



**SUSTAINABLE FOREST MANAGEMENT PLAN**

**MANITOBA SOLID WOOD DIVISION**

**FOREST MANAGEMENT LICENCE NUMBER 2**

**August 4, 2004 - 2006/2008 Amendments**

## TABLE OF CONTENTS

1.0	Introduction.....	1
2.0	Guiding Principles .....	5
3.0	The Plan Area, Rights and Responsibilities.....	7
3.1	Defined Forest Area.....	7
3.1.1	Geographical Boundaries.....	7
3.1.2	Landbase Summary.....	7
3.1.3	Landscape Description.....	8
3.1.4	Community Profile.....	8
3.2	Ownership Rights and Responsibilities .....	9
3.3	Shared Responsibilities.....	13
3.3.1	Tolko Industries Ltd. Manitoba Solid Wood Division .....	13
3.3.2	Tolko Contractors .....	14
3.3.3	Manitoba Government .....	15
3.3.4	Manitoba Timber Sale Operators.....	16
3.3.5	Stakeholders.....	17
3.4	Rights and Obligations.....	17
3.4.1	Legislation and Regulatory Requirements.....	17
3.4.2	Aboriginal and Treaty Rights.....	18
3.4.3	DFA Related Workers.....	19
3.4.4	Private Woodlot Owners.....	21
3.4.5	Access to All Legal Requirements.....	21
4.0	Planning and Public Participation Processes .....	22
4.1	Planning Framework for FML Area No. 2 DFA .....	22
4.2	Relationship of the SFM Plan to the EMS and the Approved FMP .....	25
4.3	Public Consultation Process for FML Area No. 2 DFA .....	27
4.4	Public Consultation Process for CSA Certification.....	31
4.4.1	Tolko CSA SFM Committee .....	31
4.4.2	Mechanisms to Inform and Invite Participation in the SFM Process .....	32
4.4.3	Representation from Across the DFA.....	33
4.4.4	Functioning of the SFM Committee .....	34
4.4.5	Development of the SFM Performance Framework.....	36
4.4.6	Continuing Role in SFM for the DFA .....	37
4.4.7	Internal and External Communications .....	37
5.0	Performance Indicators .....	40
5.1	Performance Framework and Organization.....	40
5.2	Basis for the Selection of Indicators of Sustainability.....	42
5.3	Alternative Management Strategies.....	43
5.3.1	Current FMP Sustainability Analysis .....	43
5.3.2	Evaluation of SFM Strategies .....	45
5.4	Performance Indicators for FML Area No. 2 DFA.....	47
6.0	SFM System.....	181
6.1	SFM Policy .....	181
6.2	Structure and Responsibility .....	182
6.3	Training, Awareness, Qualification and Knowledge.....	183

6.4	Communications .....	185
6.5	Reporting.....	187
6.6	Documentation.....	189
6.7	Document Control.....	190
6.8	Operational Procedures and Control.....	190
6.9	Emergency Preparedness and Response .....	191
6.10	Monitoring and Measurement.....	192
6.11	Compliance to Legislation .....	195
6.12	Corrective and Preventive Action.....	196
6.13	Records .....	197
6.14	Internal Audits .....	197
6.15	Management Review .....	198
7.0	References.....	199
8.0	List of Acronyms .....	201
9.0	Appendices.....	203

## 1.0 Introduction

The purpose of this Sustainable Forest Management (SFM) Plan is to document the processes and activities that have been undertaken, and those that will continue to be ongoing, to provide management direction for forest management on Forest Management License (FML) Area No. 2. In support of Tolko's vision to be a leading marketer and manufacturer of specialty forest products, this SFM Plan has been prepared by Tolko Industries Ltd. Manitoba Solid Wood Division (also referenced as Tolko or the Company) in order to demonstrate to the public, and to its customers, the Company's commitment to SFM and to public participation in its planning processes. The existing framework Tolko has developed in terms of the corporate Environmental Policy, Aboriginal Policy and our Forest Management Principles all provide guidance as the Company moves forward with this initiative.

This SFM Plan has been prepared to meet the requirements of the Canadian Standards Association (CSA) Z809-02 Standard and to document the public participation, SFM performance framework, and SFM system to be set into place and maintained for FML Area No. 2, which is the Defined Forest Area (DFA) for which this SFM Plan is applicable. The CSA Z809-02 Standard is a Canadian national and an internationally recognized standard for SFM. The CSA standard was first introduced in 1996 and has since been updated as of 2002. In association with the preparation of this SFM Plan and related public participation activities, performance framework and SFM system development, Tolko is seeking to obtain CSA certification for its forest management activities on FML Area No. 2. A summary of the requirements of the CSA SFM Z809-02 Standard has been provided in Appendix 8.

Forest Management License Area No. 2 is located in northern Manitoba and is managed by Tolko Industries Ltd. Solid Wood Division under Forest Management License (FML) Agreement No. 2 with the Province of Manitoba. The administration of this DFA is undertaken by Manitoba Conservation (MC) through the Northwest, Northeast and Western Region offices.

Forest management activities in Manitoba, including planning, implementation, monitoring and reporting, are guided and regulated by *The Forest Act* (CCSM c. F150) (Undated), *Manitoba's Forest Plan* (1996) and a number of provincial guidelines for the submission of forest management plans and the implementation of operations. Tolko and predecessor companies have a demonstrated track record in terms of sustainable forest management in FML Area No. 2. In fulfillment of *The Forest Act and Regulations* (CCSM c. F150), *The Manitoba Environment Act and Regulations* (CCSM c. E125) (1987), and the Company's FML Agreement with the Province of Manitoba, the Company has submitted and received approval for its Forest Management Plan (FMP) (1997-2009) which was developed and approved under both *The Forest Act* and *The Manitoba Environment Act*. Approval under *The Manitoba Environment Act* also required preparation and submission of an Environment Impact Statement (EIS) and a public hearing process before the Clean Environment Commission of Manitoba. The approved FMP is licensed under *The Manitoba Environment Act* (ME License 2302 E) with the license issued December 30, 1997 and revised October 8, 1998. The FMP was prepared with guidance from the *Interim Submission Guidelines for Ten Year Forest*

*Management Plans* (MNR 1996) and the EIS was undertaken under guidelines developed by Manitoba Environment (1996). Both sets of guidelines provided guidance to the Company in terms of public participation in development of the FMP and EIS and in addressing sustainability issues within the plan preparation. A summary of the current approved FMP is provided in Appendix 1 of this SFM Plan. This summary of the FMP can also be viewed at the Company's website at [www.tolkomanitoba.com](http://www.tolkomanitoba.com). The full FMP document itself was made available for viewing at Province of Manitoba Public Registry locations throughout the DFA.

Within the framework provided by the approved FMP, the Company operates within a series of Annual Operating Plans (AOP), prepared and submitted each year to MC. Each AOP provides a "rolling" three-year projection of harvesting, road development and renewal activities with a detailed description of planned activities for the upcoming year. As with the FMP, the preparation of each AOP includes a public participation component in terms of on-going stakeholder discussions during plan development and through open-house public meetings.

In addition to the forest management planning framework that is undertaken in fulfillment of Province of Manitoba requirements and to meet Tolko's objectives and strategies for forest management in the DFA, the Company has also developed an ISO 14001 registered Environmental Management System (EMS) to improve the environmental performance of the Company. The Tolko Industries Manitoba Solid Wood Division EMS, currently registered as of July 21, 2003 is part of a company-wide initiative to assure interested parties that an appropriate environmental management system is in place. The EMS provides a framework for implementation of the Tolko Environmental Policy and linkage to planning, implementation and operation through to checking and corrective action and management review leading to continual improvement for the Manitoba Woodlands operations. Throughout this SFM Plan, reference will be made frequently to Tolko EMS procedure and other documents as applicable where such material provides supporting documentation for this SFM Plan.

It is recognized by Tolko that the past public participation, sustainability indicators and other components of the Company's FMP, other planning processes and the EMS do not fully satisfy the requirements of the CSA SFM Standard. This SFM Plan and the associated public participation and other SFM System development preparations have been undertaken to address these gaps and to fully satisfy the CSA SFM Z809-02 Standard including fully addressing:

- Public participation requirements;
- Performance requirements in terms of the CCFM SFM criteria and CSA SFM elements; and,
- SFM System requirements and the continual improvement loop.

In this regard this SFM Plan will make linkages to, and reference, a number of initiatives that the Company undertakes to address SFM, including reference to the FMP and operational planning, on-going and new public participation processes, and the EMS.

The format of this SFM Plan has been developed to fully satisfy the requirements of the CSA SFM Z809-02 Standard while also presenting the material in a format to make it readily understandable to the public. Linkages to the FMP and operational planning

processes and to the Tolko EMS are provided. The SFM Plan contains the following main sections:

Section 1: Introduction

Section 2: Guiding Principles

Section 3: The Plan Area

Section 4: Planning and Public Participation Processes

Section 5: Performance Indicators

Section 6: SFM System

Section 7: References

Appendices: Summary of the 1997 – 2009 Forest Management Plan for the DFA  
Tolko Environmental Policy  
Tolko Forest Management Principles  
Tolko Aboriginal Policy  
SFM Plan Public Participation Supplement  
    Operating Ground Rules for The Pas FRAC  
    Operating Ground Rules for the Snow Lake FRAC  
    Operating Ground Rules for the CSA SFM Committee  
    Issues and Concerns Table for the SFM Plan  
    Parking Lot Items Raised during SFM Committee Deliberations  
    Summary of Themes Covered in Discussions and Deliberations of the SFM Committee  
    Copies of Sample Letters utilized to inform Interested Parties on the DFA of the SFM Plan development process and invite their participation  
Table of Implications of Alternate Management Strategies for the DFA  
Summary Tables of the Performance Framework for the DFA  
Summary of the Requirements of the CSA SFM Z809-02 Standard

This SFM Plan for the DFA outlines the values, objectives, indicators and targets (performance framework) identified through the public participation process which was an instrumental component of the development of this plan. This plan also identifies the strategies for the implementation, monitoring and reporting on this performance framework to the public. This SFM Plan and the approved FMP will guide future management of the DFA.

As required by the CSA Z809-02 Standard, Tolko has prepared this SFM Plan for the FML Area No. 2 DFA and will update the plan as new information is realized. For further information and to view the most recent version of this SFM Plan the reader is

encouraged to visit the Tolko Manitoba Woodlands Forest Management public website at:

[www.tolkomanitoba.com](http://www.tolkomanitoba.com)

This website also includes information relating to other components of the Company's forest management planning and public participation activities in Manitoba including the following materials related to SFM on the DFA:

- Summary of the 1997 – 2009 FMP;
- SFM Plan and any updates or amendments;
- Current AOP and minutes, and other associated information for all AOP Public Information Meetings;
- A summary of SFM and EMS audit results; and,
- Summary of Annual SFM and EMS reports.

The website provides viewers with contact information for direct access to appropriate Tolko personnel to contact for any further information. Any readers of this SFM Plan are invited to contact the Company for any further information.

## 2.0 Guiding Principles

Tolko is committed to a series of policies and principles which guide the Company and its people in undertaking forest management activities that are ecologically suitable, economically feasible and socially acceptable. These principles, in concert with the guidance provided by government and the input drawn from stakeholders and the public, provide Tolko with the overall framework necessary for implementation of sustainable forest management on the FML Area No. 2 DFA.

In the development of this SFM Plan, the Company has been able to make use of the existing Environmental Policy, Forest Management Principles and Aboriginal Policy which have been developed over the past several years to articulate the approaches and processes that Tolko utilizes in conducting its business (Appendices 2 – 4). These policies and principles have been developed through strategic direction provided by the senior Tolko management team with input from employees and the public. Further review and clarification was undertaken as a component of the Company's development of the Tolko EMS.

With consideration of these existing policies and principles, the following principles have been developed to guide the development and implementation of the SFM Plan for the FML Area No. 2 DFA.

- The overall commitment is to achieve and maintain SFM and the requirements of the CSA SFM Z809-02 Standard;
- Tolko's activities will be ecologically suitable, economically feasible and socially acceptable;
- Compliance with all forest management and environmental legislation and regulations and other commitments to which the Company subscribes;
- Build upon the already developed and on-going public participation programs for the DFA, including:
  - Development of forest management plans and this SFM Plan will incorporate input from employees, stakeholders and the public, recognizing the important role of the public in guiding SFM for the DFA;
  - Working and effectively communicating with Aboriginal communities and individuals on forest management activities that involve Aboriginal areas of interest and recognizing their rights and interests in SFM;
  - Communicate environmental, social and economic performance with employees, other stakeholders and the public;
- Provide conditions for the health and safety of DFA-related workers and the public, including those provided for within the Tolko EMS;
- On-going evaluation of forest management performance through internal and external audits, reviews and benchmarking to provide the basis for adaptive management and continual improvement;
- On-going learning processes including training to increase knowledge and expertise to provide the basis for adaptive management and continual improvement; and,

- Commitment to review and report upon SFM and environmental performance annually.

Further information and copies of the most recent version of Tolko's Environmental Policy, Forest Management Principles and Aboriginal Policy, can be viewed at the Tolko Industries corporate website at [www.tolko.com](http://www.tolko.com). Viewers will also be able to access this website through the Tolko Manitoba website at [www.tolkomanitoba.com](http://www.tolkomanitoba.com).

## **3.0 The Plan Area, Rights and Responsibilities**

### **3.1 Defined Forest Area**

#### **3.1.1 Geographical Boundaries**

The Defined Forest Area (DFA) for Tolko Industries Ltd. Manitoba Solid Wood Division is Forest Management License (FML) Area No. 2. The location and extent of the DFA is illustrated on Map 1.

The FML Area No. 2 DFA is, as described in the FML Agreement with the Province of Manitoba as “Area I”, comprised as the portion of Forest Management Unit (FMU) 12 lying north of Township (Twp) 47 inclusive, the portion of FMU 47 lying north of Twp 47 and west of Range (Rge) 13 West Prime Meridian (WPM) inclusive, the portion of FMU 51 lying west of Rge 13 WPM inclusive, all of the FMUs 52, 53, 54, 55 and 56, all of the Highrock Forest Section and FMUs 83, 84, 85, 87 and 89 (FML Agreement Clause 8 (A) (i)). Forest Management Unit 57 of the Saskatchewan River Forest Section is excluded from the DFA, although it is contained within the outside perimeter boundary of FML Area No. 2.

The FML Area No. 2 DFA has been reduced in size from the area that was in effect as the FML Area at the time the 1997 – 2009 FMP was prepared, submitted and approved. At the time of the preparation and approval of the FMP, an additional area, identified as “Area II” in Clause 8. (A) of the FML Agreement was also included in FML Area No. 2. As of January 1, 2002 the geographic area encompassed by “Area II” was withdrawn from FML Area No. 2 resulting in the DFA that is in place and in effect for application to this SFM Plan. In addition, the rights to harvest of stands on “Area I” classified as “Hardwood” or “Mixedwood” in the Manitoba Forest Inventory were withdrawn from the Company and repatriated back to the Crown as of January 1, 2002. As such, the hardwood resource on the DFA is managed and allocated by MC. This is the DFA described in the paragraph above.

#### **3.1.2 Landbase Summary**

The DFA includes all lands designated as Provincial Open Crown land within the perimeter of the DFA within the limitations and responsibilities as outlined in the FML Agreement, excluding those as described above. The distribution of the Provincial Open Crown land comprising the DFA landbase in terms of productive, non-productive and non-forested land and water is indicated in Table 1. This table provides an overall illustration of the amount of land under the management of Tolko for the purposes of this SFM Plan. It also describes in general terms the levels of productive forest under management as compared to non-productive forest, non-forested areas and water covered areas found within the DFA. Federal Crown lands, Indian Reserve lands, Provincial Closed/Restricted Crown lands and Local Government District (LGD) lands are not included in the DFA and are not included in Table 1.

**Table 1: Defined Forest Area Landbase Summary for Provincial Crown Lands – Open (area in hectares)**

<b>Forest Section</b>	<b>Total Productive</b>	<b>Non-Productive &amp; Non-Forested</b>	<b>Water</b>	<b>Total Area</b>
Mountain	40,473	162,146	73,048	275,667
Interlake	33,951	45,752	72,458	152,162
Saskatchewan River	727,329	1,044,093	562,887	2,334,309
Highrock	1,793,938	1,236,536	475,525	3,505,999
Nelson River	1,126,917	1,042,159	320,376	2,489,452
<b>Total DFA</b>	<b>3,722,608</b>	<b>3,530,686</b>	<b>1,504,294</b>	<b>8,757,589</b>

### **3.1.3 Landscape Description**

The FML Area No. 2 DFA is comprised of approximately 8,757,589 hectares of Provincial Open Crown land. In an ecological context, the DFA is situated on the boundary of the Boreal Plain Ecozone to the south and the Boreal Shield Ecozone to the north. Areas corresponding generally to the Highrock Forest Section and the FMUs of the Nelson River Forest Section fall within the Boreal Shield Ecozone with the Churchill River Upland Ecoregion to the west and the Hayes River Upland Ecoregion to the east. The areas generally corresponding to the portions of FMUs 12, 47 and 51 contained in the DFA, as well as FMUs 52, 53, 54, 55, and 56, fall within the Mid-boreal Lowland Ecoregion of the Boreal Plain Ecozone. Boreal forests dominated for the most part by the softwood species of black and white spruce and jack pine with smaller components of balsam fir and tamarack, provide the forest cover on the DFA. The smaller hardwood component is primarily trembling aspen, with lesser portions of balsam poplar and white birch. Topography ranges from generally flat terrain in the southern areas of the Mid-boreal Ecoregion to more rolling in the Hayes River Uplands. The area comprised of the Highrock Forest Section, which is most of the western portion of the Churchill River Uplands is typically Canadian Shield country with interspersed rock outcrops and lowland areas occurring frequently. A very detailed description of the FML Area No. 2 DFA is provided in the FMP (Tolko Manitoba 1996) including both biophysical resources and the land and resource uses that occur across the landscape.

### **3.1.4 Community Profile**

Communities found within the DFA include The Pas, Cranberry Portage, Flin Flon, Snow Lake, Grand Rapids, Wabowden and Thompson. There are seven First Nation communities in the DFA as listed in Table 2.

**Table 2: First Nation Indian Reserves and Associated Communities in the FML Area No. 2 DFA**

<b>Reserve Name</b>	<b>Principal Community</b>
Mathias Colomb Cree Nation *	Pukatawagan
Pimicikamak Cree Nation	Cross Lake
Nisichawayasihk Cree Nation	Nelson House
Opaskwayak Cree Nation *	The Pas Reserve
Chemawawin Cree Nation *	Easterville
Grand Rapids First Nation *	Grand Rapids
Mosakahiken Cree Nation *	Moose Lake
Note: * indicates member of Swampy Cree Tribal Council	

### **3.2 Ownership Rights and Responsibilities**

The softwood resources of the FML Area No. 2 DFA are managed by Tolko Industries Ltd. Manitoba Solid Wood Division, under an FML Agreement with the Province of Manitoba. The FML Agreement specifies the responsibilities of Tolko for management of the forest resource within the FML Area No. 2 DFA. Tolko is the sole license holder for the DFA. Under the FML Agreement the Company is committed to undertake sustainable forest management for the DFA in accordance with the most current management practices. Key requirements of the FML Agreement include:

- Achievement of maximum growth potential of suitable species for the DFA and efficient utilization of harvested timber;
- Maintenance of a standard of environmental qualities acceptable to Manitoba in accordance with provincial policies for sustainable development and the Acts and Regulations of the Province of Manitoba and the Parliament of Canada;
- Public access for recreational and other uses of forest areas;
- Conservation of other forest resources;
- Provides for withdrawal of areas from the DFA by Manitoba for uses deemed to be in the public interest;
- Management at sustainable harvest levels as determined and approved by the Province of Manitoba;
- Submission and operation within forest management plans and annual operating plans prepared to submission requirements of Manitoba;
- Direct participation by the Company in initial attack forest fire suppression, supplementary to the primary responsibilities of the Manitoba Government to undertake fire detection, suppression and prevention activities;
- Recognition of the rights of Louisiana Pacific Ltd. to hardwood volumes in that portion of FMU 12 contained in the DFA;

- Planning and allocation of timber volumes harvested by quota holders and special allocation holders located within the DFA operating under the Manitoba Timber Sale System; and,
- Forest renewal of all areas harvested to supply the Tolko mill facilities, with renewal certification provided by Manitoba for all areas achieving provincial renewal standards.

The Tolko mill complex in The Pas is the largest consumer of wood in the area and the largest softwood consumer in the Province of Manitoba. The facilities include a sawmill producing kiln-dried spruce-pine-fir (SPF) stud and random-length lumber sold in the North American market. The second manufacturing facility is a pulp and paper mill facility producing unbleached Kraft paper sold primarily into the U.S. market. Several of the Manitoba Timber Sale operators have smaller size sawmill operations located in the vicinity of Cranberry Portage and Thompson.

The annual timber production target for the DFA is 1,224,545 cubic metres of softwood. These volumes compare to the current Annual Allowable Cut volume as set by MC for the DFA of 1,645,180 cubic metres of softwood.

