concern from an individual in an Indigenous Peoples' community, Mistik has the technology to track logging truck vehicle speed and Mistik can monitor traffic on the FMA.

Certification decision

The audit found that Mistik Management Ltd.'s sustainable forest management system:

- Was in full conformance with the requirements of the FSC National Forest Stewardship Standard of Canada included within the scope of the audit, except where noted otherwise in this report;
- Continues to be effectively implemented; and
- Is sufficient to systematically meet applicable requirements and expected outcomes, provided that the system continues to be implemented and maintained as required.

In addition, the audit found that the scope of Mistik Management Ltd.'s certification to the FSC National Forest Stewardship Standard of Canada is appropriate.

As a result, a decision has been reached by the audit team to recommend that Mistik Management Ltd. continue to be certified to the FSC National Forest Stewardship Standard of Canada. The recertification date is from November 14, 2022, to November 13, 2027.

No pre-conditions were issued.