



Forest Stewardship Council®



Public certification summary for evaluations of controlled wood according to **FSC-STD-40-005 V3-1**

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Certification Body	KPMG FCSI
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Report Date: May 31, 2023
Last update: May 31, 2023



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Disclaimer

The controlled wood public summary template is in conformity with FSC normative requirements. However, use of the template does not prevent CABs from receiving ASI NCs. That is dependent on the correct content entered by CABs.

Public Summary of CH DDS

Information made publically available by the organization, or references to such (according to Section 6 of FSC-STD-40-005 V3-1) is in

Separate Annex, please refer to

Mistik has developed a DDS Summary that was provide to KMPG and distributed to stakeholders during the audit stakeholder consultation process. It has also been posted by Mistik on its website. <https://www.mistik.ca/>

DDS summary is listed in the following section

1. Description of the supply area(s) and respective risk designation(s)

Source area A.	CW category	Risk designation	Type of risk assessment	Reference of risk assessment
Meadow Lake, Saskatchewan, Canada	Category 1	Low risk	<input checked="" type="checkbox"/> FSC risk assessment <input type="checkbox"/> Extended Company Risk Assessment	FSC National Risk Assessment for Canada FSC-NRA-CA V2-1
	Category 2	Specified risk		
	Category 3	Specified risk		
	Category 4	Low risk		
	Category 5	Low risk		

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2. The organisations own risk assessment for mixing in the supply chain:

Supply chain/ Sourcing area	Risk Assessment (risk of mixing material with non-eligible inputs in the supply chain/s during transport, processing, and storage)	Risk Level (Low/Specified)
1. Wood delivered and purchased from approved forest management license areas and term supply areas	1. All harvesting is from legally approved harvest areas and is identified in an approved operating plan. Stock pile and staging sites have been noted as sites for potential risk of mixing and are monitored.	Low
2. Wood delivered and purchased directly from private landowners.	2. All harvesting is legally confirmed, and an assessment is completed to ensure that procurement is low risk.	Low
3. Wood delivered and purchased from first nation lands	3. All harvesting is initiated by the First Nation government and is approved through band council resolution and Indigenous Services Canada	Low

3. The procedure for filing complaints

Choose a building block.

Mistik's complaint process included the following commitments:

1. Complaint will be acknowledged within two weeks of receipt of the complaint; an official response will be made to the complaint in a form that best suits the complainant. Mistik's complaint procedure will also be communicated at this time.

2. Mistik will attempt to resolve the issue within two weeks of receipt of the complaint. If the issue cannot be resolved immediately, involvement of other Mistik staff members that may provide assistance in addressing the matter will be initiated. The evidence provided in the complaint will be assessed to determine whether the complaint is or is not substantial.

3. If the issue cannot be addressed within two weeks of Mistik being made aware of the matter, or a resolution process cannot be agreed to that is mutually agreeable to both the complainant and Mistik, document the nature of the issue on a Mistik Stakeholder Discussion Form and notify Mistik's General Manager.
4. Complaint details will be forwarded to the certification body, affected customer(s) and FSC Canada within two weeks of receipt of the written complaint.
5. Notification will be made to the complainant, regarding the status of the complaint on a regular basis by the Operations Manager.
6. Employ a precautionary approach towards the sourcing of the relevant material while a complaint is pending.
7. Within two months of receipt of the complaint, review all sources of information relevant to the complaint. Review Mistik's original documentation related to the chain of custody determination. Based on all the evidence, through the corrective action procedure, make a new chain of custody determination that will either validate the complainant's evidence or validate Mistik's original chain of custody evidence.
8. If a non-conformance of Mistik's chain of custody procedure is found, create a corrective action report. Review the root cause of the issue, and if necessary, exclude the supplier from Mistik's FSC controlled wood suppliers list. The supplier shall not be designated as a FSC controlled wood source until such time as Mistik's Operations Manager formally reviews the source area again and determines the appropriate chain of custody classification.
9. Verify that the corrective action has been taken by suppliers and assess for effectiveness.
10. Exclude the material in question and suppliers from Mistik's controlled wood supply chain if no corrective action is implemented.
11. When the resolution of the complaint has been achieved, the complainant, the certification body, and FSC Canada will be notified of the actions taken to resolve the complaint.
12. File all chain of custody determination decisions made in response to complaints by source, year and supplier.