Administration of forest and other natural resources within the DFA, as with those of the Province as a whole, comes under the responsibilities of Manitoba Conservation (MC). Manitoba Conservation includes the responsibilities for administration and regulation of forestry activities under the authority of both *The Forest Act*, and *The Manitoba Environment Act*. In addition to working at a strategic level with representatives of Manitoba Conservation based at head offices in Winnipeg, the Company works closely on an on-going basis in the development and approval of forest management plans through the Northwest, Northeast and Western Region offices of MC which have local provincial responsibility for administration of forestry activities on areas encompassed by the DFA. The responsibilities of the Regions of MC are undertaken through the mechanism provided by the Integrated Resource Management Teams (IRMTs) which include representation of the various Branches of MC including Forestry, Environment, Wildlife, Lands, Parks and Natural Areas, and Regional Operations. In addition, Fisheries Branch representatives of the Manitoba Department of Water Stewardship also sit on the IRMTs. This process ensures that the various values present on the landscape are incorporated into review and approval processes from a provincial perspective. All Forest Management Plans, Annual Operating Plans and individual site-specific Work Permits are approved by MC through the respective IRMT. The Company operates under Manitoba Environment Act License # 2302 E, which is administered by MC Environmental Approvals Branch. This license was obtained through the approval and licensing process associated with the development of the current FMP for the 1997 – 2009 period.

The responsibilities of the Company under the FML Agreement include planning requirements for third party operators who have independent harvest allocations above and beyond those of the Company in the DFA. These third parties operate within the Manitoba Timber Sale System which includes allocations for quota holders and special allocation holders. Under the authority of a Timber Sale Agreement with the Province of Manitoba, these operators hold specific harvest rights to an allocated volume. No

specific area rights are entailed in these agreements. Harvest planning for these operators is incorporated into overall sustainable harvest levels in the development of plans by the Company.

Within the Nelson River Forest Section of the FML Area No. 2 DFA, INCO Ltd., a mining company located at Thompson, Manitoba holds certain harvest rights under agreement with the Province of Manitoba for trees equal to or exceeding 20.3 centimeters in diameter in an area along Provincial Trunk Highway (PTH) 6 and Provincial Road (PR) 280. This area, commonly referred to as the INCO Strip, is included within the DFA for purposes of forest management and administration by Tolko. Harvesting within the INCO Strip is managed within sustainable harvest levels established by MC, and is managed in the same manner as the rest of the DFA in terms of forest renewal and other forest management responsibilities.

A number of non-timber land use activities take place across the DFA. INCO and Hudson Bay Mining and Smelting Co. Ltd. operate several mining operations in the vicinity of Flin Flon, Snow Lake and Thompson. There are significant water resources across the DFA and both commercial and sport fishing are undertaken in a number of areas. Wild rice has been introduced to a number of the lakes in the DFA and a number of operators take part in this additional northern traditional life style, supplementing their incomes through diversified resource harvesting, under licenses issued through the Lands Branch of MC. Licensed hunting of upland game birds, waterfowl, moose, and black bear occurs under the management and administration of MC. There are a variety of lodge operations serving the hunting, fishing and other tourism activities, both road accessible and remote access. Trapping is undertaken to varying levels of participation across areas of the DFA, with production varying according to a number of variables including weather conditions, population levels and fur prices. The trapping industry is regulated through a registered trapline system by MC to improve management of the resource. A variety of other outdoor recreational and tourism orientated activities take place in the DFA including snowmobiling, cross-country skiing and canoeing. Detailed descriptions of these non-timber values and uses are provided in the FMP and these values are taken into account by the Company in the development and implementation of its forest management plans and are reflected in Forest Management Planning and Operating Practices (FMPOPs) (1996) and the associated FMPOP Operators Guide (1999) of the Company. In the development of the EMS several Standard Operating Procedures (SOPs) have been developed to control impacts to these other values in terms of potential environmental consequences including:

- Forest fire – emergency preparedness (MB-SOP-WL001);
- Field marking (MB-SOP-WL030);
- Road management planning (MB-SOP-WL032);
- Work permit (MB-SOP-WL040);
- Working near water bodies (MB-SOP-WL050);
- Water crossings (MB-SOP-WL051);
- Aerial herbicide application near water bodies (MB-SOP-WL070);
- Fuel, Oil, Antifreeze spill emergency preparedness (MB-SOP-WL010); and,
- Public consultation (MB-SOP-WL110).

Within the DFA there are two Provincial Parks (Grass River Provincial Park and Paint Lake Provincial Park), which designates these parks as including areas for preserving areas of natural regions while also accommodating a diversity of recreational activities and resource uses. In addition, there are a number of smaller parks throughout the DFA which are classified as Recreation Parks to accommodate a variety of recreational opportunities. The Federal and Provincial Governments are in an on-going process to study an area for a potential National Park for the Manitoba Lowlands. Some portions of the study areas are within the DFA. The Company respects the intent of the National Parks program and as such does not include any areas from within these study areas within its forest management proposals.

The Province of Manitoba is continuing to move towards establishment of a series of Protected Areas across the province to contribute towards the goal of conserving biological diversity by protecting representative samples of natural regions in the province. To this point in time a series of Areas of Special Interest (ASI) have been established as interim units for continuing review. The Company respects the intent of the Protected Areas process and as such does not include any areas from within these ASI areas within its forest management proposals.

Under the Manitoba Ecological Reserves Program, several areas have been set aside within the DFA in recognition of their unique features and are protected under the *Ecological Reserves Act*.

Within the perimeter boundary of the DFA are seven First Nation communities on Indian Reserve lands which are classified as federal Crown lands and are not part of the lands covered by the FML Agreement and are not a part of the FML Area No. 2 DFA. These First Nation reserves and the associated principal communities have been listed earlier in Table 2.

The Company established a Forest Resource Advisory Committee (FRAC) in 1996, now known as the FML Area FRAC, to provide an additional opportunity for public participation to assist the Company in carrying out its forest management responsibilities on the DFA. The FRAC has provided the Company with an on-going mechanism to be advised on the interests, values and concerns of committee members relating to forest management planning, environmental licensing, and operational activities occurring in the DFA. Committee members are provided with on-going regular opportunities to be informed of the plans and activities of the Company and to provide input to the Company on proposals. In 2003, the Company formed a second FRAC for the Snow Lake area in response to the interests expressed by the community of Snow Lake at that time. The Snow Lake FRAC has similar objectives and operation to that of the FML Area FRAC, meeting as deemed necessary by the committee itself. This committee is focused upon issues and concerns related to the resources and land uses present in the vicinity of the community of Snow Lake. In developing this SFM Plan a Tolko Manitoba CSA SFM Advisory Committee was formed, which includes a sampling from the membership of both the FML Area and the Snow Lake FRACs. As described further in the public participation component of this SFM Plan, this SFM Advisory Committee has played a crucial role in the development of this plan, particularly in the development of the performance framework for assessment of progress towards SFM. It is anticipated that the SFM Advisory Committee and the FRACs will join together as a common committee

as yet to be named (CSA SFM/FRAC Committee) to continue to provide the long-term on-going review and advisory role for the SFM Plan.

### **3.3 Shared Responsibilities**

As the sole Forest Management License holder for the FML Area No. 2 DFA, Tolko takes responsibility for the lead role in undertaking to develop and implement the SFM System for the DFA. In the spirit of partnership building and the shared responsibility of all interested parties to take a role in sustainable forest management, the Company works on an on-going basis with such parties in planning and implementing sustainable forest management on the DFA. Building on past experiences and developed partnerships this same approach has been utilized in the development of this SFM Plan.

#### **3.3.1 Tolko Industries Ltd. Manitoba Solid Wood Division**

Tolko Industries Ltd. Manitoba Solid Wood Division is responsible for all forest management planning for the softwood resource on the DFA. As described earlier, the FML Agreement for FML Area No. 2 between the Company and the Province of Manitoba specifies the responsibilities of Tolko for the DFA. Further to the requirements specified in the FML Agreement, additional requirements are specified for preparation of plans in the guidelines provided for planning by MC:

- *Ten Year Forest Management Plan Submission Guidelines* (MNR 1998); and,
- *Planning and Submission Requirements for Annual Operating Plans* (MNR 1994).

In addition to responsibility for all forest management planning on the DFA, the Company is responsible for harvest scheduling within sustainable harvest levels as prescribed by MC, construction and maintenance of all forest access roads, undertaking of Pre-harvest Assessments (PHA), regeneration surveys and other surveys necessary to monitor forest conditions relevant to harvest and renewal activities, and forest renewal activities for all areas harvested to meet the requirements of Tolko's manufacturing facilities.

The Company is responsible to prepare and submit a Forest Management Annual Report to follow-up on all forest management activities undertaken on the DFA as compared to the proposals of the related AOP. In addition, MC Regional Operations staff undertake individual inspections for all forest management activities with respect to compliance with AOP and work permit conditions. The results of these inspections are communicated to the Company for any required follow-up and record keeping.

In addition to the past and on-going forest management planning process for the DFA to meet all legislation and regulatory requirements, including associated public participation processes, the Company has implemented an ISO 14001 registered Environmental Management System (EMS) for woodlands activities on the DFA. The EMS was originally registered as meeting the ISO 14001 standards as of January 21, 2003. As part of the process improvement and adaptive management process Tolko Industries Ltd. has undertaken a review and update of the EMS to more closely integrate the requirements of

the CSA SFM Z809-02 within the EMS. The EMS scope and purpose is described in the EMS Manual (EMS Manual 2004).

The roles and responsibilities of the Company and its staff in terms of implementing and maintenance of the EMS is outlined in the EMS Manual (scope, development of SOPs, policy and forest management principles implementation, planning, implementation and operation, checking and corrective action and management review), the EMS Standard Operating Procedures, the EMS Training Matrix and the associated EMS Forms (Contractor Orientation Record (Corp. EMS Form WL001), Project Tailgate Checklist (MB EMS Form WL101) and Operations Inspection Form (MB EMS Form WL201). The use of operational controls in the EMS is guided by the Tolko Manitoba EMS Significant Aspect Operational Control Matrix.

The on-going implementation of the EMS is guided by the Tolko Industries Corporate Sustainability Manager with local input and direction provided by the EMS Champion of each Division at Tolko. At Tolko Industries Ltd. Manitoba Solid Wood Division this role is being undertaken by the Divisional Forester. This same key staff position has been appointed by senior management to also be responsible to address the requirements of SFM as the SFM Champion at Tolko Manitoba. In fulfilling these roles the Divisional Forester has coordination responsibilities with respect to the Tolko EMS and achievement of SFM at the Manitoba operation, particularly relating to liaison with the FML Area and Snow Lake FRACs and the CSA SFM Advisory Committee. The Company has also established an EMS Committee, chaired by the EMS Champion, to provide for the local maintenance of the EMS System at Tolko Manitoba on an on-going basis. This EMS Committee reviews SOPs annually, set up action plans to address corrective action for any identified non-conformances, schedule training sessions, review and make recommendations to senior management of any suggestions for process improvement brought forward and follow-up with appropriate staff on any outstanding tasks for corrective action identified in the EMS. With the development and implementation of this SFM Plan for the DFA, the scope of the EMS Committee at Tolko Manitoba has now been expanded to also include ongoing review requirements for the SFM process in support of the SFM Champion. This EMS/SFM (Staff) Committee meets monthly to address on-going requirements, with minutes recorded and posted on the Company Intranet for internal communication.

In addition, Area Managers, the Woodlands Manager and the Corporate Sustainability Manager also take leading roles in responsibility for ensuring that the EMS is maintained company-wide. All Tolko Industries Ltd. Manitoba Solid Wood Division employees take part in fulfillment of responsibilities to ensure that all legislation and regulations are followed and that Standard Operating Procedures (SOPs) contained within the EMS are adhered to. All employees are responsible to actively participate in environmental management in the fulfillment of the Company's Environmental Policy.

### **3.3.2 Tolko Contractors**

Contractors play a significant role in the implementation of forest management activities on the DFA. Contractors work in support of planning activities in undertaking forest inventory and PHA surveys. Contractors also conduct road construction and maintenance, harvesting and forest renewal operations in fulfillment of Forest

Management Plans (FMP) and Annual Operating Plans (AOP). Work is undertaken by contractors on the DFA under approvals issued under the authority of the FML Agreement between the Company and the Province of Manitoba. All contractors are responsible to undertake their operations within their relevant contract conditions and within the approval conditions of the approved FMP and relevant AOP under which their operations are covered. In addition to these specific approval and contract conditions, all contractors are required to operate within the legislation and regulatory framework applicable to the DFA. In order to work on the DFA all Company contractors and suppliers whose work could create a significant environmental impact must be aware and understand the requirements of the EMS and CSA SFM that apply to their activities and must know operational procedures and requirements of the EMS and any pertinent certification procedures (EMS Manual 2004).

Contractors are responsible for hiring of employees competent and skilled in the requirements to fulfill their roles. Each contractor is responsible to supervise and direct the activities of their employees and for training and operational control to meet the requirements of the EMS (EMS Manual Section 4.5). Through the Contractor Orientation Process (COR), “tailgate” meetings and other on-going processes within the EMS, the performance of each contractor is inspected, monitored and reviewed by the Company. In addition, MC undertakes on-going compliance inspections and follow-up processes for review of contractor adherence to legislation and regulatory requirements and specific plan and work permit approval conditions applicable to their operations.

Procedures for identifying and resolving non-conformances and non-compliances on contractor operations are identified in the EMS and the COR. This process includes discussion and documentation of the consequences of non-conformance, including potential termination of the contract and/or fines (COR and SOPs). The roles and responsibilities of contractors to meet SFM requirements are identified in the EMS Manual.

Through the Company’s contact list associated with the FML Area FRAC and the CSA SFM Committee, all contractors and Company union representatives are provided with minutes and information resulting from the meetings and were initially invited to participate in these processes.

### **3.3.3 Manitoba Government**

The role of Manitoba Conservation (MC) for the DFA includes the development of policy and regulations related to forest resources in Manitoba. Manitoba Conservation is responsible to administer *The Forest Act* and *The Manitoba Environment Act*, including licensing, approvals and enforcement and is responsible for the approval and administration of all land and resource-use decisions relating to the DFA. Through a working relationship with the Company, MC staff, particularly members of the Regional IRMTs, participate in the development and review of all FMP and AOPs prepared for the DFA. The staff of MC is particularly involved in the development and approval of all mitigation prescriptions to be applied to forest management activities on the DFA. As part of the approval process, MC is responsible to ensure that all SFM requirements of *The Forest Act*, *The Manitoba Environment Act*, and all other pertinent legislation and regulations are met.

Manitoba Conservation is responsible for the provision and maintenance of the forest inventory for the DFA and to make this information available to the Company for use in forest management planning and reporting. The determination and administration of the Annual Allowable Cut (AAC) for the DFA for application to sustainable forest management through input to planning and operations is the responsibility of MC. Manitoba Conservation is responsible to ensure the renewal of all areas harvested by Manitoba Timber Sale Operators where the wood was not utilized by Tolko as well as for the forest management and renewal of areas depleted through fire, insects, disease or natural disasters. Forest protection services for the DFA are the responsibility of MC, including forest fire suppression and the monitoring and control of pests. The staff of MC has the responsibility to ensure that forest management plans and their implementation incorporate the requirements and values of other resource users present on the DFA.

Manitoba Conservation has formed a Forest Practices Committee, in which the Company is an active participant, to jointly review and develop sustainable forest practices in conjunction with the forest industry in the Province. The work of this committee includes the development of a series of guidebooks to address all forest values in the planning and implementation of forest management activities across Manitoba, including the DFA. To date, Guidebooks have been prepared for Pre-harvest Surveys and Protection of Softwood Understorey.

Manitoba's Department of Water Stewardship includes the Fisheries Branch which participates on the IRMTs operated by MC. In this role, staff of the Fisheries Branch participate in the development and review of all FMP and AOPs prepared for the DFA and are particularly involved in the development and approval of all mitigation prescriptions to be applied to forest management activities in the vicinity of water resources on the DFA.

The Canadian Department of Fisheries and Oceans (DFO) are involved in the review of watercourse crossings required as part of the development of access for forest management in the DFA. In this role, DFO is included as part of the review process for submission of the FMP and AOP. In addition, the Company works directly with DFO in watercourse crossing design and mitigation development through the DFO Stream Habitat Assessment and Crossing Application Process. Requirements for watercourse crossings in terms of the *Navigable Waters Protection Act* as administered by the Canadian Coast Guard are also handled through coordination with DFO.

Representatives of MC (Northwest and Northeast Region IRMTs, Environmental Approvals Branch) participate on the FML Area and Snow Lake FRACs and on the CSA SFM Advisory the Committee.

### **3.3.4 Manitoba Timber Sale Operators**

Third party operators operating under the authority of the Manitoba Timber Sale System conduct harvesting and associated operations on the DFA. These operations take place as prescribed under the individual Timber Sale Agreement that each operator has with the Province of Manitoba. Planning for these operations is the responsibility of the Company, with harvest volume allocations for the Timber Sale Operators being

incorporated within the overall planning for the DFA within the prescribed AAC. Once the operations for each Timber Sale Operator are approved within the AOP, each operator is then responsible to meet the approval conditions as identified by MC for the relevant AOP area and on the associated work permit issued to the Timber Sale Operator for harvest and associated operations.

As with the Company, each of the third party operators present on the DFA must conduct their operations consistent with all applicable legislation and regulations and with the conditions of approval of their work permits. Manitoba Conservation undertakes on-going compliance inspections and follow-up processes for review of operator adherence to their applicable Timber Sale Agreement and to legislation and regulatory requirements and specific plan and work permit approval conditions applicable to their operations.

The Manitoba Timber Sale Operators on the DFA are represented on the CSA SFM Advisory Committee.

### **3.3.5 Stakeholders**

The Company has an ongoing public involvement process in place which was substantially strengthened in association with the development of the approved FMP currently in place. Public meetings, direct one-on-one relationships developed with other stakeholders for planning input, and development of the FML Area and Snow Lake Forest Resource Advisory Committees (FRAC) have all been utilized to enable stakeholders and interested members of the general public to take part in the planning process for the DFA. For development of this SFM Plan, further stakeholder involvement has been sought out through the formation of the CSA SFM Advisory Committee. Although there are not specific identified shared responsibilities between the organizations represented on the Committee and the Company, on-going input between these representatives and representatives of other stakeholder organizations not represented on the Committee with the Company will take place on an on-going basis to avoid resource use conflicts in the management of the DFA.

As per the Operating Ground Rules of the SFM Advisory Committee, the roles and responsibilities of the public stakeholder participants in the process are to assist the Company in development of this SFM Plan through identification of local values, objectives, indicators and targets to reflect the CCFM SFM criteria and critical elements for the DFA. The participants are also responsible to communicate the progress and findings of the committee to their constituents.

## **3.4 *Rights and Obligations***

### **3.4.1 Legislation and Regulatory Requirements**

A listing of the legislation and regulatory requirements that relate to the DFA is housed and maintained as part of the Company's EMS (EMS Manual Section 3.2). This EMS procedure identifies all legal requirements associated with the DFA, where the information can be obtained, and the systematic process in place to keep this information

updated. All federal legislation is maintained up-to-date through the services of FOREST VIEW via the Tolko EMS website. In addition, the Inventory Forester of the Company is responsible to maintain all Manitoba Provincial legislation and regulations updated and available in the Tolko Manitoba EMS Library in the Woodlands office at The Pas (EMS Legislation and Regulations SOP MB-SOP-WL100). As per this SOP, all legislative changes are communicated to Tolko Woodlands staff, including supervisors, who are then responsible to communicate such changes to contractors that may affect their operations.

Through the EMS COR, all contractors are directed to make themselves aware of all pertinent legislation and regulations that apply to the conduct of their operations. This is followed up at the commencement of each operation through the EMS Project Tailgate Checklist reviewed with the contractor at the start of operations.

As identified in the Company's Environmental Policy, Tolko will comply with all environmental laws and regulations and will integrate these requirements into the business planning and decision-making processes of the Company. Similarly, the Forest Management Principles of the Company include commitment to compliance with all forest management legislation. The identification of all relevant legislation and regulations and the commitment and processes put into place within the EMS ensure that legislation and regulatory requirements for the DFA will be complied with (EMS Manual Section 3.2, EMS MB-SOP-WL100).

### **3.4.2 Aboriginal and Treaty Rights**

As described earlier, a number of First Nation communities on Indian Reserve lands classified as federal Crown lands which are not part of the DFA are present within the boundaries of the DFA (Table 2). The Aboriginal Policy of the Company identifies the commitment to work with aboriginal communities on the basis of mutual understanding, respect, trust and recognition of, and sensitivity to, the cultural values and traditions of aboriginal communities.

In addition to existing Reserve lands, several of the First Nations in the DFA have outstanding Treaty Land Entitlement (TLE) as a result of these Manitoba First Nations not yet having received the full amount of Reserve land promised under the Treaties made with Canada, as recognized and detailed in the Company's current FMP. It is also recognized that several additional First Nations in proximity to the DFA also have outstanding TLE. The resolution of outstanding TLE is a matter between the governments of Canada, Manitoba and the relevant First Nations. The Company's license under *The Manitoba Environment Act* (Manitoba Environment Act License 2302 E) indicates that the license shall be interpreted so as not to adversely affect any entitlement of a First Nation to lands under any Treaty or under any Treaty Entitlement Agreement. The FML Agreement between Tolko and the Province of Manitoba makes provision for lands to be withdrawn from the FML Area No. 2 DFA for TLE and other purposes which it deems to be in the public interest. The Company has no direct treaty obligations with the First Nations but as described in our Aboriginal Policy, will continue to engage Aboriginal people in communication processes and to provide employment and contract business opportunities on a business relationship.

As of 2003, the Company and the Swamp Cree Tribal Council (SCTC), which represents five of the seven First Nations present on the DFA, have established an Agreement to promote a partnership in the management of on-reserve and off-reserve Crown lands. Through this Agreement the Company provides funding based on wood volume delivered to the mill by SCTC First Nation contractors. This funding is being utilized to support the hiring of an aboriginal Forestry Coordinator by the SCTC who is responsible to assist in communication between the Company and the SCTC First Nations on forest management interests, to work cooperatively in planning and implementation of forest management activities including contract development, harvest block design and mitigation and supervision.

A Northern Flood Agreement (NFA), developed in 1977 among Canada, Manitoba, Manitoba Hydro and the First Nations of Nelson House and Cross Lake from within the DFA and Norway House, Split Lake and York Factory in proximity to the DFA, arose as a result of northern hydroelectric developments. As detailed in the FMP, land transfers may occur as a result of settlements under this Agreement. The FML Agreement makes provisions for such withdrawals. Co-management agreements arising as part of the NFA settlements are in place for affected First Nation communities. These agreements have resulted in the formation of Resource Management Boards to enable joint review of proposed activities impacting resources and land-use in the vicinity of the community. The Company continues to utilize the ongoing relationship with the IRMTs to be kept abreast of activities undertaken through the co-management agreements with First Nations.

The Chemawawin and Mosakahiken First Nations have agreements with the Province of Manitoba arising from the development of the Grand Rapids hydroelectric generating station in the 1960's known as the Grand Rapids Forebay Agreement. There is also a Mosakahiken First Nation land entitlement arising from this agreement for which the selection process is on-going.

### **3.4.3 DFA Related Workers**

Tolko promotes the legal, constitutional rights and health and safety of the DFA-related workers through a number of mechanisms. The Company and all contractors are required to address all requirements of health and safety legislation, including provision of Workplace Hazardous Materials Information System (WHMIS) training, Transportation of Dangerous Goods and accident investigation training and undertaking. Tolko directs contractors to be aware of the requirements for all legislation and regulations applying to their operations including those relating to health and safety of workers (EMS COR). Contractors are responsible to follow-through in respect of legislation and regulations and implementation of such programs, including maintenance of all records with respect to the health and safety of their workers.

The Company's Workplace Safety and Health Program Manual (Tolko Manitoba 2000) for off-site Woodlands staff includes a Policy statement regarding the commitment of the Company towards its employees in terms of safe work procedures, working conditions, equipment maintenance and housekeeping of the work site. The philosophy promoted by the Company includes the importance of all employees taking responsibility to take care

to protect the health and safety of themselves and their co-workers, to work safely and to report any defects or danger that they recognize which has not yet been identified.

The Workplace Safety and Health Program includes procedures to protect the safety and health of Tolko Woodlands employees:

- Working alone policy and procedure;
- Traffic regulations; and,
- Radio frequency requirements on Company and selected public roads.

In addition, the Company has developed an Emergency Medivac Process to be applied on a site and job task basis as applicable. In each case an emergency medivac procedure will be developed that includes contact information and resources to be utilized in an emergency for medivac of personnel.

Training is undertaken in a number areas including equipment use, first aid and CPR, water safety, helicopter use safety and forest fire safety.

Health and safety of DFA-related workers is addressed as a regular part of doing business in the workplace on the DFA. Safety committees are in place covering all work areas of the Company to promote health and safety awareness and to address any health and safety issues that may arise (Tolko Workplace Safety and Health Program Manual). As part of the Workplace Safety and Health Program, monthly scheduled safety meetings are held by all departments to review previous business, new business, and general training and information, topics relating to the department and outside activities. Minutes are recorded and filed for all safety meetings.

The Tolko EMS has been developed and implemented with the participation of the workers of the DFA in order to ensure full buy-in to the system and to encourage all workers to continue to take an active role and to bring forward any suggestions for improvement for consideration. As part of the planning component of the EMS, all employees of the Company are encouraged to bring forward and propose any new aspect or change in process which they feel should be considered for incorporation in the EMS (EMS Manual Section 3.1). Standard Operating Procedures (SOPs) have been developed to provide workers with clear guidance and to identify their roles and responsibilities in ensuring control of activities. Awareness and training is a key component of the EMS, including awareness for all employees of the importance of conforming to the Company's Environmental Policy, significant environmental aspects and impacts associated with their work activities and their roles and responsibilities necessary to achieve conformance. In the on-going implementation of the EMS, all workers receive training in the activities in which they have a role pertaining to environmental management (EMS Manual Section 4.1). Development plans are prepared in consultation with each employee to identify training needs relative to the EMS implementation. The EMS intranet system includes the facility for Tolko Woodlands staff to maintain tracking of their training records.

As one of the newly developed indicators for SFM on the DFA, annual meetings with Woodlands staff, employees and contractors will be re-instituted to include coverage of requirements of the EMS, SFM and health and safety on the DFA (Annual Contractor's Meeting).

The Industrial, Wood & Allied Workers of Canada union representing the unionized forestry workers on the DFA have been invited to participate on the FML Area FRAC and on the SFM Advisory Committee and are provided the minutes resulting from all meetings.

#### **3.4.4 Private Woodlot Owners**

Private lands, including those containing private woodlots are excluded from the FML Area No. 2 DFA, and as such are excluded from all forest management planning and operations undertaken by the Company under the FML Agreement with Manitoba. Tolko respects the rights of private woodlot owners to set their own values, objectives, indicators and targets relating to management of their lands and will respect the management decisions of these owners.

#### **3.4.5 Access to All Legal Requirements**

The Company has established and maintains procedures to identify and have access to all legal and other requirements to which the organization subscribes and are applicable to the DFA, including requirements relating to ownerships, tenures, rights and responsibilities. These legal and other requirements are maintained in the Tolko EMS Library located at the Woodlands office at The Pas, as described in the EMS (EMS Manual Section 3.2, EMS Legislation and Regulations SOP MB-SOP-WL100). Within this procedure all changes to legal and other requirements are reviewed periodically with updates emailed out to all Company staff. To assist in facilitating regular updates of legislation and regulations all federal legislation is maintained up-to-date through the services of FOREST VIEW via the Tolko EMS website. In addition, the Inventory Forester of the Company, responsible to maintain and update all Manitoba Provincial legislation and regulations, is on a provincial government update contact list for updating of legislation in the Province.

## 4.0 Planning and Public Participation Processes

### 4.1 Planning Framework for FML Area No. 2 DFA

Forest management planning for the DFA is undertaken within a framework provided by the requirements of *The Forest Act* and the FML Agreement between the Company and the Province of Manitoba. Planning for quota holders and special allocation holders operating within the Manitoba Timber Sale System is incorporated within the plans of the Company as per the FML Agreement.

In addition to the planning requirements stipulated in *The Forest Act* and the FML Agreement, guidelines for forest management planning and operations have been produced by MC which provide further requirements and guidance for planning on the DFA, including public participation requirements. The guidelines specifically developed and in place to address strategic long-term FMP development and operational AOP development are:

*Ten Year Forest Management Plan Submission Guidelines* (MNR 1998); and,  
*Planning and Submission Requirements for Annual Operating Plans* (MNR 1994).

In addition to these guidelines for forest management plan preparation and submission, including public participation requirements, a number of additional guidelines are in place in Manitoba for mitigation development regarding various non-timber values. These include guidelines relating to wildlife, buffer establishment, cutblock limitations, and stream crossing development.

Additional guidance for forest management in Manitoba is offered by *Manitoba's Forest Plan ... Towards Ecosystem Based Management* (KPMG 1996). This document established additional direction in terms of the evolution to ecosystem based management for the forests of Manitoba, including those within the DFA. Guidance in this regard included increased focus on future productivity, healthy regeneration and ecological diversity, as well as satisfying economic, environmental and social values. Key guidance resulting from the development of Manitoba's Forest Plan includes recognition of the wide range of values for which forests must be managed and the need to utilize the concept of adaptive management in order to learn from actions taken and utilize that learning to continually improve.

The provincial planning framework in Manitoba as it applies to the DFA includes three principal stages:

- Forest Management Plan (FMP);
- Annual Operating Plan (AOP); and,
- Work Permit.

The FMP is developed to meet provincial requirements as set out in both *The Forest Act* and *The Manitoba Environment Act*. The requirements of both Acts are administered by MC. The FMP development is guided by the *Ten Year Forest Management Plan Submission Guidelines* and by a set of *Guidelines for the Preparation of the Environmental Impact Statement for the FMP* as required by *The Manitoba Environment Act*.

The current approved FMP, within which the Company conducts its forest management activities, covers the period of 1997 to 2009 inclusive. As part of the requirements of Manitoba legislation respecting forest management for the DFA, the FMP development included a full Environmental Impact Assessment (EIA), public hearings before the Manitoba Clean Environment Commission (CEC) and licensing under *The Manitoba Environment Act*. As described in Section 3 of this SFM Plan, the geographic area now encompassed by FML Area No. 2 which comprises the DFA has been reduced from that which was in effect at the time that the 1997 – 2009 FMP was prepared and approved for the operations of the Company. The hardwood resource for the DFA has also been repatriated back to the Crown.

Key elements of the FMP include sustainability analysis for the DFA over a future 100 year forecasting period for wood supply as well as representative parameters for the ecosystem in terms of Forest Ecosystem Classification (FEC) types and wildlife habitat. A thorough public communication program was instituted for the development of the FMP and the associated EIA to expand upon the public community meetings that had been initiated in 1991 with the development of the 1992 AOP. The FRAC committee was initiated in 1996 as well, and has been in operation since that time to assist the Company in recognition and incorporation of values for the DFA in its planning. The FMP includes a thorough review and documentation of the both the biophysical environment and the land and resource uses that take place on the DFA. Former and existing forest management practices were summarized. The FMP provides a long-term strategic level proposal of the forest management operations proposed for the DFA as a result of the sustainability analysis that was undertaken along with an accompanying monitoring and research program in order to ensure follow-up in the spirit of adaptive management and continual improvement. A more detailed summary of the current approved FMP under which Tolko is carrying out operations on the DFA is provided in Appendix 1 of this SFM Plan. The current approved FMP has been deposited at Province of Manitoba Public Registry locations across the DFA.

As a component of the work undertaken during the FMP project the Company produced a documented report of its *Forest Management Planning and Operating Practices* (Tolko Manitoba 1996). The FMPOPs provided a detailed documentation of the planning and operating practices employed by the Company for its forest management activities on the DFA, including planning and public participation processes, road development, harvesting, forest renewal, monitoring and reporting. The FMPOPs provided a detailed description of the approaches to be taken by the Company in mitigation of non-timber values and formed an important component of the FMP and EIS for the DFA. These practices have since been utilized as input to the development of the EMS, particularly the EMS Standard Operating Procedures (SOPs) for the DFA and are referenced for application to a number of SOPs. The FMPOPs produced in conjunction with the 1997 – 2009 FMP were deposited as an appendix to the FMP at Province of Manitoba Public Registry locations across the DFA.

The FMPOPs are currently undergoing a review to incorporate revisions to existing processes and to document new guidelines identified as required to meet SFM requirements for implementation of the SFM performance framework.

Each year an updated “rolling” AOP is produced for the DFA within the scope provided by the approved FMP. As per the requirements of the MC *Planning and Submission Requirements for Annual Operating Plans*, each updated AOP provides a detailed plan for operations proposed for the upcoming “plan year” along with a “rolling” forecast of plans for an additional two years beyond that year. In this way a “rolling” three-year projection of operations is in place for the DFA at all times. Further to the public participation process undertaken in development of the FMP, additional on-going public review takes place each year with a focus on the proposed operations planned and forecasted for the rolling three-year period. This on-going review enables the Company to provide a further forecast into the next three years in addition to the overall general development plan that was provided in the FMP. Input received on the forecasted operations, particularly for road locations, classification and timing and for harvesting proposals, allows the Company to refine the proposals for presentation as future “plan year” operations. The AOP provides for implementation of the AAC, as identified by MC, through detailed harvest proposals for each FMU within the DFA. Detailed information is produced in the AOP on roads, cutblocks and harvest renewal activities as a result of the PHFI site investigations that are carried out prior to inclusion of any area in submission as “plan year” operations in the AOP. This information is then utilized for sequencing of harvest cutblocks in the AOP and to provide mitigation for non-timber values at both the AOP and work permit levels. The current approved AOP for the DFA is available for viewing on the Company’s website at [www.tolkomanitoba.com](http://www.tolkomanitoba.com).

An additional source of input to the development of the AOP is the important role undertaken by the FML Area and Snow Lake Forest Resource Advisory Committees (FRAC). Since the formation of the FRAC in 1996, the AOP has been presented to the FRAC each year prior to final government approval to enable the various stakeholder representatives to provide input, particularly with respect to site-specific mitigation requirements. The inclusion of the two-year forecast enables these stakeholder representatives to preview projected plans and provide input to the Company. Representation of government MC members on the FRAC and FRAC meeting minutes are also utilized to capture input from FRAC members to assist in development of mitigation and AOP approval conditions for final approval of the AOP.

A work permit application is submitted to MC for all operations prior to commencement in the field. This provides a final opportunity for any needed amendment to conditions or refinement of AOP proposals in addition to any final needed mitigation requirements for each site. The work permits, approved by the IRMT for the Region, are signed off on by either the appropriate Company representative for the area or by the respective Timber Sale Operator.

As a step in the continual improvement process for the implementation of this SFM Plan and its integration with the existing approved 1997 – 2009 FMP, a divisional review will be undertaken by senior Tolko Manitoba Woodlands staff. The divisional review will be conducted in conjunction with future divisional review of this SFM Plan and will include a roll-up of activities undertaken since the approval and implementation of the current 1997 – 2009 FMP.

It is expected that this divisional review will be initiated in 2004 with an action plan developed to address any outstanding items or gaps identified in the review. The action

plan will include roles and responsibilities for work to be done and items to be addressed in order to fully integrate the current FMP with this SFM Plan. Such “divisional” reviews are to be distinguished from the “senior management” review for SFM and for the EMS which is undertaken by the senior corporate team of Tolko Industries Ltd.

#### **4.2 Relationship of the SFM Plan to the EMS and the Approved FMP**

The Company and its predecessors have been operating on the DFA since 1969. Prior to the signing of the FML Agreement between the Company and the Province of Manitoba in 1989, the responsibility for planning for forest management activities on the DFA was shared by the Company and the Province of Manitoba. The Company was responsible for planning for the operations of its own company and contractor operations while Manitoba Department of Natural Resources (MNR), predecessor to the present Manitoba Conservation (MC) undertook planning for all Province of Manitoba timber sale operators. Under the FML Agreement, the Company incorporates the plans for Manitoba Timber Sale System operators on the DFA within its forest management plans (FMP and AOP). This process initiated with the preparation and submission of the 1991 AOP. All past and current FMP and AOP submissions have been prepared in accordance with provincial legislation governing forest management activities on Crown lands in Manitoba. The most recent and current FMP is the 1997 – 2009 Forest Management Plan. This plan received approval under *The Forest Act* and *The Manitoba Environment Act* (Manitoba Environment License Number # 2302 E). Tolko is responsible for the submission of a 10-year Forest Management Plan to MC every 10 years according to the requirements of the *Ten Year Forest Management Plan Submission Guidelines* (MNR 1998).

The most recent and currently approved AOP is the 2004 Annual Operating Plan. Each AOP submission is guided by the framework set out in the approved FMP within which the AOP falls. Any operations to be proposed in a subsequent AOP falling outside of the operating areas established in the FMP require an amendment to the Environment License for the FMP through an application process to MC Environmental Approvals Branch.

The management objectives set out in the current 1997 – 2009 FMP set out in broad terms the intents of the Company for the 1997 – 2009 period in terms of:

- Legislative and regulatory requirements;
- Sustainable development;
- Integrated resource management; and,
- Public communication.

The FMP includes an assessment of sustainability and an assessment of two different management alternatives (full utilization of the provincial AAC and the proposed harvest level to meet the Company’s anticipated requirements).

As noted earlier, a divisional review of the current 1997 – 2009 FMP will be undertaken in conjunction with the first such review of this SFM Plan. It is expected that this review

will result in the preparation of an action plan to address any identified gaps or required work needed to more fully integrate the current FMP with this SFM Plan as this plan is implemented.

The Tolko EMS has been established and implemented to conform with the ISO 14001: 1996 requirements for Environmental Management Systems. The EMS provides a system process to ensure that policies and procedures are in place to improve environmental performance. Through a variety of planning processes the Company uses the system provided by the EMS to implement the Environmental Policy of the Company. In the development of the EMS the Company identified and prioritized environmental risks and impacts associated with its activities and established objectives and targets to address these risks and impacts. The Company went on to develop a series of programs and operational controls to address the objectives and targets consistent with the Environmental Policy and Forest Management Principles of the Company and with consideration of legal obligations. An EMS Manual was prepared to document the processes and procedures for the functioning of the EMS including education and training, internal and external communications, document control, contractors and suppliers, and emergency preparedness and response. In conjunction with the preparation of this SFM Plan, the EMS Manual has been reviewed through the process improvement process to more fully integrate the requirements of SFM within the EMS, resulting in an updated EMS Manual (2004).

The EMS provides the system processes consistent with the system requirements of the CSA Z809-02 Standard. The SFM System that has been developed for the DFA goes beyond system requirements to set out performance requirements for sustainable forest management for the DFA. Utilizing the EMS procedures for “checking and corrective action” and for “management review” will enable Tolko to apply the EMS framework to the SFM System to implement, track and monitor progress towards meeting the performance objectives established for the DFA.

In preparing this SFM Plan, the Company has recognized that the current objectives framework outlined in the 1997 – 2009 FMP does not fully satisfy the requirements of the CSA Z809-02 standard. To address these requirements this SFM Plan has been prepared as a framework document that describes the Tolko Industries Ltd. Manitoba Solid Wood Division SFM System, which in turn is based upon the approved 1997 – 2009 FMP. The SFM Plan also includes SFM System elements that are not contained within the 1997 – 2009 FMP, developed through a more recent and additional public participation process specifically undertaken for the development of the SFM System and SFM Plan. This public participation process was utilized to identify SFM values, objectives, indicators and targets for the DFA which were not included in the FMP but are required to meet the CSA Z809-02 standard. Unlike the FMP and AOP planning documents, this SFM Plan is not a legislative requirement in Manitoba, and as such, will not be submitted to MC for approval or as an amendment to the 1997 – 2009 FMP.

The SFM values, indicators, objectives and targets and other elements of the SFM System developed through this public participation process have been developed according to the CSA Z809-02 standard. To be certified to the CSA Z809-02 standard, the Company will undertake a third-party independent audit of the SFM requirements of the Standard.

### **4.3 Public Consultation Process for FML Area No. 2 DFA**

The Company has long recognized the important role that public and stakeholder user group participation plays in forest management on the DFA. As indicated in the Company's Forest Management Principles, Aboriginal Policy and Environmental Policy, public participation is viewed by the Company as a key element in planning, implementation of operations, integration of non-timber values, monitoring and reporting. A variety of both informal and formal mechanisms have been developed over that past number of years in order to accommodate the wide range of public knowledge, different interests and varying levels of involvement desired by participants and to reflect community values and to address site specific concerns of individuals and groups.

Public awareness of forestry is promoted through Company participation in a variety of functions including displays at National Forestry Week, community trade shows, presentations to specific user groups, public schools, community colleges and universities as well as provision of forestry field tours to interested groups. The Company also supports the Manitoba Forestry Association in promotion of forestry awareness in the province.

User group consultation, both in terms of attendance and presentation to association and group meetings, and in terms of one-on-one meetings and field trips with individual resource stakeholders has been on-going on an informal basis in the DFA for an extended period of time. These less-formal approaches are viewed as being very valuable to the planning and mitigation process as they bring forward local values, knowledge and expertise to assist in identifying and dealing with specific areas of concern. Such information may otherwise often be difficult to come by as many such individuals may not be comfortable to participate in more formal settings. Information gathered through such meetings and field trips is documented and utilized in development of specific mitigation plans. Any such information obtained that is of a confidential nature will be utilized only for internal planning purposes and not be reproduced in public documentation.

Commencing in 1991 with the development of the 1992 AOP, the Company initiated a public information meeting program in conjunction with the development of the 1992 and all subsequent AOPs. The public information meetings are held prior to the submission of the AOP to the Manitoba Government for approval and are held across the DFA to offer several opportunities for local people to attend, and in Winnipeg to enable participation of a broader group of stakeholders. Individual invitations are sent out to a wide range of parties who have expressed an interest in attending these meetings in the past based upon the Tolko Public Mailing List. In addition, all meetings are advertised in the newspaper (DFA communities and in Winnipeg) and local radio news media to ensure that the general public is informed of the meetings. Bulletin board postings are also utilized in smaller communities without local newspapers. The Public Mailing List utilized by the Company for specific invitation of interested parties includes all First Nations and other communities within the DFA, in addition to other special interest groups such as trappers associations. In addition, any party attending Tolko public

information meetings who expresses an interest is added to the Public Mailing List. In this way the mailing list continues to expand as time goes on. Currently the Tolko Public Mailing List for public participation communication on the DFA numbers in excess of 800.

The purpose of the AOP public information meetings is to:

- Inform the public of the specific forest management activities planned to be undertaken by the Company in the forthcoming “plan year” and indicate the projected activities for the subsequent two years;
- Answer questions, seek input and discuss interests and concerns that resource users and/or the general public may have about the plan and projected activities;
- Discuss any further additional forest management concerns or interests that the attendees may have; and,
- Take into account any expressed concerns or interests in review of the plan proposals prior to plan submission for approval.

Findings of these meetings, including minutes taken, a listing of all attendees, and a summary of issues and concerns raised, is documented and summarized for follow-up of any pertinent information in the further development of the respective AOP. The minutes from these meetings are also included as an appendix to the respective AOP. As noted earlier, any information of a confidential nature received during these meetings will be utilized only internally within the Company and will not be reported externally.