4. Contact information of the person or position responsible for addressing complaints

Position responsible	Kevin Gillis
Contact detail	Email: kevin.gillis@mistik.ca, phone:306-240-8908 Address: Mistik Management Ltd. Box 9060, Meadow Lake, Saskatchewan, S9X 1V7

Please fill section 4-7 in case material is not sourced from areas designated as "low risk".

5. The control measures implemented by the organization for each indicator not designated as low risk in the applicable risk assessment

Mistik has prepared its own DDS, the development of which was led by the Company's Certification Coordinator, Mr. Kevin Gillis. Mistik also provides assistance to MLMP regarding their DDS.

The Mistik DDS is made up of the following elements:

- Mistik CoC Manual includes procedures for sourcing controlled materials for sale with a FSC CW claim.
- DDS Summary: The Mistik DDS is described including the risk assessment area, CoC/CW procedures, Mistik procurement policy, and complaint procedures and contact information.
- Field verification of procurement sites and the internal audit program are important controls for Mistik but are not formalized as control measures.

The defined fibre supply area for the Mistik DDS includes portions of the WWF ecoregions listed below:

- Mid-Continental Canadian Forests.

- Canadian Aspen Forests and Parklands.

A map of the extent to which the Company's fibre supply area covers the above ecoregions is included in the current public summary of the Mistik DDS.

Mistik's DDS identifies that the Company is following the Canadian National Risk Assessment (NRA) and has chosen to implement the following control measures associated with specified risk indicators within its fibre supply area

Sourcing area	Indicator with specified risk	Control measure 1.
Meadow Lake, Saskatchewan	2.3 The rights of Indigenous and Traditional Peoples are upheld	Indigenous Peoples with legal and/or customary rights within the forest management unit do not oppose the Forest Management plan.

Sourcing area	Indicator with specified risk	Control measure 2.
Meadow Lake, Saskatchewan	3.1 High Conservation Value 1 - Species Diversity	Evidence demonstrates that forests in the sourcing area have a <i>management plan</i> that contributes to the recovery of woodland caribou critical habitat, as identified in the Federal Recovery Strategy. The management plan identifies and implements: <ul style="list-style-type: none"> a) Best Management Practices (BMPs) that reduce disturbance to and restore critical habitat including, but not limited to: <ul style="list-style-type: none"> • access management (e.g. road decommissioning, integrated access plans, restoration of linear features); <i>OR</i> • aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). <i>OR</i> b) Harvest deferrals, set asides, and/or protection areas within areas of critical habitat, where forest operations are not permitted.

Sourcing area	Indicator with specified risk	Control measure 3.
Meadow Lake, Saskatchewan	3.2 High Conservation Value 2 - Landscape-level ecosystems and mosaics	Forest operations do not reduce an IFL below 50,000 ha, AND all meet applicable options below: <ul style="list-style-type: none"> a) For an IFL between 50,000 and 62,500 ha, 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>The Mistik Due Diligence System is made up of the following elements:</p>

		<ul style="list-style-type: none"> • Mistik CoC Manual includes procedures for sourcing controlled materials for sale with an FSC Controlled Wood claim. • Description of the supply area, including several non-Mistik crown tenures and private lands in the region. • Identification of technical experts used in the development of control measures. • Complaints procedures related to Mistik's FSC CoC/CW certification. • Mistik Standard Operating Procedures for the FSC National Risk Assessment woodland caribou control measure (CM #8). • Mistik Standard Operating Procedures for the FSC National Risk Assessment High Conservation Value 2: Landscape-level ecosystems and mosaics (CM #2). • Mistik Internal Controlled Wood Audit Process including field verification of procurement sites. <p>Mistik uses the Contract Set-up for private land sourcing and other sources, which usually requires a site visit by a Mistik representative to confirm origin and to confirm that Mistik is not sourcing unacceptable materials.</p>
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6. Stakeholder consultation process(es) performed by the organization

Not applicable, the organization did not engage a formal consultation process..

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6.3. Click or tap here to enter text.

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6.4. Click or tap here to enter text.

7. The organization engaged one or more experts in the development of control measures

Yes No

Expert A

Kevin Gillis

License/Registration #: SK ASFP Registration #087 RPF

Qualification: Recognized and accepted Member of FSC Indigenous Chamber and FSC Standards Development Group Member associated with Indigenous Chamber representation.