In the preparation of the FMP, two rounds of public information meetings were held during 1996 to inform the public and provide the opportunity for public input to the process. The objectives of these public information meetings were more broadly based given the more strategic nature of the FMP and the associated environmental licensing process required to meet the requirements of *The Manitoba Environment Act* for licensing of the FMP:

- Solicit the public’s views on the values and objectives for forest management on the DFA;
- Provide information on forest management activities proposed to be undertaken by the Company for the 1997 – 2009 period covered by the FMP;
- Listen to the interests and concerns of the public regarding forest management across the DFA;
- Present information on the environmental licensing process for the FMP;
- Provide an overview of the FMP prior to its completion and submission to the Manitoba Government;
- Report on the preliminary findings of the EIA; and,
- Provide information for the expected timing for completion of the FMP and EIA.

The public meeting process for the FMP was publicized in both the radio and print media as well as through a set of invitations sent out to First Nations and other communities in the DFA, resource user groups and associations, as well as a broad listing of parties who had expressed an interest in the forest management activities of the Company and the development of the FMP. The findings of these public information meetings, listing of attendees, meeting schedules and additional information related to the public information

process for the FMP was summarized and documented in a report submitted as Appendix 4 of the FMP.

In addition to the public information meetings held by the Company during the FMP and EIA preparation process, the Manitoba Government held a series of public hearings on the FMP and EIS with respect to the granting of an environmental license for the FMP. These hearings were held by the CEC both in The Pas and in Winnipeg to provide the public the opportunity to offer additional input to the FMP and EIS. Comments received were considered along with additional input received via the government hosted public registry system, in formulating the environmental license and associated approval conditions to the FMP. The environmental license (Manitoba Environment License # 2302 E) was granted to the Company on December 30, 1997.

In 1996, during the FMP development process, the Company established a Forest Resource Advisory Committee (FRAC) to serve as an on-going forum where representatives from across the DFA can share knowledge, interests, views, values and concerns with respect to forest management activities to be conducted on the DFA. This FRAC provides representation of values and interests from across the DFA and is now known as the FML Area FRAC.

The FML Area FRAC includes representation from a wide range of interests across the DFA including:

- Town's, Municipalities and community interests:
  - Town of Snow Lake (Mayor of the town);
  - Rural Municipality of Kelsey;
  - Town of The Pas (Councilor);
  - NORMAN Regional Development Corp.;
  - Northern Association of Community Councils;
  - Community of Mafeking (Councilor);
  - The Pas History & Heritage Society; and,
  - Kelsey Conservation District.
- Non-timber resource users:
  - Carpenter's Clearwater Lake Lodge;
  - Manitoba Trappers Association;
  - Non-timber Forest Products Ltd. (represents non-timber forest products interests);
  - Setting Lake Cottage Owners Association;
  - Manitoba Wildlife Federation; and,
  - Ducks Unlimited Canada.
- First Nations and Métis:
  - Moose Lake Logging (1992) Ltd. (First Nations logging contractor);
  - Nisichawayasihk Cree Nation (Nelson House First Nation) Trust Office;
  - Swampy Cree Tribal Council (SCTC represents five of the seven First Nations present in the DFA); and,
  - Manitoba Métis Federation (MMF) The Pas Region Inc.
- Education and training:

- Kelsey School Division No. 45;
- Keewatin Community College; and,
- Manitoba Forestry Association.
- Manitoba Government:
  - Manitoba Conservation Northeast IRMT;
  - Manitoba Conservation Northwest IRMT; and,
  - Manitoba Conservation Environment Approvals Branch.
- Environmental Organizations:
  - Time to Respect Earth's Ecosystems (Winnipeg-based environmental group).
- DFA-related Workers:
  - International Woodworkers of America (IWA) Local 324.
- Manitoba Timber Sale Operators:
  - Manitoba Quota Holders Association; and,
  - Mountain Quota Holders Association.

The FML Area FRAC has been in operation since that time with the objectives of:

- Provide an opportunity for diverse interests to discuss forest management activities proposed for the DFA;
- Provide an opportunity for the Company to learn and be kept informed about the interests, values and concerns of Committee members as they pertain to forest management activities on the DFA;
- Contribute to and comment on Company forest management plans and environmental practices;
- Provide a forum where the public can present issues, interests, values and concerns regarding forest management planning and operations within the DFA;
- Provide a forum representing a broad cross-section of interests which can be consulted with respect to questions to be addressed in the environmental licensing process for FMP development; and,
- Provide a working forum for public participation in Company forest management planning that assists in moving the Company forward to achieving SFM.

The FML Area FRAC continues to be in operation at this time. All of the members of the FML Area FRAC were invited to participate on the CSA SFM Committee. Approximately a third of the 28 current members of the FML Area FRAC are also members of the CSA SFM Committee to provide direct guidance to the Company in the development of this SFM Plan and in the achievement of SFM for the DFA.

In 2003, the Company formed a second Forest Resource Advisory Committee for the Snow Lake area in response to the interests expressed by the community of Snow Lake at that time. The Snow Lake FRAC has similar objectives and operation to that of the FML Area FRAC, meeting as deemed necessary by the committee itself. This committee is focused upon issues and concerns related to the resources and land uses present in the vicinity of the community of Snow Lake. The Snow Lake FRAC includes representation from a range of interests present in the Snow Lake area including:

- Community of Snow Lake (Mayor of the town);

- Snow Lake Resource Enhancement Committee;
- Snow Lake Trappers Association;
- Wekusko Falls Lodge;
- Tawow Lodge;
- Snow Lake Snowmobile Club;
- Hudson Bay Mining & Smelting Ltd. (mining interests in the area);
- Manitoba Conservation (Manitoba Government); and,
- Interested citizens at large.

The Snow Lake FRAC continues to be in operation at this time. All of the members of the Snow Lake FRAC were invited to participate on the CSA SFM Committee. The Mayor of the Town of Snow Lake has been an active regular member of both the FML Area FRAC and the CSA SFM Committee to provide direct guidance to the Company in the development of this SFM Plan and in the achievement of SFM for the DFA.

The operating ground rules for the operation of both the FML Area FRAC and the Snow Lake FRAC are included within Appendix 5. These ground rules cover the purpose, objectives and operating process for each committee.

In addition to the direct participation of a number of members of the FML Area and Snow Lake FRACs on the CSA SFM Advisory Committee, all other members of both FRAC committees have been kept informed of all work and proceedings of the SFM Advisory Committee in the development of this SFM Plan. All of the FRAC members have been invited to attend all SFM Advisory Committee meetings and have been provided with all minutes and other information generated by the SFM Committee.

## **4.4 Public Consultation Process for CSA Certification**

### **4.4.1 Tolko CSA SFM Committee**

To complement the existing public participation mechanisms already in place for the DFA, the Company has undertaken an additional process to specifically address the public participation requirements of the CSA Z8909-02 standard. In this regard an additional committee was formed, the Tolko CSA SFM Committee, to assist the Company to address public participation requirements not already in place and covered by other public participation processes of the Company as described earlier. This SFM Committee was given the mandate to assist the Company's Plan author in the development of this SFM Plan, through proactive involvement including:

- A particular focus on providing guidance and drafting of the performance framework to be utilized for development and implementation of the SFM Plan in terms of:
  - Identification of local values that relate to the Canadian Council of Forest Ministers (CCFM) SFM criteria and critical elements for the DFA;
  - Development of objectives that describe a desired future state or condition for each value;

- Selection of indicators to be used in monitoring to assess progress in meeting the objectives for the DFA; and,
- Establishment of one or more targets for each indicator to provide a statement of expected results.
- Advice on procedures to be applied for monitoring the developed indicators to assess the effectiveness of the SFM Plan;
- Communicating the progress of the Committee to their constituents; and,
- Providing advice to the Company on a broad range of issues relating to forest management and sustainable development on the DFA.

#### **4.4.2 Mechanisms to Inform and Invite Participation in the SFM Process**

As described earlier, the already existing public participation processes in place on the DFA contribute towards the requirements of the CSA Z809-02 standard in a number of areas. In the process of forming the SFM Committee, the Company undertook a number of mechanisms to inform the general public across the DFA of the CSA SFM certification process and to invite the participation of people and communities across the DFA:

- Presentation to both the FML Area and Snow Lake FRAC committees (January – March, 2003).
- Letter of Request to all First Nations on the DFA to address the communities on the CSA SFM process and to invite participation in the process. From these invitations, a response and follow-up meeting was held with the Chemawawin, Grand Rapids and the Opaskwayak Cree Nations (late April – May, 2003).
- Presentation to Tolko Woodlands Staff (April, 2003).
- Individual direct invitations to parties and individuals on the Tolko Public Mailing List who have indicated an interest in the forest management activities undertaken on the DFA through past public participation processes (undertaken in conjunction with the public mailing for the 2004 AOP presentations). Approximately 800 letters were sent out.
- Following up on this direct mailing, the Company made presentations on the SFM process in conjunction with the regular AOP Public Information Meetings held across the DFA and in Winnipeg in May – June, 2003 for presentation and input on the 2004 AOP.
- The Company also made a number of appearances via local radio station interviews to announce the intent of the Company to pursue CSA SFM certification and to invite people across the DFA to participate (May, 2003).
- A letter of invitation was then sent out to all organizations and individuals on the updated Tolko Public Mailing List; including all persons who had expressed an interest in the SFM process through the above listed public contact mechanisms. This letter announced the date and location of the first CSA SFM Committee meeting and invited all people to participate.

The above listed processes were utilized by the Company to communicate the SFM process out to the people living and working on the DFA and solicited their participation

in the process. Copies of the sample letters used to inform people of the SFM Plan development process for the DFA are included in Appendix 5.

#### **4.4.3 Representation from Across the DFA**

A key area in which the formation of the new Tolko CSA SFM Committee has been focused is to develop and document a framework of values, goals, indicators and targets for the DFA to be utilized in development of the SFM Plan and to guide future planning for the DFA. To accomplish this, the CSA SFM Committee has been developed by building upon the existing processes and the success of the current FRAC for the DFA.

The CSA SFM Committee includes representation from a wide range of interests across the DFA:

- Town's, Municipalities and community interests:
  - Town of Snow Lake (Mayor of the town);
  - Rural Municipality of Mountain;
  - Community of Thicket Portage;
  - The Pas History & Heritage Society; and,
  - Kelsey Conservation District.
- Non-timber resource users:
  - INCO Ltd. (represents mining interests);
  - Manitoba Trappers Association;
  - Flin Flon Cross-country Ski Club;
  - Bakers Narrows Ski Club;
  - Non-timber Forest Products Ltd. (represents non-timber forest products interests); and,
  - Ducks Unlimited Canada.
- First Nations and Métis:
  - Moose Lake Logging (1992) Ltd. (First Nations logging contractor);
  - Nisichawayasihk Cree Nation (Nelson House First Nation) Trust Office;
  - Mathias Colomb First Nation;
  - Opaskwayak Cree Nation;
  - Opaskwayak Cree Nation Resource Council; and,
  - Manitoba Métis Federation (MMF) The Pas Region Inc.
- Education and training:
  - Keewatin Community College;
  - Manitoba Forestry Association; and,
  - Aitameg Forest Centre.
- Manitoba Government:
  - Manitoba Conservation Forestry Branch; and,
  - Manitoba Conservation Northwest IRMT.
- Canadian Government:
  - Department of Indian and Northern Affairs.
- Environmental Organizations:

- Time to Respect Earth's Ecosystems (Winnipeg-based environmental group).
- DFA-related Workers:
  - Tolko Manitoba Kraft Papers.
- Contractors:
  - Waugh's Woods; and,
  - Moose Lake Logging.
- Manitoba Timber Sale Operators:
  - Manitoba Quota Holders Association.
- Interested parties from public at large.

#### **4.4.4 Functioning of the SFM Committee**

The operating ground rules reviewed at the first meeting of the SFM Committee include provisions on: goals, timelines, internal/external communication, resources (human, physical, financial, information, and technical as necessary and reasonable), roles/responsibilities/obligations of participants and their organizations, conflict of interest, decision making methods, authority for decisions, mechanisms to adjust the process as needed, access to information (including the Z809-02 standard), participation of experts, other interests, and government, and a consensus reaching/dispute resolution mechanism. The operating ground rules for the CSA SFM Committee are provided within Appendix 5.

To support the SFM Committee in its work and to respond to questions and issues brought forward by the committee, presenters have periodically been brought in to provide background information on the DFA and information relevant to forest management and sustainable development in Manitoba including:

- EMS overview presentation, June 4, 2003 (Doug Hunt/Paul Chapman, Tolko);
- MC Forest Inventory and AAC determination, Sept. 23, 2003 (Mr. Greg Carlson, MC);
- MC Forest Renewal program, Oct. 21, 2003 (Mr. Glenn Peterson, MC);
- 2004 AOP presentation, January 21, 2004 (Mr. Don Aikman, Mr. Andrew Forward and Mr. Mike Paddock, Mr. Paul Chapman, Tolko);
- Cumulative Impacts Presentation, January 21, 2004 (Dr. John Sinclair, Natural Resources Institute, University of Manitoba);
- Review of Forest Industry SACs Study presentation, January 21, 2004 (Dr. John Sinclair, Natural Resources Institute, University of Manitoba);

To initiate the process of developing the SFM performance framework a number of materials were provided to the SFM Committee for reference and were also utilized by the Company for use in development of seed documents. Materials provided to the SFM Committee included:

- Examples of values, objectives, indicators, and targets developed by the Company as examples only (not necessarily forestry examples);
- Tembec Pine Falls (Manitoba Forest Company) performance framework and latest report on progress made;

- Tolko Louis Creek Summary of Publicly Developed Values, Goals, Indicators and Objectives (British Columbia operation of Tolko certified to CSA Z809 – 1996 Standard);
- Tolko EMS Standard Operating Procedures; and,
- CSA Z809-02 SFM Requirements and Guidance.

Utilizing these materials in and additional materials available from the Canadian Model Forest Program and other sources, the Company produced “seed documents” to be used as a starting point by the SFM Committee in their deliberations for development of the performance framework of values, objectives, indicators and targets for the DFA.

Additional materials utilized included:

- A User’s Guide to Local Level Indicators of Sustainable Forest Management: Experiences for the Canadian Model Forest Network (Canadian Forest Service);
- The State of Canada’s Forests 2001 – 2002: Reflections of a Decade (Canadian Forest Service);
- Manitoba Provincial Workbook: Provincial Sustainability Indicators (Manitoba Round Table for Sustainable Development);
- Tomorrow’s Forests: the Sustainable Forest Management Network Newsletter – Winter 2002 (Sustainable Forest Management Network);
- Next Steps: Priorities for Sustaining Manitoba’s Forests (Manitoba Conservation);
- Forest Products and Practices: The Canadian Difference (Forest Products Association of Canada); and,
- Harvest and Harmony: Managing Canada’s Forest for the Future (Canadian Pulp and Paper Association).

Several individual members of the SFM Committee developed and provided written submissions of values, objectives and indicators for various criteria of the framework. These efforts are appreciated by the Company and the other Committee members and all such materials were then made available to all members of the SFM Committee for consideration in their deliberations.

The work of the SFM Committee is facilitated by an independent professional facilitator with the Company sitting on the committee to provide input as requested by the committee and to provide background on the forest management activities occurring on the DFA. Use of an independent facilitator provided opportunity for interested parties to participate in all discussions of the committee with the level of involvement of each committee member being decided by each participant.

A professional writer has been contracted by the Company to maintain minutes of all meetings for distribution and follow-up by the Committee. All supporting organizational tasks for arrangements, bookings, and distribution of materials to the Committee are undertaken by the Company. Expenses for committee members traveling from out of town to attend meetings is reimbursed by the Company. All copying and distribution costs to meet the information needs of the committee members are borne by the Company. Should different linguistic or cultural needs be encountered in the operation of the committee; the Company will review and discuss the situation with the committee and the facilitator in order to identify a workable solution.

All meetings were undertaken as a single group session by the committee operating as a whole with facilitation through the independent facilitator. An opening session was utilized to familiarize the committee with the objectives and to introduce a draft proposed seed set of ground rules. Over the next several meetings the operating ground rules were discussed and modified by the committee to arrive at the approved ground rules for operation of the committee. In addition, examples of a values, objectives, indicators and targets framework were reviewed and some initial discussion of application to sustainable forest management on the DFA was held. This work continued in the second session to identify values, objectives, indicators and targets through an open “brainstorming” session. Through discussion with the committee it was decided that further work would be undertaken utilizing the structure and additional focus provided by the use of the “seed documents”. These were developed to capture potential values, objectives, indicators and targets for application to the DFA from other sources of information from Manitoba and across Canada, including the materials described in the earlier listings. As discussion of the performance framework was undertaken the committee utilized the seed materials as a starting point and as examples of potential ideas for the DFA. Additional ideas and modifications to the seed materials were then developed by the committee.

#### **4.4.5 Development of the SFM Performance Framework**

A total of eight meetings of the SFM Committee were held from June, 2003 through to May, 2004 to develop the performance framework for the DFA and to provide assistance to the Company’s Plan author in the preparation and the review of the SFM Plan. Aside from the first meeting which was an opening evening session, the remaining meetings were a two-day format. The process enabled interested participating parties to work with the Company in development of alternative strategies, forecasting and assessment of these strategies, and selection of a preferred strategy for moving forward with SFM for the DFA as they pertain to the performance framework. As work on the values, objectives, indicators and targets was undertaken, the SFM Committee also reviewed and provided input to the design of monitoring processes to be applied in the monitoring and reporting program for the performance framework. As stated in the operating ground rules for the committee, the Company will ensure values, objectives, indicators and targets are consistent with government legislation, regulations and policy. At the outset of the process the need for this requirement was identified to the committee and throughout the process the objective of focusing on the performance framework and the SFM Plan for the DFA has been maintained.

As part of the operating ground rules of the SFM Committee, and as a mechanism to ensure that the input of committee members is captured and considered in development of the SFM Plan, the facilitation of meetings included ensuring that minutes and action items were documented. Finalization of the performance framework with the SFM Committee was documented in the meeting minutes of the Committee, maintained on file at the Woodlands offices of the Company at The Pas. These minutes are also posted on the Company’s website. For all enquiries made by the committee of the Company, action items for follow-up were documented and responses provided. A “parking lot” mechanism was utilized by the facilitator to ensure that all items brought forward by the committee were tracked in terms of discussion, response and resolution of the issue.

Through discussion with the committee, the facilitator had volunteer committee members work independently or in groups to review the issue and come forward to the committee as a whole with their findings. The SFM Committee would then hold further discussion to determine the overall position of the committee for recording in the minutes. A summary has been prepared and included in Appendix 5 to summarize the themes covered in the discussions and deliberations of the SFM Committee.

#### **4.4.6 Continuing Role in SFM for the DFA**

As the SFM Committee work on the initial development phase of the performance framework for this SFM Plan neared completion the decision was made in consultation with the CSA SFM Committee and the FML Area FRAC to merge the two committees to meet the continuing and on-going public participation needs for SFM on the DFA. Discussion amongst committee members indicated the importance of maintaining the work undertaken by both committees and the synergies that can be achieved through merging of the committees going forward. It will be important for the public participants on the merged committee to continue to be proactively involved in the review and decision-making process for the ongoing monitoring and continual improvement role in the implementation of this SFM Plan.

With the implementation of the SFM Plan, the critical role of the SFM Committee is continuing in terms of evaluation of the results of Plan implementation through measurement and reporting on the indicators. The committee will also be important in its role of making recommendations on ways and means to make improvements to planning processes on the DFA in order to move forward with adaptive management and continual improvement for the area. At the same time, it will be useful for this same merged committee to be involved in the other tasks of FMP and AOP review and other public participation roles in forest management on the DFA in order to assist in discussion and resolution of any issues relevant to SFM on the DFA and to maximize the learning and effectiveness of the committee.

#### **4.4.7 Internal and External Communications**

Concurrent with the work of the SFM Committee the Company undertook development of the Tolko Manitoba Solid Wood Division website located at [www.tolkomanitoba.com](http://www.tolkomanitoba.com). This website has been developed in order to provide an online mechanism to facilitate communication with members of the SFM and FRAC Committees, stakeholders and the general public with access to the internet, including updating the general public of the work of the SFM Committee. As of January 21, 2004 when the website began to become available for access work commenced to utilize the site in order to assist in distribution of information to members of the SFM and FRAC committees, as well as to provide for the opportunity for the general public to be kept informed of the work of the SFM Committee and progress on the SFM Plan for the DFA. The website has been utilized to post a variety of information relative to the development of the SFM Plan and the contributions of the SFM Committee in addition to broader planning and public participation materials relevant to the DFA including:

- SFM Committee meeting minutes for all meetings;

- SFM performance framework materials throughout development for the DFA;
- SFM Plan;
- Current AOP beginning with the 2004 AOP;
- Summary of the current approved 1997 – 2009 FMP; and,
- FML Area and Snow Lake FRAC meeting minutes commencing with the minutes for 2003.

All materials posted and available for viewing on the Tolko Manitoba website have been reviewed and approved by the Tolko Manitoba EMS/SFM (Staff) Committee. The website will continue to be utilized to provide a mechanism for the general public to be kept informed of the requirements and progress made for SFM on the DFA. The website also includes links to the CSA SFM site for direct access to CSA SFM requirements, and to the MC website for provincial planning requirements including planning guidelines applicable to the DFA. Other websites linked include: ISO EMS 14001, the Canadian Council of Forest Ministers (CCFM), the Manitoba Model Forest, the corporate Tolko website, Forest Products Association of Canada (FPAC) and the Province of Manitoba/Manitoba Conservation.

The 2005 AOP meetings held in 2004 were utilized to present and receive comment on the draft SFM Plan from the broader public. All comments received via email, letters and the AOP meetings were then documented and utilized in the revision and finalization of the SFM Plan. These comments on the SFM Plan, including any concerns documented in the SFM Committee meeting minutes are addressed in the Issues and Concerns Table which has been included in Appendix 5 of this SFM Plan. The Issues and Concerns Table provides documentation of concerns raised and the response of the Company. In addition to comments raised directly pertaining to the SFM Plan, a number of other issues and concerns were raised during the deliberations of the SFM Committee which were managed by the facilitator using the parking lot mechanism referenced above. As actions were taken to address such items the item was then removed from the parking lot. Parking lot items remaining as outstanding at the conclusion of the development process for the SFM Plan have been listed as a component of Appendix 5. Action steps will continue to be taken to address these parking lot items as the work of the SFM Committee proceeds in implementation of this SFM Plan.

In order to keep the broader public informed on progress made towards SFM on the DFA and to allow for their continuing input the Company will incorporate presentation of the status of the performance framework and SFM at all future AOP public information meetings across the DFA each year in addition to posting progress on the website. The AOP public meetings would then be advertised and utilized for these dual purposes.

In conjunction with the public participation process for the 2004 public information meetings conducted during the preparation of the 2005 AOP, the Company began the process of updating the Public Mailing List that it uses to contact interested parties across the DFA. With the letter of invitation to all parties on the list (approximately 800 parties) the Company included a self-addressed and stamped form requesting all parties to notify the Company of their desire to remain on the Company's Public Mailing List for future information related to SFM on the DFA. The form allowed for each party to specify their desire to receive their future invitations, information or other information via regular mail

or via email at their choice. This updating process will be undertaken every three years commencing with the implementation of this SFM Plan. An additional review of the Public Mailing List will occur annually through review by the SFM Committee. In order to enable new parties who wish to be placed on the Public Mailing List the Company will continue to provide the opportunity for interested parties attending AOP and other public information meetings presented by the Company to sign up for addition to the listing. This continually updated Public Mailing List is maintained on file at the Tolko Woodlands offices at The Pas and will remain an important mechanism for the Company to maintain contact with interested parties across the DFA.

## **5.0 Performance Indicators**

### **5.1 Performance Framework and Organization**

The CSA Z809-02 standard for SFM is a performance standard to ensure that the six Criterion for Sustainable Forest Management (SFM) as identified by the Canadian Council of Forest Ministers (CCFM) are addressed for the DFA. Each of the six CCFM SFM Criterion are further defined in terms of CSA SFM Critical Elements that provide the framework to apply SFM at the local level in identification of values, objectives, indicators and targets for the DFA. The 6 CCFM SFM Criterion and 17 CSA SFM Critical Elements which form the performance framework for this SFM Plan are listed below:

1. Conservation of Biological Diversity
  - 1.1. Ecosystem Diversity
  - 1.2. Species Diversity
  - 1.3. Genetic Diversity
  - 1.4. Protected Areas and Sites of Significant Biological Significance
2. Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
  - 2.1. Forest Ecosystem Resilience
  - 2.2. Forest Ecosystem Productivity
3. Conservation of Soil and Water Resources
  - 3.1. Soil Quality and Quantity
  - 3.2. Water Quality and Quantity
4. Forest Ecosystem Contributions to Global Ecological Cycles
  - 4.1. Carbon Uptake and Storage
  - 4.2. Forest Land Conversion
5. Multiple Benefits to Society
  - 5.1. Timber and Non-timber Benefits
  - 5.2. Communities and Sustainability
  - 5.3. Fair Distribution of Benefits and Costs
6. Accepting Society's Responsibility for Sustainable Development
  - 6.1. Aboriginal and Treaty Rights
  - 6.2. Respect for Aboriginal Forest Values, Knowledge, and Uses
  - 6.3. Public Participation
  - 6.4. Information for Decision-Making

The performance framework for the SFM System being implemented for the DFA consists of values, objectives, indicators and targets to address each of the CSA SFM Critical Elements listed above. This framework has been developed through the public participation process associated with the development of this SFM Plan, led by the work of the CSA SFM Committee for the values in place across the DFA (described in further detail in Section 4 of this SFM Plan). The SFM Committee worked closely with the Company's SFM Plan author in the development of the performance framework in support of SFM Plan development, ensuring that a minimum of one value-objective-indicator and target was established for each critical element as required in the CSA Z809-02 standard. As described further in Section 4, a number of "seed" documents were utilized by the SFM Committee in the consideration of potential values, objectives, indicators and targets for application to the DFA. These included samples of performance framework components from other forestry operations in Manitoba and from other jurisdictions including other Divisions of the Company.

As required by the CSA Z809-02 Standard, the substance of SFM for the DFA is defined by the values established for the performance framework for measurement of progress towards SFM on the DFA. The use of the CCFM SFM Criteria and CSA SFM Elements as adopted by the CSA Z809-02 Standard provides a link between local-level SFM defined through the public participation process used to develop this SFM Plan and national and provincial forest policies in place for the DFA. This linkage also provides a measure of consistency in identification of the local forest values to those defined across Canada.

As described in the CSA Z809-02 Standard the performance framework for the DFA consists of:

- Values defining a DFA characteristic, component, or quality considered by an interested party to be important in relation to a CSA SFM element or other locally identified element;
- Objectives stating in broad terms a desired future state or condition of a value;
- Indicators representing variables that measure or describe the state of condition of a value; and,
- Targets describing a desired future state or condition of an indicator, to be clearly defined, time limited, and quantified, if possible.

The indicators and associated targets that make up the performance framework for the DFA have been labeled using a numbering system to enable reference to the information being provided by users of the SFM Plan and those who will implement the SFM System on the DFA. The numbering system utilizes five digits separated by periods to identify the position of the indicator-target within the framework:

1. CCFM SFM Criterion
  - 1.1. CSA SFM Element
    - 1.1.1. Local DFA Value
      - 1.1.1.1. Local DFA Objective
        - 1.1.1.1.1. Local DFA Indicator

Thus each indicator has a unique 5 digit label that provides a linkage of the indicator to the criterion, element, value and objective to which it pertains. Targets are then identified using the 5 digit indicator number along with either the letter “A” (for the first target for all indicators) or “B” (for situations where a second target has been established for a given indicator). This indicator-target labeling system has been applied for the presentation of the performance framework both in the summary tables and on the fact sheets.

## **5.2 Basis for the Selection of Indicators of Sustainability**

In the development of the performance framework to be used in this SFM Plan for application to planning and management of the DFA, the Company, in conjunction with the SFM Committee, reviewed potential indicators put forward to ensure that indicators were selected that would contribute to the measurement of success in implementation of SFM for the DFA. It is recognized by the SFM Committee and the Company that the selection of appropriate indicators for application to the forest ecosystems, communities and circumstances of the DFA is key to making and measuring progress towards SFM.

Through the selection process the SFM Committee and the Company assessed the following characteristics of the potential indicators brought forward for consideration:

### **Measurable or clearly descriptive**

In order to assess progress towards the target for an indicator it is important that in most cases, the indicator be a measurable characteristic. Where this is not possible, an indicator was selected that enables a clear description of the status of the indicator to be made to determine progress toward the target.

### **Predictable**

To evaluate alternative strategies for management it is important that the characteristics represented by indicators can be forecasted in terms of expected future conditions resulting from the alternative strategies under consideration.

### **Relevant and valid**

To be useful for monitoring of success of SFM for the DFA it is crucial that indicators be selected that are relevant to the forest ecosystems, communities and conditions of the DFA. The indicators must be applicable to the forest value being represented and they must be technically valid for measurement, including suitability for measurement at the DFA level.

## **Understandable**

Indicators selected must be useful for the Company and for the public of the DFA in terms of providing clear understanding of the progress towards meeting the objective for the DFA value being assessed.

## **Practical and cost effective**

In order to continue to operate the Woodlands and mill facilities of the Company on a sustainable basis to continue to provide the associated benefits for the people and communities of the DFA and the Company, it is important that all processes, including the monitoring processes associated with this plan be practical and cost effective. Only by incorporating this factor in the selection process can a framework be developed that will result in long-term effectiveness in implementation. The availability or lack of suitable data was a factor in the selection of indicators. Practical indicators that convey useful and directly relevant information are viewed to be the most meaningful for the DFA.

## **Integration with the FMP**

Where feasible and suitable, indicators have been selected that will tie back in to the current approved 1997 – 2009 FMP. A number of the indicators selected for this SFM performance framework relate back to the stated objectives and strategies put forward in the FMP. A number of indicators also relate to the measurement of FMPOPs associated with the FMP for the DFA.

The above considerations were taken into account during deliberations of the SFM Committee during development and finalization of the performance framework for this SFM Plan. The results of the discussions are reflected in the minutes of the SFM Committee meetings and the follow-up Issues and Concerns Table (Appendix 5) to arrive at the final framework upon which this plan is based.

## **5.3 *Alternative Management Strategies***

### **5.3.1 Current FMP Sustainability Analysis**

A summary of the 1997 – 2009 FMP for the FML Area No. 2 DFA is provided as Appendix 1 to this SFM Plan. In addition, this FMP Summary is available on the Company's website at [www.tolkomanitoba.com](http://www.tolkomanitoba.com). The full version of the FMP and all appendices were deposited at Province of Manitoba Public Registry locations across the DFA. As required by the FMP and associated EIS guidelines of Manitoba, an assessment of the sustainability of the wood supply for the FML Area was examined in the preparation of FMP.

A sustainability assessment and forecast of representative characteristics for forest composition (as described by Manitoba FEC V-types) and wildlife habitat values (as described by Habitat Suitability Index (HSI) values) was undertaken for FML Area No. 2

in the preparation of the FMP. The analysis was undertaken for two alternative scenarios representing potential strategies for management of the FML Area as follows:

- Harvest to the full AAC level as per Provincial MC levels; and,
- Harvest to a lower harvest level identified as the potential maximum required to meet the needs of the Company and the Manitoba Timber Sale operators on the FML Area as defined at the time of FMP preparation.

In undertaking the sustainability assessment for these two alternative scenarios, the strategies applicable to both included the Company's commitment to forest renewal for all areas harvested to meet the timber supply requirements of the mill facilities of the Company. In order to test and ensure confidence in the AAC levels applicable to the FML Area, the Company undertook sustainability analysis to examine the forecasted effects of harvest at the AAC levels as the first alternative scenario or strategy assessed. The second alternative scenario examined was to forecast the effects on the characteristics of the forest assessed in the FMP at the time of FMP development at the proposed maximum harvest levels for the Company and third parties on the FML Area at the time of FMP preparation.

Based upon the assessment undertaken in the preparation of the FMP, the wood supply modeling demonstrated that both the MC AAC and the maximum harvest levels proposed in the FMP (which are within the MC AACs) were sustainable for all forest sections and ecoregions of the original FML Area No. 2 which includes the current DFA, over the 100 year forecast period.

The wood supply model results were then utilized as inputs to further modeling on an ecoregion basis to analyze sustainability of ecosystems and biodiversity and to assess wildlife habitat supply for a number of "indicator wildlife species". The analysis of ecosystem integrity and biodiversity as represented by forecasts of seral state-covertypes composition (represented by Manitoba Forest Ecological Classification (FEC) V-type groupings) showed that the distribution remained relatively constant for northern (Ecoregions 88 and 89) and central (Ecoregion 148) ecoregions which incorporate the Highrock, Nelson River and Saskatchewan Forest Sections of the current DFA. The modeling also forecasted a relatively constant supply of habitat for most wildlife species in these same areas.

At the time of FMP development the sustainability analysis was structured to meet the requirements set out in the Manitoba FMP and EIS guidelines and to provide a mechanism to forecast and demonstrate to the public that the forest management activities proposed in the FMP were sustainable given the current level of knowledge and data and modeling technology available. The forest inventory data available at the time of the development of the FMP was limited in terms of its suitability for forecasting analysis (particularly relating to stand age information). In addition, the forest modeling capability was not at the level of current technologies. No specific "indicators" as such, were prescribed for analysis and forecast within the FMP at the time of its preparation, submission and approval, however, several indicators have subsequently been developed within the public participation process for development of this SFM Plan that can be applied to and make use of the forecasting undertaken in development of the FMP. Indicators 1.1.1.3.1 and 5.1.1.1.1 provide for continuing assessment and reporting on the

level of timber harvest on the DFA as related to the AAC (FMP Objective 2). These indicators continue to provide for reporting on timber harvest within the performance framework of this SFM Plan in follow-up to the work on wood supply sustainability and related ecosystem sustainability undertaken in the FMP. Indicators for forest renewal monitoring including those relating to the forest cover of reforested harvested areas (1.1.1.2.1, 2.1.1.1.1, 3.1.1.1.4, 4.1.1.1.3, 4.2.1.1.2 and 5.1.2.1.2) and for renewal of harvested areas as soon as possible (4.1.1.1.2 and 5.1.2.1.1) provide for reporting and follow-up on the renewal commitment of the Company which was a key contributing factor in the assessment of sustainability conducted for the FMP. Indicators 5.1.3.1.1, 5.2.1.2.1, 6.1.1.2.1 and 6.2.1.1.1 relating to public participation in planning for the DFA provide for continuing follow-up on FMP Objective 4 pertaining to public communication processes. A number of indicators, including 1.4.1.1.1 pertaining to PHFI assessment of planned cutblocks, and 1.1.1.1.1 and 3.2.1.2.1 pertaining to research into forest disturbance patch distribution and watersheds on the DFA, provide for follow-up in the recognition of non-timber resource values on the DFA (FMP Objective 3). Indicators 3.1.1.1.2, 3.2.1.1.1 and 5.1.1.2.1 pertaining to adherence to work permit conditions reflecting legislation and regulations provide for follow-up in terms of FMP Objective 1 to plan and operate within all legislation and regulations pertaining to the DFA.

It is expected that the suite of indicators for the SFM Plan that are in place at the time of the preparation of the next FMP for the DFA to be developed for 2010 – 2019 will be utilized in the development of FMP objectives and the subsequent sustainability analysis to be undertaken during FMP preparation.

### **5.3.2 Evaluation of SFM Strategies**

In developing this SFM Plan a review of past work conducted in the preparation of the 1997 – 2009 FMP and the subsequent work undertaken with the SFM Committee in preparation of this SFM Plan has led to the development of two alternative management strategies to be assessed with respect to the indicators and targets:

#### **Alternative Management Strategy 1: Continue Present Forest Management Practices**

Under this management strategy the status quo would have been maintained with no change from the current practices in place as of 2003:

- Original Forest Management Planning and Operating Practices (FMPOPs) maintained;
- Original Tolko EMS registered to ISO 14001 maintained;
- Conform to all legislation and regulations pertaining to the DFA; and,
- Public participation mechanisms, operational control and overall forest management of the DFA would meet all legislation and regulations pertaining to the DFA, but would be reduced in scope and magnitude as compared to those applied under the SFM Plan.

## **Alternative Management Strategy 2: Implementation of SFM Forest Management Practices**

Under this management strategy the SFM System will be applied to the DFA, including the application of the SFM performance framework developed through public consultation to represent the local values, objectives and targets desired for the DFA within the CCFM SFM Criterion and the CSA SFM Elements:

- Increased and more clearly defined role for public consultation in the planning, monitoring and follow-up of forest management activities on the DFA;
- Revisions and additions to the Forest Management Planning and Operating Practices (FMPOPs) as noted in the SFM Performance Framework for the DFA;
- Review and update of the Tolko EMS registered to ISO 14001 in 2004 to more fully integrate the requirements of SFM within the EMS process improvement methodology;
- Continue to conform to all legislation and regulations pertaining to the DFA; and,
- Increased monitoring and research activities as described in the performance framework including consideration of potential mechanisms to move management practices closer to the results expected under a natural disturbance regime (forest composition, patch characteristics, woody debris retention and watershed application to planning research projects, indicators for tree retention, forest renewal, etc.)

The potential implementation of these two alternative management strategies have both positive and negative implications for the achievement of SFM as measured by the indicators and targets for the DFA. These implications have been assessed as required under the CSA Z809-02 standard, with the results of the assessment documented in the Table of Implications of Alternate Management Strategies for the DFA provided in Appendix 6. The implications are described in qualitative terms due to the lack of availability of data to support analytical analysis for the indicators for the DFA. As described elsewhere in this SFM Plan, the forest inventory and other data available for the DFA is currently out of date, and of insufficient quality to allow for modern modeling techniques to be applied (lack of age and tree height data for forest stands, insufficient delineation of forest types, etc.). Attempts to apply current predictive analysis models and techniques to the currently available data for the DFA would be expected to result in information that would be more likely to be misleading or overly generalized, than to provide informative results.

The presentation of implications for the alternative management strategies represents the Company's forecast for the indicators of the performance framework. The forecast is focused on the most significant implications that are expected to result, while recognizing that there may often be a number of additional implications that may occur, particularly with respect to indicators related to ecosystem processes. The potential effects of future environmental changes that may occur on the DFA, such as global warming are unknown and hence, are not considered.

As described above, the CSA SFM Committee for the DFA, working with the Company has developed the performance framework of value-objective-indicator-target combinations subsequent to the development of the FMP which is the current approved

basis for forest management activities on the DFA. Through review of the FMP in association with the development of the SFM Plan, several of the indicators and associated targets developed by the SFM Committee have been linked back to the forecasting work undertaken in development of the FMP. As this SFM Plan is implemented these indicators will be monitored and reviewed along with the remainder of the performance framework for continued applicability to the measurement of progress towards SFM on the DFA.

The preparation of the next FMP for the DFA will fully integrate all applicable value-objective-indicator-target combinations from the SFM performance framework in the development of the FMP, including all those relating to forecasting of the future condition of the forest. These indicators will be directly incorporated within the preparation of the next FMP in the assessment of management alternatives and determination of sustainability. At the present time work has initiated to upgrade the forest inventory data available for the DFA to include improved stand classification and the addition of stand age and height information that will enable improved forecasting analysis to be undertaken. The forecasting models now in use in Manitoba will also enable improved forecasting and analysis of forecasting-type indicators as the updated forest inventory data becomes available for the DFA.

As part of the annual divisional review process, the cause of any measurement in indicator levels that fall outside of established targets will be determined. Where assessment of indicators identifies levels not meeting targets the following approaches will be utilized:

- Upon examination of the cause of any such deviation from target, it may be determined that the deviation may be accepted and rationalized in the Annual SFM Report;
- An assessment would be undertaken to determine if the indicator, associated targets and acceptable levels are suitable for the performance framework;
- Standard Operating Procedures relative to work affecting the components of the forest reflected by the indicator will be reviewed and revised as necessary. Any need for additional procedures would be reviewed relative to process improvement;
- As part of the EMS, training and awareness programs may be revised to address any identified problem in execution of operations relative to the indicator;
- A follow-up program, including compliance monitoring as required would be implemented to ensure resolution of the problem; and,
- Should performance issues relate to specific operators, the Standard Operating Procedures outlined in the EMS will be utilized in addressing the situation.

#### **5.4 Performance Indicators for FML Area No. 2 DFA**

The performance framework derived through the public participation process for the DFA is presented through two mechanisms:

- Summary tables are used to provide an overview of the performance framework and the manner in which the indicators and targets relate to the CCFM SFM

Criterion, CSA SFM Elements, and to the locally established values and objectives for the DFA; and,

- Individual fact sheets are used to provide the detailed information pertaining to the background and implementation of each indicator and target.

A series of summary tables have been developed to assemble the local values, objectives, indicators and targets pertaining to the CSA SFM Elements of each of the six CCFM SFM Criterion. The summary tables provide the reader with the overall organization of the indicator framework within the criterion and elements and provide a brief overview of detailed information provided in the fact sheets. The summary tables are provided in Appendix 7 of this plan.

The detailed description of the value-objective-indicator-target combinations that make up the framework are presented as a series of fact sheets in this section of the SFM Plan. For each fact sheet header tables are provided which state the CCFM SFM Criterion, CSA SFM Element, and locally derived value, objective, and target associated with each of the indicators for the DFA, as well as a description of acceptable variance levels or ranges of levels. Where there are multiple targets that relate to a given indicator, the information is presented on a single fact sheet for the relevant indicator. The fact sheet for each indicator then goes on to present information on management strategy; forecast, expected result or outcome; implementation; and monitoring and reporting.

There are a total of 48 indicators comprising the performance framework for assessment of SFM on the DFA. A number of these indicators consist of characteristics of the forest ecosystem and operations of the Company that have been measured in the past as a component of ongoing forest management monitoring and reporting processes. Such indicators that fall into this group include indicators that relate to characteristics of harvesting, road development and forest renewal for the DFA. Several indicators are related to compliance with work permit conditions and legislation/regulations. In a few cases indicators have been established to track progress in research programs that are being established to provide baseline information and a basis for potential development of further or more refined indicators in the future.

In a number of cases the SFM Committee and the Company have identified opportunities to utilize indicators for assessment of progress towards more than one combination of a criteria-element-value-objective. In these cases the fact sheet description for the indicator has been developed to capture required information and to outline the monitoring and reporting process relative to the two or more situations (criteria-element-value-objective) to which the indicator is to be applied. A separate indicator identity number and related fact sheet is provided for each case to which such indicators apply. There are 8 such indicators that are applied to a total of 24 criteria-element-value-objective situations. As a result, the performance framework is comprised of 33 different indicators.

Following is the presentation of the SFM performance requirements for the DFA with a summary listing of all of the indicators presented in Table 3.