Scope of service: Rights of Indigenous Peoples Control Measure

Expert B

Kevin Gillis

License/Registration #: SK ASFP Registration #087 RPF

Qualification: Member of the “Range Plan for Woodland Caribou in SK” planning table member

Scope of service: High Conservation Value #1 Species Diversity

Expert C

Kevin Gillis

License/Registration #: SK ASFP Registration #087 RPF

Qualification: Member of the FSC Case Studies of the Intact Forest Landscape Determination in Canada

Scope of service: High Conservation Value #2 Landscape level ecosystems and mosaics

8. The organization undertook field verification as a control measure

Yes No

The organization has provided a justification for the exclusion of confidential information

Yes No

Mistik considers the document entitled “Identification of IFLs and IFL Core Areas Affecting the Mistik CWRA Area” (Mistik IFL Analysis) to be a proprietary document, and KPMG agrees with the decision to keep this document out of the public realm

NOTE: The confidential nature of the information may be determined by the legislation that the organization must comply with. Commercially sensitive information, and the names of individual landholders, shall be treated as confidential information.

Certification public summary

Type of evaluation: Main evaluation Re-evaluation

Note: For surveillance evaluations, please use the last section of surveillance public summary.

Certification evaluation date: May 31, 2023

1. Description of the DDS, including supplier structure for each participating site

Exact number of suppliers: 28

Approximate or exact number of sub-suppliers: 0

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Primary processor

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Risk of mixing with non-eligible inputs: Negligible. Saskatchewan has regulated mandatory log transportation system that renders risk of mixing to be negligible.

2. Evaluation of justification for excluding confidential information provided by the organization (according to Clause 6.2 (d) in FSC-STD-40-005 V3-0)

Mistik considers the document entitled "Identification of IFLs and IFL Core Areas Affecting the Mistik CWRA Area" (Mistik IFL Analysis) to be a proprietary document, and KPMG agrees with the decision to keep this document out of the public realm.

3. Timeline and circumstances of an extension for the period during which the organization shall adapt the DDS to approved FSC risk assessments

Applicable Not applicable

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4. Information about who has developed the DDS or elements of it, including whether the DDS was developed by an external party

Mistik produced the DDS.

5. Brief description of the system developed for the evaluation of the DDS

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The KPMG system for the evaluation of the DDS according to FSC-STD-20-011 section 6.2 included verifying risk designations against available, relevant sources of information and applicable requirements, specifically:

- Verifying that the Company has correctly identified the risk (low or specified) for its supply area relevant to the indicators in the Canada National Risk Assessment.
- Verifying that the Company has selected and implemented an NRA control measure to mitigate the identified specified risk.
- Verifying that the Company has implemented the above noted control measures and has sufficient evidence to demonstrate mitigation of risk for the specified risk area.
- Verifying that there is no risk related to mixing of non-eligible inputs in the supply chain.
- Field verification with a scope and sampling pool relevant to Mistik's DDS to verify that risk has been mitigating.

A verification of the DDS was completed, according to the sampling protocol established under the KPMG FCSI Chain of Custody and Controlled Wood Evaluation Handbook. KPMG field assessed three separate controlled wood suppliers and confirmed mitigation of risk related to origin and mixing with non-eligible inputs.

A document review and interviews with Mistik staff identified that the applicable control measures specified in the Company's DDS had been implemented as required, and the risks related to origin and mixing of material with non-eligible inputs had been effectively mitigated.

A detailed review of Mistik’s SOP for the woodland caribou identified that measures are in place to address Control Measure 8. A large portion of the Mistik Management wood procurement area lies within The Sakaw Askiy Forest Management Area. Much of the land base is considered potential Woodland Caribou Habitat as described in the recent Saskatchewan Environment’s Woodland Caribou Range Plans.

The Range Plan for Woodland Caribou in Saskatchewan prioritizes areas (i.e. caribou habitat management areas) for different management objectives and actions in order to maintain sufficient habitat for a self-sustaining caribou population. Provincial Crown lands have been divided into three types of caribou habitat management areas: Tier 1, 2 and 3. Different management objectives and strategies were developed for each tier based on their relative importance to and known use by caribou, current habitat condition and potential risks. Tier 1 represents some areas of high importance where caribou habitat retention is the primary objective. Tier 2 areas are of importance to caribou but have higher levels of habitat disturbance and are with an objective of habitat restoration. Tier 3 areas represent general matrix caribou habitat where maintaining connectivity is an important objective. Since KPMG is also the Mistik FSC Forest Management certification auditor, woodland caribou management is also considered for the Mistik FMA, regionally and Provincially.