**Table 3: Listing of Indicators of the SFM Performance Framework for the DFA**

<b>Indicator</b>	<b>Indicator Name</b>
1.1.1.1.1	Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)
1.1.1.2.1	Forest cover composition of reforested cutover areas
1.1.1.3.1	Harvest levels in cubic metres as compared to the AAC
1.2.1.1.1	Woodland caribou habitat for the Kississing-Naosap Lakes Herd
1.2.1.2.1	Staff awareness of current COSEWIC & MESA lists for DFA
1.2.1.3.1	Abundance of residual stand structure
1.3.1.1.1	Percentage of areas planted with stock from the same or approved government seed zone
1.4.1.1.1	Percentage of proposed harvest blocks subject to pre-harvest surveys (PHFI)
1.4.2.1.1	Protected Areas and ASIs recognized in forest management plans (FMP and AOP)
2.1.1.1.1	Forest cover composition of reforested cutover areas
2.2.1.1.1	Provision of information on insects and disease to MC for the DFA
2.2.2.1.1	Company caused forest fires
2.2.2.2.1	Re-curing mistletoe infections in regenerating stands
3.1.1.1.1 A/B	Extent and duration of in-block seasonal roads and landings
3.1.1.1.2	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
3.1.1.1.3	Amount of area in all-weather roads (Categories 1 & 2) in place at any given time
3.1.1.1.4	Forest cover composition of reforested cutover areas
3.1.1.1.5	Amount and distribution of coarse woody debris
3.2.1.1.1	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
3.2.1.1.2	Condition of stream crossings and roadways in terms of erosion control
3.2.1.2.1	Reporting on evolution of watersheds research specific to forestry planning and operations
4.1.1.1.1 A/B	Amount of area in all-weather roads in place at any given time & decommission 150 km's of older roads.
4.1.1.1.2	Harvest blocks are regenerated as soon as possible
4.1.1.1.3	Forest cover composition of reforested cutover areas
4.1.2.1.1	Percentage of wood hauled by truck versus train
4.1.2.1.2	Level of awareness of Woodlands staff of effects on unnecessary vehicle idling
4.2.1.1.1	Amount of area in all-weather roads (Categories 1 & 2) in place at any given time
4.2.1.1.2	Forest cover composition of reforested cutover areas
5.1.1.1.1	Harvest levels in cubic metres as compared to the AAC
5.1.1.2.1	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
5.1.2.1.1	Harvest blocks are regenerated as soon as possible
5.1.2.1.2	Forest cover composition of reforested cutover areas
5.1.3.1.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
5.1.4.1.1	Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources
5.1.5.1.1	Protected Areas and ASIs recognized in forest management plans (FMP and AOP)
5.2.1.1.1	Extent of local involvement in forest operations in the DFA
5.2.1.2.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
5.2.2.1.1	Programs in place related to public safety during truck haul operations on DFA Company roads
5.3.1.1.1	Extent of local involvement in forest operations in the DFA
5.3.2.1.1	Cost per cubic metre of delivered wood
6.1.1.1.1	Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and culture awareness sessions
6.1.1.2.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-

<b>Indicator</b>	<b>Indicator Name</b>
	timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
6.2.1.1.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
6.3.1.1.1	Degree of satisfaction with the public participation component of the planning process
6.4.1.1.1	Training and awareness opportunities for contractors on the DFA
6.4.1.1.2	Tolko understanding and practices based on current and emerging knowledge and recommended practices
6.4.1.1.3 A/B	Training members of the Forest Resource Advisory Committees (FRAC) and the SFM Committee
6.4.1.2.1	Access of the broad public to information on SFM, FMP and AOP plans and related public participation processes

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.1</b>	<b>Ecosystem Diversity</b> Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally in the DFA
<b>FML Area No. 2 DFA Value 1.1.1</b>	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
<b>Objective 1.1.1.1</b>	Create a range of harvest disturbance patches across the landscape that is consistent with the size, frequency, distribution and shape of disturbance patches created under a natural fire regime

<b>Indicator 1.1.1.1.1</b>	<b>Target 1.1.1.1.1 – <i>amended 2008</i></b>
Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)	Monitor and report on patch size and distribution resulting from natural and timber harvest disturbances for the DFA <b>Acceptable Variance:</b> No variance in undertaking the measurement and reporting program is acceptable. No targets are set for patch size and distribution for the DFA at this time and as such, no variances for patch size or distribution are applicable at this time.

### Management Strategy

The current strategy for management of cutblock patch size and distribution is primarily dictated by a cut and leave system applied in areas of contiguous large forest stands. In other areas such as the Canadian Shield of the Highrock Forest Section, the landscape pattern of productive and non-productive areas takes precedent, while the cut/leave strategy is also in place wherever larger stands exist. Leave blocks are not harvested until adjacency rules for minimum height are satisfied based on MC requirements. The application of the *MC Cutblock Size Guideline* limits the maximum size of individual cutblocks unless specific exemption is requested for the block. This strategy is resulting in a “checkerboard” pattern across the landscape inconsistent with the overall intent of the Company to manage to a more natural landscape pattern.

In recognition of the potential benefits to resulting landscape patterns that may be associated with the incorporation of more natural disturbance patch considerations for application to harvest planning, implementation and monitoring/reporting, the Company will also make efforts to maintain abreast of the current state of knowledge and application of natural disturbance regimes applicable to the DFA in Manitoba as well as the state of knowledge and use of natural disturbance patterns for forest management in other jurisdictions across Canada with similar conditions to the DFA. This work will occur through ongoing literature review and possible attendance of Company Woodlands staff at appropriate workshops and other such functions where the opportunity presents itself. The Company may seek out partnerships with other organizations to pursue this

research. The findings of this research will be brought forward to the SFM Committee in conjunction with patch size and distribution data for the DFA to assess the value of developing a specific indicator and target for application of patch size considerations to planning and operations for the DFA.

This indicator and associated target and research program have been put in place to provide information on the size and distribution of disturbance patches across the DFA and to make progress towards a more “natural” landscape pattern for patch disturbance. Target 1.1.1.1.1 (A) is a monitoring target to measure and report on the patch size and distribution resulting from harvesting and fire for the DFA to be considered in setting future forest management plan objectives related to disturbance patch size and distribution for the DFA. The research program will be initiated during 2004 with the intent of undertaking a review of data for past fire history and Company harvest history in terms of resulting patch sizes for the DFA.

### **Forecast, Expected Response or Outcome**

It is currently viewed that the harvesting size and adjacency requirements are resulting in a fragmented “checkerboard” pattern as compared to that which would occur under a natural disturbance regime. This fragmentation is most pronounced in areas of the DFA dominated by jack pine stands. It is anticipated that the development and implementation of a patch size and distribution target that more closely reflects that resulting from fire disturbances across the landscape would assist in reducing the fragmentation of the forest landscape, while it is also recognizing that other values and objectives of society and the government requirements in place for the DFA must also be incorporated in any established future targets.

It is expected that an ongoing review of the state of knowledge and application of harvest patches relative to natural disturbance regimes as they pertain to the DFA in Manitoba, and in other similar jurisdictions across Canada will increase understanding of harvest patches relative to natural disturbance issues related to forestry. In conjunction with review of patch sizes for harvesting and fire on the DFA, the Company will bring forward findings from this research in discussions with the government and report back to the SFM Committee on the results. A positive response in this regard would be anticipated to lead to the development of a specific indicator and target for harvest patch size relative to natural disturbance regimes for the DFA should the findings support such action.

### **Implementation**

This indicator is in place to begin the analysis and tracking of patch size and distribution patterns for the DFA to assist in developing an understanding of the patch sizes that are resulting from harvesting as compared to those resulting from fire disturbance for the DFA. This information will then be put to use in setting future management objectives for future FMP and AOP development and the implementation of harvesting operations. To accomplish this, the patches resulting from harvesting will be compared to those resulting from fire disturbance for the DFA based upon available past data and on an ongoing basis over time into the future. The process will include:

- Undertake research to assess the size and distribution of harvest and natural fire origin patches on the DFA that have occurred over the past corresponding to the time period for which the Company has been in operation dependent upon the availability of fire data from Manitoba Conservation;
- Undertake assessment of fire patches and harvest patches for the DFA annually for the past year and incorporate this data with that from past research and ongoing data to maintain an ongoing assessment of harvest patch size distribution compared to that resulting from fire for the DFA;
- In event that cutover photography is not available in any given year, this indicator will be reported on in the next SFM Annual Report.
- Review of literature on harvest patch size and other characteristics as compared to natural disturbance (fire) regimes and any current forestry operations utilizing natural disturbance regimes in planning and implementing forestry operations and results on overall landscape patterns for operations compatible to those of the DFA;
- Review of other CSA SFM performance frameworks in place or being developed across Canada for potential sources of “seed ideas” for consideration by the SFM Committee in this regard;
- Review findings of literature review in conjunction with current situation in Manitoba pertaining to the DFA to come to conclusions as to the implications for harvest and renewal planning for the DFA; and,
- Bring forward the research project findings to the SFM Committee for subsequent deliberations regarding the potential suggestion for a specific indicator and target for harvest patch size and other potential patch characteristic considerations for future application to the DFA.

As this past research and ongoing current information becomes available, it is anticipated that in the longer-term a new indicator and target would be established to set targets for patch size and distribution relative to the fire disturbance patch sizes for the DFA with monitoring and reporting to assess progress made towards that new target.

The implementation schedule will be:

- Review of past fire and harvest patch disturbances for the DFA to be initiated in 2004;
- Annual (or when data becomes available) review of fire and harvest patch sizes for the DFA, and ongoing literature and workshop/conference findings review will commence in 2005;
- It is anticipated that the past historical review and ongoing annual (or when data becomes available) assessment of harvest and fire disturbance patch sizes for the DFA, in conjunction with findings of ongoing literature and other research review may then lead to the development of a refined indicator and target for future monitoring of patch size and distribution (while also recognizing government

requirements and society accepted limits). This would then lead to an ongoing analysis of patch size and distribution of the DFA to be conducted in association with the preparation of the 2010 – 2019 FMP and every 10 years thereafter with each successive FMP preparation.

The resulting data captured from the historical review and ongoing annual (or when data becomes available) review for the DFA will form the basis for a trend analysis of patch size and distribution for the DFA.

Reporting on this indicator will commence in 2004.

### **Monitoring and Reporting**

The results of the research into the historical analysis of the DFA for patch size and distribution will be provided in the SFM Annual Report subsequent to the analysis being completed. Ongoing findings resulting from literature review and participation in workshops and conferences will also be reported in the SFM Annual Report when such findings are found that are pertinent to the DFA.

Future analysis of the fire and harvest patch size and distribution conducted annually (or when data becomes available) for the DFA will be reported in the subsequent SFM Annual Report. The trend analysis to that point in time from the patch size and distribution as determined at the present time will also be reported in each SFM Annual Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.1</b>	<b>Ecosystem Diversity</b> Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that occur naturally in the DFA
<b>FML Area No. 2 DFA Value 1.1.1</b>	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
<b>Objective 1.1.1.2</b>	Reforest all harvested areas to the previous forest cover type

<b>Indicator 1.1.1.2.1</b>	<b>Target 1.1.1.2.1 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type and reviews the status of areas that have received initial renewal

treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey). The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.1</b>	<b>Ecosystem Diversity</b> Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally in the DFA
<b>FML Area No. 2 DFA Value 1.1.1</b>	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
<b>Objective 1.1.1.3</b>	Harvest within sustainable levels and harvest operating guidelines to promote the presence of a range of age classes on the DFA

<b>Indicator 1.1.1.3.1</b>	<b>Target 1.1.1.3.1</b>
Harvest levels in cubic metres as compared to the AAC	Harvest levels to remain within Government approved AAC <b>Acceptable Variance:</b> No variance in harvest levels outside of MC approved AAC levels based upon 5-year cut control periods is acceptable. Variation in any given year may occur. MC approved AAC levels may include accommodation of underutilized AAC from the previous period.

### Management Strategy

Harvesting within the provincial AAC levels as determined by the MC Forestry Branch is a long-standing requirement that the Company has operated under in meeting requirements of the *Forest Act*. As described in the FMPOPs, the Company undertakes to ensure that all planning and operations for harvesting on the DFA remain within the established AAC levels determined by MC.

### Forecast, Expected Response or Outcome

Sustainability analysis conducted in the preparation of the FMP tested and verified the AAC levels as sustainable through assessment using the HSG model run on the MC Forest Inventory. The harvest levels proposed at the time of FMP development for FML Area No. 2 were also assessed and indicated to be sustainable. The levels of harvest being utilized and proposed in AOPs for the DFA are within the levels proposed for the forest sections of the original FML Area No. 2 that now comprise the DFA.

The utilization of the AOP planning process, tracking and reporting of harvest and delivery volumes as part of the Forest Management Annual Report preparation process, use of the 5 year cut control and other processes described within the FMPOPs ensure that harvest volumes will remain within the government determined AAC for the DFA.

## **Implementation**

Planning and management of harvest levels within the AAC levels is an ongoing and principle component of the forest management practices of the Company. Achieving the target of remaining within the AAC includes a number of planning and operation programs and practices including:

- FMP sustainability analysis of AAC levels and proposed harvest levels to verify sustainability for a long-term time horizon (100 year forecast);
- AOP planning to track planned cutblock proposals to ensure that the AOP submission will result in harvest levels that remain within the AAC;
- Annual tracking of actual harvest volume levels and reporting within the 5 year cut control procedure prescribed by MC;
- Annual reporting to MC of harvest levels and status within the applicable AAC.

All of the above aspects of forest planning, operations and reporting for management of harvest levels with respect to the AAC are currently in place as part of the Company's forest management responsibilities under the *Forest Act* for the DFA.

Since the development and approval of the 1997 – 2009 FMP, the Province of Manitoba has moved to the use of wood supply modeling to determine future sustainable harvest levels in the province as new forest inventory data becomes available with supporting age information. The Company is supportive of this move and looks forward to the implementation of wood supply modeling in conjunction with MC for determination of sustainable harvest levels for the DFA as new inventory data becomes available. In support of this work, the Company has been proceeding with a research program to establish and implement Permanent Sample Plots (PSPs) across the various forest types of the DFA. The data from these PSPs will provide improved indication of the forest productivity and growth and yield for input to sustainability analysis for the DFA as the new inventory is implemented.

Reporting on this indicator will commence in 2004.

## **Monitoring and Reporting**

The monitoring of harvest levels as compared to AAC levels on the DFA is undertaken through tracking of volumes harvested and delivered (scaled deliveries to the mill) from harvested cutblocks, the addition of estimated undelivered in-bush volumes, and from the compilation of volumes reported by third party operators on the DFA in conjunction with declarations for Crown dues submission.

A summary of the harvest levels as compared to the AAC by 5 year cut control period is provided in the Company's Forest Management Annual Report to MC annually.

The progress made on the research program for establishment and re-measurement of PSPs across the DFA will be summarized each year in the SFM Report.

The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.2</b>	<b>Species Diversity</b> Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
<b>FML Area No. 2 DFA Value 1.2.1</b>	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
<b>Objective 1.2.1.1</b>	To maintain wildlife habitat for woodland caribou

<b>Indicator 1.2.1.1.1</b>	<b>Target 1.2.1.1.1 – <i>amended 2008</i></b>
Woodland caribou habitat for the Kississing-Naosap Lakes Herd	Implement forest management strategy for the Kississing-Naosap Lakes woodland caribou range <b>Acceptable Variance:</b> No variance from agreed-to critical habitat area restrictions is acceptable

### Management Strategy

Woodland caribou is recognized as a threatened species in Manitoba with representation of a number of the herds thought to occur in the province. The Committee on the Status of Endangered Wildlife in Canada (COSEWIC) is a national level reporting system that designates the status of species. Woodland caribou (Boreal population) is listed, federally, as threatened in Western Canada under the Species At Risk Act (SARA). The Manitoba Endangered Species Act (MESA) lists Manitoba species at risk. Woodland caribou is also listed under MESA. Through on-going discussions with provincial government representatives on the IRMT a joint committee was formed by MC to include the Company with the mandate to develop a forest management strategy for the woodland caribou within the Kississing-Naosap Lakes range, considered by the IRMT to be of principle concern in the DFA. The goal of the committee is to develop and implement a plan for harvesting at a landscape level to ensure that sufficient critical habitat for the caribou is maintained.

### Forecast, Expected Response or Outcome

The Company is currently working with the other members of the committee to develop a harvesting plan for the area of the Kississing-Naosap Lakes range that will facilitate harvesting while also maintaining critical caribou habitat. It is expected that the jointly developed plan will define and identify the areas deemed to be critical habitat and that the guidelines and restrictions for harvesting and other forest management activities in the area will be clearly outlined.

Once implemented it is anticipated that a monitoring program will be put in place to assess the success of the plan and its implementation.

## **Implementation**

Discussions with the committee and work on the joint plan are on-going. Once the forest management strategy plan for the Kississing-Naosap Lakes range is finalized and approved (expected in 2005), the plan will be incorporated within the 2006 AOP for the associated area. Following approval of the AOP and the submission and approval of work permits for the area, forestry operations for the area will commence. Monitoring and follow-up on the success of the plan will be implemented. It is expected that work permits issued for operations in the area will clearly indicate reference to the areas identified as critical habitat and will outline requirements and conditions for operations. The Company will utilize the procedures in the EMS to ensure that all operations occur as outlined in the plan. Based upon the results of the success monitoring of the use of the area by caribou post-harvest, the findings of this project may then be applied to other woodland caribou ranges in the DFA and Manitoba.

Reporting on this indicator will commence in 2004.

## **Monitoring and Reporting**

In conjunction with the preparation of cutover records for the DFA, the actual harvest areas for the Kississing-Naosap Lakes range area will be compared to the jointly developed caribou strategy and defined critical habitat areas.

The monitoring of the actual harvest as compared to the defined strategy and the AOP will be reported in the SFM Report annually. Findings of the success of the forest management strategy will also be reported annually as applicable and as information is made available by MC. The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.2</b>	<b>Species Diversity</b> Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
<b>FML Area No. 2 DFA Value 1.2.1</b>	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
<b>Objective 1.2.1.2</b>	Ensure species at risk are considered in planning and operations

<b>Indicator 1.2.1.2.1</b>	<b>Target 1.2.1.2.1 – <i>amended 2008</i></b>
Staff awareness of current SARA and MESA lists for DFA	100% of Tolko Woodlands staff to undertake review of SARA and MESA lists annually <b>Acceptable Variance:</b> No variance from 100% complete review by all staff is acceptable

### Management Strategy

As documented in the 1997 – 2009 FMP, the Company recognizes the importance of considering plant and animal species on the DFA falling within The Manitoba Endangered Species Act (MESA), Species At Risk Act (SARA) and the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) in terms of planning and implementation of operations. To assist in ensuring that the species that are given such recognized status on the DFA are considered, the Company will ensure that processes are in place to keep Woodlands Staff aware of the plant and animal species included on the SARA and MESA lists.

### Forecast, Expected Response or Outcome

By maintaining Woodlands staff aware of the species listed by SARA and MESA the Company is able to put into place the mechanism to consider these species in terms of planning and operations. The Woodlands staff of the Company include the people who, in turn, have responsibility for the Company's programs for gathering information on the DFA such as the Pre-harvest Forest Investigation (PHFI) program and for forest inventory programs and related data collection (PSP). Awareness of the SARA and MESA listed species enables staff to put into place the procedures for data collection include identification of these species and that the contractors conducting this work follow-up with needed training. The Woodlands planning and supervisory staff are also then in position to utilize awareness in conducting their work.

### Implementation

To achieve the target associated with this indicator, the following mechanisms will be utilized to make Woodlands staff aware of SARA and MESA listed species for the DFA:

- Obtain and update the SARA and MESA lists for applicability to the DFA annually prior to the start of the summer field data collection season;
- The updated SARA and MESA lists applicable to the DFA will be circulated annually to all Woodlands staff; and,
- The importance of awareness of the species listed on the SARA and MESA lists will be brought forward as an agenda item at the Annual Woodlands Meeting each year.

Circulation of the updated SARA and MESA lists for the DFA will be conducted to include a sign-off process by all staff to indicate that they have reviewed the listings.

Reporting on this indicator will commence in 2004.

### **Monitoring and Reporting**

Monitoring for this indicator and target will entail a review of the staff sign-off to ensure that all Woodlands staff have reviewed the listings. Comparison with the current Woodlands staff complement at the Company will enable monitoring and reporting.

The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.2</b>	<b>Species Diversity</b> Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
<b>FML Area No. 2 DFA Value 1.2.1</b>	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
<b>Objective 1.2.1.3</b>	Plan and implement forest operations incorporating general wildlife habitat considerations

<b>Indicator 1.2.1.3.1</b>	<b>Target 1.2.1.3.1 (A) – <i>amended 2008</i></b>
Abundance of residual stand structure	At least 5 standing trees (alive and dead) per hectare retained across harvested areas on a forest section basis. Harvest modifications for insect or disease management requirements potentially impacting retention results will be documented. <b>Acceptable Variance:</b> While the intent is to field survey 100% of harvested blocks a variance of -10% of total cut blocks is acceptable for the field survey portion. No variance acceptable on the available photo(s) examination and documentation of structure retention results on cutover photography as part of the cutover reporting process

### Management Strategy

As documented in the FMPOPs, the Company recognizes the importance of maintaining residual stand structure as a mechanism to assist in mitigation for general wildlife habitat requirements. Through the application of the FMPOPs and ongoing awareness and training of contractors the Company will take steps to retain at least 5 standing trees (including live and dead trees) per hectare on harvested areas.

Retention of stand structure in terms of standing trees will include both hardwood and softwood species, retained both as single stems and in patches across cutblocks. The target of 5 standing trees per hectare will be applied broadly across all cutblocks with exceptions being made to meet specific management objectives such as control of dwarf mistletoe infestations or other insect/disease/wildlife or other mitigation requirements.

### Forecast, Expected Response or Outcome

By applying this strategy broadly across all cutblocks and operations with on-going communication with contractors it is expected that retention of standing tree structure will continue to be a component of the overall mitigation strategy of the Company for wildlife and other non-timber values in operating areas.

## **Implementation**

As described in the FMPOPs, the retention of standing tree structure in cutblocks is an ongoing mitigation practice of the Company. As a regular practice of the Company to mitigate wildlife and other values in operating areas, standing tree structure retention targets will be discussed with the contractor at the commencement of operation for each cutblock at the Project Tailgate Meeting (EMS). This review will include any modification to regular practices to accommodate insect and/or disease control or to meet any other specified objectives for the cutblock. Follow-up review with the contractor will occur in conjunction with Operations Inspections in terms of progress being made for the block.

Implementation of this indicator and target will commence in 2004.

## **Monitoring and Reporting**

Monitoring of progress for this indicator will occur in two stages:

- In conjunction with Operations Inspections of contractor cutblocks documenting the retention level progress on the Operations Inspections Form (EMS). The supervisor, Tolko Representative or a designate will document the estimated number of standing trees per hectare retained in the cutblock; the estimates will be sampled on all representative forest types of each forest section and, concurrent with the
- Preparation of the cutover records each year will utilize the available cutover photography to determine the number of the patches on all blocks and to verify that the minimum tree retention target has been maintained. In event that cutover photography is not available in any given year, this indicator will be reported on in the next SFM Annual Report.
- Reporting of the indicator will then occur in conjunction with the production of the cutover records annually or when records become available.

The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.3</b>	<b>Genetic Diversity</b> Conserve genetic diversity by maintaining the variation of genes within species
<b>FML Area No. 2 DFA Value 1.3.1</b>	Maintain native tree species
<b>Objective 1.3.1.1</b>	Sustain genetic diversity through naturally occurring species which are well adapted to local conditions

<b>Indicator 1.3.1.1.1</b>	<b>Target 1.3.1.1.1 – <i>amended 2008</i></b>
Percentage of areas planted with stock from the same or approved government seed zone	100% of planted areas utilize stock from the same or approved seed zone <b>Acceptable Variance:</b> No areas are to be intentionally planted with stock from another seed zone unless pre-approved by Manitoba Conservation (MC)

### Management Strategy

The DFA includes 3 seed zones established in recognition of ecological conditions and Manitoba Conservation administrative boundaries to assist and promote the maintenance of genetic diversity resulting from planting programs across the province. Transfers of seedlings outside of the zone of origin are only permitted as authorized by the Provincial Silvicultural Forester. Two federal seed zone boundaries exist for jack pine seed collected from seed orchards on the DFA. Spruce seed and general collection pine seed will be managed and planted within the provincial boundaries. Seed orchard jack pine seed will be managed and planted within the federal seed zone boundaries.

The forest industry and government tree planting programs are required to utilize stock originating from within the same or otherwise approved seed zone. As documented in the FMPOPs, the Company recognizes the importance of ensuring that seed used in artificial tree planting programs is selected in accordance with these requirements.

### Forecast, Expected Response or Outcome

By maintaining seed tracking records from seed collection through to seedling production and on to delivery to cutblock locations for planting, the use of seed for growing of seedlings and subsequent planting will be controlled within seed zones or as otherwise approved by MC.

### Implementation

Compliance with the application of provincial seed zones for the collection of seed, growing of stock and subsequent location of planting stock is an ongoing component of the forest renewal program for the DFA. The Company will continue to work closely

with MC in seed collection, tracking and ordering and delivery of stock for planting of harvested areas.

Once stock is shipped to the field the tree planting contractor will ensure that multiple seed zones are not stored in the same location unless they are to be planted together with approval from MC.

Forest renewal strategies provided to the tree plant contractor will identify the appropriate seed zone to be planted on that block.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

Sources of seed are documented at the collection stage and tracked through to the planting of that stock to a harvested area. Monitoring of this indicator will include comparison and reporting of the source of seed for stock planted to each cutblock based upon the seed zone of collection and the seed zone of planting.

The Company will request stock by seed zone from the nursery and the nursery will indicate the seed zone that the stock originated from and the destination zone on all shipping records. These records will be compiled and summarized annually in conjunction with production of the Tree Planting Report.

Any variation from original seed zone to planted zone that is not supported by approval received from MC will be reported as a variation from the target for this indicator.

The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.4</b>	<b>Protected Areas and Sites of Special Biological Significance</b> Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance.
<b>FML Area No. 2 DFA Value 1.4.1</b>	Protect unique and important (for biological diversity) features
<b>Objective 1.4.1.1</b>	Plan and implement forestry operations to ensure the protection of unique and important (for biological diversity) features

<b>Indicator 1.4.1.1.1</b>	<b>Target 1.4.1.1.1 - <i>amended 2008</i></b>
Percentage of harvest blocks subject to Pre-harvest Forest Investigation (PHFI) surveys	95% of harvest blocks will be subject to a PHFI survey prior to commencement of harvest <b>Acceptable Variance:</b> Blocks may be harvested without a PHFI if approved by the IRMT.

### Management Strategy

As a general component of the planning process, the Company strives to undertake Pre-harvest Forest Investigation (PHFI) surveys at the planning stage for blocks to be included as first year plan blocks in the AOP each year. This is an ongoing activity that the Company put into place to formalize and document the pre-harvest field data collection that was in place earlier by planning staff. The PHFI conducted for planned first year cutblocks includes the investigation and documentation of information pertaining to unique and important features (including Vulnerable, Threatened & Endangered (VTE) and rare species presence documentation), as well as a number of other characteristics of the block including wildlife habitat, non-timber forest uses and timber values.

The information obtained through the PHFI is utilized by Company planning staff, in conjunction with information obtained from public consultation processes and other sources, to make decisions related to the suitability of including areas for the harvest plan, and for associated mitigation requirements to meet non-timber values.

Where subsequent amendments to the AOP or other circumstances occur that prevent the completion of a PHFI for a block prior to its inclusion in the AOP, the PHFI will be undertaken and the information provided to the IRMT in conjunction with the work permit application for harvest of the cutblock. The planning and approval process for some blocks may not require submission of a PHFI in consultation with the IRMT, and as such, constitute an accepted variance to this target.

The continued implementation of the PHFI survey will assist to ensure the protection of unique and important features in operating areas. The PHFI survey undergoes an annual review with planning staff to identify any ongoing need to make modifications or additions to the program.

### **Forecast, Expected Response or Outcome**

The continuation of the PHFI survey program for blocks to be submitted prior to commencement of harvest is expected to provide the process needed to document the presence of unique and important features in areas being considered for harvesting operations. The ongoing commitment of the Company to remain abreast of the ,SARA and MESA listed species applicable to the DFA and transfer of this information to the contractor and/or staff conducting the PHFI, along with appropriate training of PHFI crews will enable the PHFI process to contribute to identification and subsequent protection of these features in the DFA. The situations indicated above as acceptable variations for this indicator will not infringe upon the achievement of the objective to protect unique and important features as all such cases will be discussed in detail with the IRMT with approval received for harvesting of such areas prior to harvest.

Once unique or otherwise important features are identified by the PHFI survey, they are documented on the AOP cutblock information sheet submitted with the AOP or with the work permit application, dependent upon the timing of the PHFI survey, along with an explanation of how the information was utilized in the preparation of the plan/work permit and resulting mitigation. Guidance for treatment of such areas is obtained from both government guidelines, the IRMT and the FMPOPs.

### **Implementation**

The PHFI survey program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% of all blocks being surveyed and documented prior to harvest includes a number of planning and operation programs and practices including:

- Preliminary development of AOP proposals from the previous years AOP, in which the upcoming first year blocks would generally have been indicated as forecasted year 2 or 3 blocks;
- PHFI of all proposed cutblocks prior to inclusion in the AOP as first year proposals (comprising the majority of blocks subsequently anticipated for harvest in that year) by either a contractor or staff crew(s) trained in the requirements of the PHFI which includes awareness and identification of unique and important features such as ,SARA and MESA listed species;
- PHFI of any additional blocks, not provided in the earlier approved AOP, that are subsequently required for harvesting, prior to submission of the work permit application;
- The PHFI conducted for each block includes identification and documentation of unique and important features for biological diversity as well as other planning information such as presence of non-timber resource use features, pre-harvest

forest cover composition, soil and other characteristics required for developing the harvest and access plan and the pre-harvest renewal prescription for each block in the AOP;

- The data from the PHFI is utilized in conjunction with information received through the public consultation processes of the Company as well as government requirements to develop the harvest plan and associated mitigation for identified features to meet the target for this indicator;
- For any other blocks identified for harvest additional to AOP approved operations, that would constitute a variance to this prescribed target, discussions with the IRMT will take place with subsequent IRMT approval prior to harvest; and,
- Mitigation for unique and important features is developed and implemented as per the FMPOPs, government requirements and as outlined in subsequent work permits conditions of approval for operation of the cutblock.

All of the above aspects of the PHFI program, and potential variance processes, are currently in place as the Company has been active in conducting the survey as part of the AOP preparation process on the DFA since 1998.

Reporting on this indicator commenced in 2004.

### **Monitoring and Reporting**

The monitoring of this indicator to ensure that all cutblocks receive a PHFI prior to harvest will be undertaken in two (2) stages.

As part of the AOP preparation and finalization process the AOP plan author will work in conjunction with the Planners to ensure that all proposed first year blocks included in the AOP have been surveyed. The check-off to ensure this will include a review of the compiled Cutblock Information Sheets being submitted in the AOP to ensure that a completed sheet resulting from the PHFI has been included in the AOP for all first year block submissions. This process will occur annually in conjunction with the preparation of the AOP.

At the work permit submission stage each Planner will be responsible to ensure that any additional blocks required for harvest that were not included in the AOP will also receive a PHFI leading to the preparation of a Cutblock Information Sheet for such blocks. The Cutblock Information Sheet will be submitted with the work permit application to the IRMT, and as such a copy will be included on file with the work permit application and the approved work permit. This process will occur throughout the operating year.

For any blocks that are deemed not to require a PHFI, the work permit application will reflect the circumstances that waive this requirement. Discussion of the waiving of PHFI requirements will occur and such blocks will receive IRMT approval prior to commencement of harvest. Work permit approval will be documented in the file. This process will occur throughout the operating year on an as required basis.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 1.0</b>	<b>Conservation of Biological Diversity</b>
<b>CSA SFM Element 1.4</b>	<b>Protected Areas and Sites of Special Biological Significance</b> Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance.
<b>FML Area No. 2 DFA Value 1.4.2</b>	Large areas of forest minimally impacted by humans
<b>Objective 1.4.2.1</b>	Company to participate in the Manitoba Protected Areas and ASIs Initiative led by the Government and respect identified Protected Areas in the DFA

<b>Indicator 1.4.2.1.1</b>	<b>Target 1.4.2.1.1 (A) – amended 2006</b>
Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	No harvesting proposed in recognized Protected Areas <b>Acceptable Variance:</b> No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas is acceptable
	<b>Target 1.4.2.1.1 (B)</b>
	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT <b>Acceptable Variance:</b> No variance in ensuring that harvesting plans proposed for ASIs receive specific approval of the IRMT is acceptable

### Management Strategy

The Province of Manitoba is continuing to move towards the establishment of a series of Protected Areas across the province to contribute towards the goal of conserving biological diversity by protecting representative samples of natural regions represented in the province. At the present time actual Protected Areas have not yet been established under the program for the DFA, however, a series of Areas of Special Interest (ASI) have been established with associated geographical boundaries as interim units for continuing review.

With the preparation of the FMP and the associated Environmental Impact Statement, the Company has acknowledged and continued to participate in this review led by the Government of Manitoba. The boundaries of the ASIs established for the review process by the Province have been identified on AOP maps in recognition of the continuing program and the status of these areas as being under review.

### **Forecast, Expected Response or Outcome**

The ASI areas currently in place for the DFA will continue to be indicated on AOP harvest plan maps as areas requiring particular attention and discussion with the IRMT for consideration of blocks for harvest within such areas while the Province continues to move forward in the finalization of potential Protected Areas from within these areas. Any such harvest proposals from within ASI areas would include completion of a PHFI survey and a Cutblock Information Sheet to provide information on the area to the IRMT for consideration in their decision.

Once any area on the DFA has been confirmed and finalized as being changed from FML Area status and Open Provincial Crown Land ownership to a Protected Area status, such areas would be excluded from harvesting proposals.

The recognition of Protected Areas confirmed through the Manitoba Protected Areas initiative will contribute to maintenance of ecosystem values for the DFA by retaining areas within which natural disturbance processes would be the driving force in shaping landscape patterns. By undertaking a documented review process (AOP and subsequent work permit approval) for any harvest proposals from within the current ASIs with the IRMT as part of the harvest planning process the opportunity is maintained for careful consideration of the characteristics of each proposed block area so as to not infringe upon the overall ability of the Province to complete its eventual target for Protected Areas across Manitoba.

### **Implementation**

The implementation of this indicator for respect of recognized Protected Areas is already in place in terms of the Company's commitment to not harvest within such areas once finalized as Protected Areas.

The Company will continue to include the current ASIs on AOP and any future FMP harvest plan maps, and will work closely with the IRMT to document the characteristics of any block areas (PHFI) proposed for harvest from within the ASIs. Harvest of such blocks will only proceed once AOP and/or work permit approval has been received from the IRMT.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

The monitoring of respect of recognized Protected Areas will be undertaken within the harvest cutover record production process. Annual review of cutover records produced from aerial photographs and/or satellite imagery of operating areas on the DFA will enable monitoring and reporting on the status of this indicator.

The monitoring of approvals for harvest of any cutblock proposals from within ASIs will be undertaken within the harvest cutover record production process with cross-reference to the work permit approvals file. Annual review of cutover records and work permit

approval records as compared to ASI area boundaries will enable monitoring and reporting on the status of this indicator.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 2.0</b>	<b>Maintenance and Enhancement of Forest Ecosystem Condition and Productivity</b>
<b>CSA SFM Element 2.1</b>	<b>Forest Ecosystem Resilience</b> Conserve ecosystem resilience by maintaining both ecosystem processes and ecosystem conditions
<b>FML Area No. 2 DFA Value 2.1.1</b>	Renewal of harvested areas
<b>Objective 2.1.1.1</b>	Renewal of harvested areas that result in similar stand conditions expected from natural disturbance

<b>Indicator 2.1.1.1.1</b>	<b>Target 2.1.1.1.1 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest

levels by forest type and reviews the status of areas that have received initial renewal treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey). The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 2.0</b>	<b>Maintenance and Enhancement of Forest Ecosystem Condition and Productivity</b>
<b>CSA SFM Element 2.2</b>	<b>Forest Ecosystem Productivity</b> Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
<b>FML Area No. 2 DFA Value 2.2.1</b>	Maintain forest ecosystem productivity and productive capacity
<b>Objective 2.2.1.1</b>	Monitor how the characteristics of the forest change over time

<b>Indicator 2.2.1.1.1</b>	<b>Target 2.2.1.1.1</b>
Provision of information on insects and disease to MC for the DFA	Provide information annually to MC on insects and disease compiled from PHFI, Regeneration surveys and Free-to-Grow surveys <b>Acceptable Variance:</b> No variance from undertaking the insect/disease information compilation and communication to MC annually

### Management Strategy

As described in the FML Agreement, MC has responsibility for forest protection on the DFA in terms of insect and disease monitoring and control. As further outlined in the FML Agreement the Company does work closely with MC in the identification of insect and disease infestations and other conditions affecting forest health observed in conducting forest management activities on the DFA. Cooperative communication between the Company and MC in terms of forest health and forest protection issues is a process that has been in place over the term of operations on the FML Area. It has long been recognized that all parties have a stake in maintaining forest ecosystem productivity and productive capacity through monitoring forest health to assist in decision-making for protection activities.

### Forecast, Expected Response or Outcome

Through the various field activities of the Company and its contractors, the Company is in a good position to provide information and advice to MC on insect and disease and other conditions affecting forest health and productivity on the DFA. With various forest survey programs in place annually across the DFA, Company staff and contractors utilize the opportunity presented to observe and report on the incidence of insect and disease conditions encountered on the DFA.

Through the PHFI, Regeneration surveys and Free-to-Grow survey programs it is expected that the Company will compile and report to MC any observed insect and disease conditions considered to have a potential to affect forest health and thereby reduce forest ecosystem productivity and productive capacity. It is anticipated that this

reporting process to MC provides the government with the opportunity to further investigate any potential insect or disease situations and thereby improve the ability of MC to respond to forest health issues on the DFA in terms of follow-up treatment response.

### **Implementation**

The cooperative arrangement for reporting all observed insect and disease concerns on the DFA encountered in conducting PHFI, Regeneration and Free-to-Grow surveys is an ongoing component of the forest management practices of the Company. Achieving the target of providing insect and disease infestation occurrence information to MC observed in conducting these surveys includes:

- Forms utilized for PHFI, Regeneration survey and Free-to-Grow survey have been developed to include opportunity for surveyors to note any encountered insect or disease conditions and corresponding locations;
- Training of contractors and crews conducting these surveys includes awareness of the requirement to observe and note insect and disease conditions in the survey;
- Implementation of PHFI, Regeneration survey and Free-to-Grow survey includes noting of all insect and disease conditions considered to be of concern to productivity and forest health;
- The data from the PHFI, Regeneration survey and Free-to-Grow survey is compiled and summarized annually to include production of reporting of observed insect and disease concerns; and,
- Findings related to insect and disease concerns observed on the DFA are reported annually following the conclusion of the field season to MC.

Once the field survey programs have been implemented the insect and disease concerns identified are reported annually to MC.

Implementation of full reporting of this indicator and target will commence in 2005.

### **Monitoring and Reporting**

The PHFI report on insect and disease findings and the Regeneration survey and FTG survey data (including the insect and disease data) is provided to MC annually under documented correspondence and summarized in the Forest Management Annual Report.

The status of for this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 2.0</b>	<b>Maintenance and Enhancement of Forest Ecosystem Condition and Productivity</b>
<b>CSA SFM Element 2.2</b>	<b>Forest Ecosystem Productivity</b> Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
<b>FML Area No. 2 DFA Value 2.2.2</b>	Protect current ecosystem conditions
<b>Objective 2.2.2.1</b>	Reduce forest productivity losses due to forest fires

<b>Indicator 2.2.2.1.1</b>	<b>Target 2.2.2.1.1</b>
Company caused forest fires	Limit individual accidental fire incidences to less than 2 hectares in size (productive forest land) <b>Acceptable Variance:</b> Some variance in individual fires may occur with no more than 50 hectares of productive forest land burned over a 5 year period (measured on a rolling 5-year basis)

### Management Strategy

As described in the FML Agreement, MC has responsibility for forest protection on the DFA in terms of forest fire protection and suppression. As also described in the FML Agreement, the Company also has roles and responsibilities for fire protection on the DFA. It is the practice of the Company to work closely with MC in the prevention and suppression of fires on the DFA. The development and ongoing implementation of an EMS SOP, development of a Forest Operation Modification Guideline, annual update of the Company's Fire Protection and Suppression Plan, provision of a Company initial attack system, annual meeting with MC Regional Fire staff, and continuing training of staff and contractors in forest fire prevention and suppression are mechanisms by which the Company fulfils its role in fire protection on the DFA.

### Forecast, Expected Response or Outcome

Through the implementation of the Company's programs for forest fire prevention and protection and in particular, through communication with contractors, other field staff and MC, the Company conducts the needed programs to control its activities in terms of the potential to cause forest fires on its operations. The Company utilizes MC forest fire weather and hazard information along with local conditions to ensure that the Forest Operation Modification Guideline is implemented for the DFA. Control of operations to reflect the potential fire risk presented by weather, timber, ground and other operating conditions, in addition to the placement of fire cache's in operating areas and the training of contractors to provide for response to any ignition situations is anticipated to result in

minimal actual fire starts and control of situations to ensure that any accidental fires result in only small areas burned within the established target.

### **Implementation**

The Company's program to control the incidence and extent of forest fires caused by operational activities includes a variety of tactics including planning, awareness and training, operational control and communications and coordination:

- EMS processes in place to address potential impacts of forest fire (SOP WL001, COR, Tailgate Checklist);
- Preparation of the Annual Fire Protection and Suppression Plan for submission to MC to communicate the information on plans for fire protection and suppression activities, protection priorities and equipment resources;
- Annual fire meeting with MC Regional Fire staff to review requirements and plans for the coming fire season;
- Development and ongoing implementation of the Forest Operation Modification Guideline for Company and contract operations during the fire season; and,
- Ongoing training of Company staff and contractors for fire prevention and initial attack suppression activities.

All of the above mechanisms support the implementation of the target to limit individual incidences of accidental fire to less than 2 hectares in extent. These programs for forest fire protection and suppression are currently in place.

This indicator and target will commence in 2004, with the first applicable 5-year reporting period in terms of measurement of variance being 2004 – 2008.

### **Monitoring and Reporting**

The monitoring of incidences of accidental fires caused by Company or contractor operations on the DFA will be undertaken through the mechanisms of the EMS and the Environmental Incident Report. An Environmental Incident Report is required to be prepared and logged within the EMS for any accidental fire incidence on a Company or contractor operation. The report will specify the amount of area impacted by the fire and the causes and action taken.