Proposed activities are to be reviewed by Saskatchewan Environment Forest Service staff through the regulated Operating Plan requirements. At this stage mitigations would be measured against potential impacts according to the specific Tier designation.

Sakâw’s interim strategy for woodland caribou management aims to limit fragmentation in specific regions of the FMA area currently deemed to be high value habitat, target replacement habitat areas for the future, and manage disturbance levels across the full caribou habitat area in the FMA area.

Further, a review of Mistik’s SOP for the Assessment of High Conservation Value 2: Landscape-level ecosystems and mosaics identified that effective controls are in place to address Control Measure 2. Mistik analyzed the HCV risks for the two IFLs identified within its risk assessment area. IFL 216 is within the Meadow Lake Mechanical Pulps Wood Procurement Area. IFL 226 is within the Mistik Management and Meadow Lake Mechanical Pulp’s Wood Procurement Areas. The measurable impacts of both IFLs were assessed against the identified area in the NRA. Mistik provided calculations and maps to demonstrate that each IFL is within the specific thresholds identified in the control measure.

Mistik provided the results of its internal audit performed for 2021-2022 which included a 100% sample of its sourced controlled material and determined that its sourcing was within conformance with the FSC CW requirements.

Mistik revised its DDS in June 2022 to address the FSC requirements and discussions with the Certification Coordinator indicated that Mistik reviews and updates its DDS on an annual basis or earlier if revisions are required.

6. Brief summary of findings from field verification(s)
Private supply (i.e. sourced from fee simple land ownership) has risks of sourcing unacceptable materials that are not evident regarding other supply. The audit field reviewed 3 of the 5 private wood purchases in 2021-22. One finding was identified as a weakness in the internal audit.
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7. Summary of stakeholder consultation conducted by the certification body, including:
 - 7.1. Geographical area(s) for which stakeholder consultation was conducted (e.g. geo-reference data, state, province, supply units)
Saskatchewan
 - 7.2. List of stakeholders invited by the certification body to participate in the consultation (identified per stakeholder group)
 - Economic interests
 - Social interests
 - Environmental interests
 - FSC-accredited certification bodies active in the country

- National and state forest agencies
- Experts with expertise in controlled wood categories
- Research institutions and universities
- FSC regional offices, FSC network partners, registered standard development groups and NRA working groups in the region

7.3. Summary of the stakeholder comments received

No comments received from any of the stakeholders who were invited to participate in the consultation process.

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7.4. Brief description of how the certification body has taken stakeholder comments into account

NA as there were no stakeholder comments to take into account in reaching the audit conclusions.

8. List of all nonconformities against FSC-STD-40-005

2022	Grading	Due date	Open/closed
Finding No. 1.	Minor	March 31, 2023	Open
Clause	FSC-STD-40-005 V3-1 1.3		
1.9 The organization shall document all cases of the DDS being evaluated as ineffective during the internal audit, and shall ensure that all relevant issues are addressed and corrected within 12 months of their detection			
Description			
In 2021 Mistik purchased private supply from a landowner south of Prince Albert Saskatchewan. The landowner supervised a harvesting contractor and who engaged in practices not consistent with the 'Purchase of Standing Timber' contract between the landowner and Mistik. Mistik did issue a corrective action request to the landowner to mitigate the poor practices and Mistik reported the incident to an appropriate authority. However, the internal audit failed to address the incident with corrective and preventative actions to adequately control the harvest practices and prevent similar occurrences in the future.			
Corrective action			
Correction: Make reparations to the landowners needs/satisfaction and to mitigate the affected site and values. Ensure that all requirements are carefully assessed as per the internal audit requirements (post-harvest site assessment completed and addressed).			
Corrective/Preventive Action: Harvesting contractor will be required to attend the full EMS/SFM Contractor Annual Training Session to ensure that they have increased awareness regarding site prescriptions and values protection. Completion of Harvest Block Inspection Reports for all harvest areas. Close monitoring of all activities engaging the contractor.			

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Surveillance public summary

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Finding No.	1.		

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