The results of any Environmental Incidence Reports related to Company caused fire starts will be summarized and presented in the Forest Management Annual Report and reported annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 2.0</b>	<b>Maintenance and Enhancement of Forest Ecosystem Condition and Productivity</b>
<b>CSA SFM Element 2.2</b>	<b>Forest Ecosystem Productivity</b> Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
<b>FML Area No. 2 DFA Value 2.2.2</b>	Protect current ecosystem conditions
<b>Objective 2.2.2.2</b>	Reduce forest productivity losses due to dwarf mistletoe infestations

<b>Indicator 2.2.2.2.1</b>	<b>Target 2.2.2.2.1</b>
Re-curing mistletoe infections in regenerating stands	Prevent re-infection of regenerating jack pine stands to achieve Free-to-Grow certification status <b>Acceptable Variance:</b> No variance from all regenerating jack pine stands achieving Free-to-Grow certification status

### Management Strategy

As described in the FML Agreement, MC has responsibility for forest protection on the DFA in terms of insect and disease monitoring and control. It is the practice of the Company, however, to work closely with MC in the identification of mistletoe infections in jack pine stands within operating areas (PHFI) and to take mitigating control measures to prevent re-infection of regenerating jack pine stands in conjunction with harvesting and renewal operations for the area. It is recognized that all parties have a stake in maintaining forest ecosystem productivity and productive capacity by taking steps to reduce the effects of disease on the DFA and to protect the investment made in the regenerating stand. To obtain Free-to-Grow status the regenerating stand must be free of mistletoe infection at the time of survey.

In situations where jack pine mistletoe infections are identified, sanitation and/or planting of resistant tree species will be utilized to control the infestation and to ensure that Free-to-Grow certification status will be achieved.

### Forecast, Expected Response or Outcome

Through the implementation of the PHFI to identify areas containing high infection levels of dwarf mistletoe the Company is able to follow-through with a mitigation plan for harvesting, follow-up sanitation work as required and appropriate renewal processes to minimize the risk of re-infection of the regenerating stand. Through these mechanisms it is anticipated that the Company will successfully regenerate the new stand while preventing re-infection by dwarf mistletoe during the establishment period up to the Free-to-Grow survey certification.

## **Implementation**

As per the FMPOPs, the Company's program to control the re-infection of dwarf mistletoe into new regenerating stands following harvest includes a variety of tactics including surveying and planning, harvest operations, forest renewal mitigation, sanitation and monitoring:

- PHFI process and results utilized to identify the occurrence of areas of dwarf mistletoe infection;
- Planning based upon PHFI results utilized to mitigate/schedule infected stands and prescribe harvesting and renewal mitigation;
- Modified harvesting to include dwarf mistletoe sanitation by utilizing merchantable and knock-down of non-merchantable infected trees;
- Post-harvest sanitation to knock down any infected trees not taken during the harvest of the stand;
- Forest renewal treatment to eradicate the infection, such as the planting of disease resistant species; and,
- Follow-up monitoring in conjunction with the Regeneration survey and Free-to-Grow surveys for the area will result in action plans as required to eliminate the infection and to achieve Free-to-Grow certification.

All of the above mechanisms support the implementation of the target to prevent re-infection of regenerating jack pine stands. These programs for mitigation of dwarf mistletoe are currently in place.

This indicator and target will commence in 2004.

## **Monitoring and Reporting**

The monitoring of success in prevention of re-infection of regenerating jack pine stands with dwarf mistletoe occurs in conjunction with the regeneration and Free-to-Grow surveys for the area. Results of the status of dwarf mistletoe prevention in regenerating stands will be reported annually as applicable in the Forest Management Annual Report.

The status of this indicator will be presented annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.1</b>	<b>Soil Quality and Quantity</b> Conserve soil resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.1.1</b>	Healthy soils that will sustain forest-related ecosystems
<b>Objective 3.1.1.1</b>	Maintain soil productive ability, extent and variety

<b>Indicator 3.1.1.1.1</b>	<b>Target 3.1.1.1.1 (A) – <i>amended 2008</i></b>
Extent and duration of in-block seasonal roads and landings	Limit extent of in-block roads and bulldozed landings and campsites to less than 8% of total harvested area each year <b>Acceptable Variance:</b> No variance from the target of less than 8% of total harvested area to be occupied by in-block roads and bulldozed landings and campsites on a forest section and DFA basis. Variation on an individual cutblock basis is expected to occur, particularly related to the placement of any campsites within a given cutblock area.
	<b>Target 3.1.1.1.1 (B)</b>
	Reduce duration of in-block roads and bulldozed landings and campsites by addressing these areas within the renewal implementation program for each cutblock <b>Acceptable Variance:</b> No variance from inclusion of landings and seasonal in-block roads for renewal activities and regeneration success assessment within cutblock. Regeneration of any given in-block road may vary, however all such areas will be included within applicable cutblocks for determination of block renewal success.

### Management Strategy

To maintain soil productive ability, extent and variety, particularly within cutblock areas where harvesting, associated road and landing development and renewal operations occur, the Company will limit the extent of bulldozing in terms of in-block roads, landings and campsites to reduce mineral soil exposure, removal of organic material and resulting compaction and potential for erosion. Through awareness and training of contractors (including application of the FMPOP Operators Guide), and follow-up direction and monitoring, contractors working for the Company will be directed to limit the extent of in-block road and bulldozed landing and campsite development.

As described in the 1997 – 2009 FMP, seasonal in-block roads and associated landings are addressed within the reforestation program as an ongoing practice of the Company. The renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province

of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards.

To meet the two targets associated with this indicator the Company will ensure that harvesting contractors will limit development of in-block roads, landings and campsites and that all seasonal in-block roads and landings in cutblocks will be fully incorporated within the associated cutblock area for the purposes of forest renewal planning, implementation, monitoring and assessment. This will include the determination of renewal success for the overall cutblock. Reforestation strategies for each cutblock area, including the associated in-block roads and landings, are developed based on previous forest cover types and soil types with the intent of maintaining the productivity of harvested areas.

### **Forecast, Expected Response or Outcome**

It is expected that through the processes of the EMS including the application of the Project Tailgate Checklist and meeting with contractors, and follow-up via the Operations Inspections and documentation on Operations Inspections Forms, contractor operations in cutblocks will limit bulldozing of in-block roads, landings and campsite areas to less than 8%. Some local variation may occur, particularly as pertains to the location of campsites, however across forest sections and the DFA it is expected that the target will be achieved.

In conducting forest renewal operations and the follow-up assessment through Regeneration surveys and Free-to-Grow surveys, the areas formerly occupied by seasonal in-block roads and landings within the cutblock will be considered as part of the overall cutblock and will thus be subject to the assessment of renewal success.

Based upon the Company's ongoing Regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas, including all landings and in-block roads is forecasted to result in a success rate of 100%

### **Implementation**

Limiting the extent of in-block roads, and bulldozed landings and campsites will be achieved through awareness and training of contractors and through the operational control provided for in the EMS:

- All contractors are provided with the FMPOP Operators Guide including awareness and training information pertaining to limiting the extent of roads and landings and bulldozer work;
- The expectations for limiting of bulldozer work in the cutblock will be reviewed with the contractor at the Project Tailgate Meeting prior to commencement of work in the block; and,
- Ongoing Operations Inspections and documentation in the Operations Inspection Form to monitor progress by contractors in meeting targets.

The inclusion of all seasonal in-block roads and landings is an ongoing component of the forest management practices of the Company. Achieving the target of addressing all

seasonal in-block roads and landings within the renewal program includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cutblocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government Regeneration requirements are utilized to develop the pre-harvest renewal objective for each cutblock and strategies to meet the target;
- Renewal operations are implemented as per the FMPOPs for all cutblock areas;
- Assessment of the success of the renewal program is undertaken through government approved Regeneration and FTG survey programs to include all areas formerly occupied by in-block roads and landings;
- Results of the 7 year Regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas within the cutblock (landings, in-block roads or other areas) requiring additional follow-up treatment will be treated within the additional 3 year period as per the FML Agreement.

All of the above aspects of the forest renewal program are currently in place.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

- Monitoring of the percentage of area of the cutblock on which bulldozing occurs in the development of in-block roads, landings and campsites will take place in conjunction with the cutover record assessment annually. The amount of area on which bulldozing occurs will be determined for each cutblock and reported. The totals will be summarized and reported by forest section and for the DFA to report on the target. In event that cutover photography, the basis for cutover records, is not available in any given year, this indicator will be reported on in the next SFM Annual Report.

The monitoring of forest renewal on the DFA is undertaken through government certified Regeneration surveys conducted 7 years following harvest for all cutblocks and through subsequent FTG surveys. The status of all cutblocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked on the Company's Cutblock Status Report which is updated annually as a result of inputs from harvest, renewal and regeneration and FTG records. A summary of the renewal status of cutblocks harvested 7 years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

Within these monitoring processes and reports the renewal of all landings and all in-block roads will be considered to be a requirement within the overall renewal of the associated cutblock.

The status of for this indicator and the two targets will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.1</b>	<b>Soil Quality and Quantity</b> Conserve soil resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.1.1</b>	Healthy soils that will sustain forest-related ecosystems
<b>Objective 3.1.1.1</b>	Maintain soil productive ability, extent and variety

<b>Indicator 3.1.1.1.2</b>	<b>Target 3.1.1.1.2 - <i>amended 2006</i></b>
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) <b>Acceptable Variance:</b> No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.

### Management Strategy

The planning process, including public consultation processes and input on non-timber values, provides the direction for recognition of various non-timber ecosystem values and resource uses. Development of the AOP includes incorporation of the various MC and other government legislation, regulations and guidelines in place to address these values. Public community and resource user consultation within the plan development process assists in providing input on locally important values that may require mitigation and recognition within the follow-up work permit application and approval process. As part of the planning process leading directly to the implementation of operations the AOP and work permit conditions of approval provide the guidance required to address the various non-timber values in place on the DFA.

Through the ongoing implementation of the EMS, the Company will ensure adherence to all work permit conditions and Tolko SOPs in conducting forestry activities on the DFA. Operator awareness and training and direction of all contractor operations by Tolko through the mechanisms provided by the EMS in place for the DFA will ensure that the Company is in control of its activities.

Ongoing liaison with MC and other government departments also assists in meeting targets related to the management of operations to ensure that work permit conditions and Tolko SOPs are met. Copies of the MC Timber Harvest Inspections are provided to the Company on an ongoing basis to assist in follow-up of operations.

### **Forecast, Expected Response or Outcome**

It is expected that through contractor and operator training and the processes of the EMS including the application of the COR, Project Tailgate Checklist and meeting with contractors, and follow-up via the Operations Inspections with documentation on Operations Inspections Forms, that all operations will conform to the Tolko SOPs and to all work permit conditions set out for each operation.

### **Implementation**

Ensuring that all Tolko and contractor operations on the DFA conform to the Tolko SOPs and to all work permit conditions of approval for operations will occur through the mechanisms of the EMS:

- Contractor and operator awareness and training including the Annual Woodlands Contractors Meeting, Annual Soil Disturbance Awareness Workshop, and the FMPOP Operators Guide provided to all contractors;
- During the COR all contractors are appraised of the Company's expectations of the contractor to adhere to all SOPs and to work permit conditions;
- The Company guidelines for minimizing soil rutting are to be followed by the Contractors
- The specific project, road and cutblock operating expectations related to the SOPs, guidelines and work permit conditions for the respective operation will be reviewed with the contractor at the Project Tailgate Meeting prior to commencement of work in the block;
- Ongoing Operations Inspections and documentation in the Operations Inspection Form to monitor progress by contractors in meeting targets;
- MC Timber Harvest Inspection Reports are copied to the Company to document the findings of government inspections of operations with respect to all legislation and regulations and specifically relating to work permit conditions set out for the operation; and,
- Modifications to operations are made as required as operations proceed related to meeting the requirements of work permit conditions, guidelines and SOPs in response to any anticipated concerns such as rutting or potential concerns for non-timber values (including re-scheduling or shutdown as required).

All of the above processes of the EMS and MC Timber Harvest Inspection process are currently in place.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

Monitoring of the compliance of Tolko and contractor operations to MC Work Permit conditions and to Tolko SOPs will take place through the EMS Environmental Incidence Reporting process which is in place to address any non-compliances that occur on the DFA.

Should any major non-compliances regarding MC Work Permit conditions occur (those resulting in the issue of a “Summary Procedure” or an “Indictment Notification” from MC to the Company), such incidences will be reported and addressed within the EMS Environmental Incidence Reporting (EIR) process as a major non-compliance.

Any MC or Company inspection or operational issues with the potential to become or lead to a non-compliance will also be reported and dealt with through the EMS Process Improvement Form (PIF) process with follow-up action to address the concern.

Any major non-compliances, as well as all EMS Process Improvement Form actions that occur on the DFA will be summarized annually in the SFM Report including documentation of any follow-up action taken.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.1</b>	<b>Soil Quality and Quantity</b> Conserve soil resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.1.1</b>	Healthy soils that will sustain forest-related ecosystems
<b>Objective 3.1.1.1</b>	Maintain soil productive ability, extent and variety

<b>Indicator 3.1.1.1.3</b>	<b>Target 3.1.1.1.3</b>
Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase <b>Acceptable Variance:</b> No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)

### Management Strategy

To maintain soil productive ability, extent and variety on the DFA, the Company will limit the extent of Company Category 1 and 2 all-weather roads to not exceed half of one percent (0.5%) of the total productive forest landbase at any given time. Through strategic long-term planning at the FMP level in terms of available timber supply, current access infrastructure and lifespan, and review and implementation at the AOP level, new all-weather road development will be coordinated against the decommissioning of all-weather roads no longer required to meet this target.

As described in Element 4.1, a target has been established within this performance framework to track and report on initial work on decommissioning of earlier constructed all-weather roads no longer required. Such work will continue as appropriate to decommission all-weather roads no longer required to balance against new road development in meeting this target.

### Forecast, Expected Response or Outcome

It is expected that the forecasted wood supply requirements and access availability and proposed development to address these requirements within the FMP will provide the long-term projection of access requirements for the DFA. The current measurement of all-weather roads in the DFA has been undertaken and documented within the Road Ledger to provide a mechanism for measurement and reporting on this indicator. The current measurement of active all-weather roads indicates a level of 0.02 % of the total productive forest landbase of the DFA.

Continued annual review of the status of current all-weather roads in conjunction with proposed new road development and decommissioning of all-weather roads no longer required is expected to maintain the level of active all-weather roads at or below the target level.

## **Implementation**

Limiting the amount of all-weather Company roadbed in the DFA will be achieved through long-term strategic planning, decommissioning of roads no longer required and tracking of active roads through the Road Ledger:

- The current 1997 – 2009 FMP provided foreseen Company all-weather road requirements at the time of plan preparation based upon projected wood requirements and the existing road network at the time;
- On-going AOP planning occurs within the framework offered by the FMP with continuing assessment to identify opportunities to maximize the utilization of existing road infrastructure and minimize the development of new all-weather roads;
- Any new all-weather roads developed will be added to the Roads Ledger under active status which will be updated annually in conjunction with preparation of the Cutover Records;
- The existing all-weather road infrastructure of the DFA has been measured and reported in the Road Ledger to provide a baseline for continuing assessment and reporting of this indicator (the current amount of active all-weather Company roads as related to the total productive forested landbase is 0.02 %);
- In conjunction with the development of the Road Ledger and in support of work to meet performance criteria within CSA SFM Element 4.1, the Company is undertaking an inventory of backlog all-weather roads that are no longer in use as part of a decommissioning plan for these roads;
- Once decommissioning of any future roads is completed the Company will forward a letter to MC notifying that the conditions have been met and the road has been moved to an Interim Decommissioned status and inviting MC to participate in an inspection of the road;
- Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved provided that the conditions for decommissioning have been maintained. At this time the road will be reclassified to final decommissioned status; and,
- Ongoing annual update of the Road Ledger and comparison to the total productive forest landbase will provide for measurement and reporting on this indicator and target.

This indicator and target will commence in 2004.

## **Monitoring and Reporting**

Monitoring of the amount of Company all-weather road in place at any given time will occur in conjunction with the preparation of the Cutover Records annually. At that time the cutover photography will be utilized to document any newly constructed all-weather road for input to the GIS for tracking. Such roads will also be added into the Road Ledger as active status at this time.

As backlog and other all-weather roads deemed to no longer be required are decommissioned and reported to MC, the letters to MC will be placed on file as backup

to re-classify these roads as decommissioned in the Road Ledger. This will also take place annually in conjunction with the Cutover Record preparation.

The resulting Road Ledger update for each year will then be utilized in conjunction with the forest inventory data on the GIS to assess the percentage of the total productive forest landbase occupied by Company all-weather roads. The total will be summarized and reported for the DFA to report on the target.

The status of for this indicator and target will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.1</b>	<b>Soil Quality and Quantity</b> Conserve soil resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.1.1</b>	Healthy soils that will sustain forest-related ecosystems
<b>Objective 3.1.1.1</b>	Maintain soil productive ability, extent and variety

<b>Indicator 3.1.1.1.4</b>	<b>Target 3.1.1.1.4 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies , <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company’s renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company’s mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type and reviews the status of areas that have received initial renewal treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey) . The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.1</b>	<b>Soil Quality and Quantity</b> Conserve soil resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.1.1</b>	Healthy soils that will sustain forest-related ecosystems
<b>Objective 3.1.1.1</b>	Maintain soil productive ability, extent and variety

<b>Indicator 3.1.1.1.5</b>	<b>Target 3.1.1.1.5 – <i>amended 2008</i></b>
Amount and distribution of coarse woody debris	Implement a research project to assess and document levels of coarse woody debris retention for various cover types, season of harvest and logging systems on the DFA <b>Acceptable Variance:</b> No variance in conducting the research project for the DFA. No targets are set for woody debris levels for the DFA at this time, and as such no variances for coarse woody debris levels are applicable at this time.

### Management Strategy

The Company conducts harvesting operations in accordance with the MC Forestry Branch Brush Disposal Policy and the Letter of Record for Variance to MC Forestry Branch Brush Disposal Policy. In recognition of the potential benefits to soil productivity that may be associated with the retention of coarse woody debris across cutover areas the Company will conduct a research project to assess the current state of these practices in compatible forest conditions across Canada and to assess the current levels of coarse woody debris retention in various covertypes under the logging systems employed on the DFA. The findings of this research will be brought forward to the SFM Committee to assess the value of developing a specific indicator and target for woody debris retention in the DFA.

### Forecast, Expected Response or Outcome

It is expected that a review of coarse woody debris retention practices across Canada and assessment of levels of debris currently being retained in various covertypes under DFA logging systems will lead to the development of a specific indicator and target for woody debris retention for the DFA should the findings support such action.

At the present time current operating practices will continue to be applied in this regard on the DFA in fulfillment of all work permit conditions as approved by MC.

### Implementation

The development and implementation of a research project related to coarse woody debris retention on the DFA will include:

- Review of literature on related research into coarse woody debris retention and results on soil productivity for cover types, season of harvest, logging systems and other conditions compatible to those of the DFA;
- Review of other CSA SFM performance frameworks in place or being developed across Canada for potential sources of “seed ideas” for consideration by the SFM Committee in this regard;
- Develop and apply a coarse woody debris survey (including preparation of a Woody Debris Survey Manual) on the DFA in a variety of cover types, season of harvest and logging systems in place on the DFA to assess current levels of retention;
- Starting in 2006, annually complete coarse woody debris surveys on fifteen blocks. If fifteen blocks cannot be surveyed in a particular year, the difference will be surveyed in subsequent years.
- Review findings of literature review in conjunction with DFA survey findings to compare retention in other areas to that happening on the DFA and to come to conclusions as to the implications for soil productivity on the DFA; and,
- Bring forward the research project findings to the SFM Committee for subsequent deliberations regarding the potential suggestion for a specific indicator and target for coarse woody debris for future application to the DFA.

It is expected that the research project will be concluded and a new indicator and target identified, if appropriate, by December 31, 2009.

### **Monitoring and Reporting**

A Summary Report on the status of the research project into coarse woody debris retention for the DFA will be prepared annually.

Progress towards the identification of a specific indicator and target for coarse woody debris for the DFA will be summarized in the SFM Report annually.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.2</b>	<b>Water Quality and Quantity</b> Conserve water resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.2.1</b>	Healthy watersheds
<b>Objective 3.2.1.1</b>	Maintain water quality and quantity as a result of woodlands operations

<b>Indicator 3.2.1.1.1</b>	<b>Target 3.2.1.1.1</b>
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) <b>Acceptable Variance:</b> No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.

### Management Strategy

The planning process, including public consultation processes and input on non-timber values, provides the direction for recognition of various non-timber ecosystem values and resource uses. Development of the AOP includes incorporation of the various MC and other government legislation, regulations and guidelines in place to address these values. Public community and resource user consultation within the plan development process assists in providing input on locally important values that may require mitigation and recognition within the follow-up work permit application and approval process. As part of the planning process leading directly to the implementation of operations the AOP and work permit conditions of approval provide the guidance required to address the various non-timber values in place on the DFA.

Through the ongoing implementation of the EMS, the Company will ensure adherence to all work permit conditions and Tolko SOPs in conducting forestry activities on the DFA. Operator awareness and training and direction of all contractor operations by Tolko

through the mechanisms provided by the EMS in place for the DFA will ensure that the Company is in control of its activities.

Ongoing liaison with MC and other government departments also assists in meeting targets related to the management of operations to ensure that work permit conditions and Tolko SOPs are met. Copies of the MC Timber Harvest Inspections are provided to the Company on an ongoing basis to assist in follow-up of operations.

### **Forecast, Expected Response or Outcome**

It is expected that through contractor and operator training and the processes of the EMS including the application of the COR, Project Tailgate Checklist and meeting with contractors, and follow-up via the Operations Inspections with documentation on Operations Inspections Forms, that all operations will conform to the Tolko SOPs and to all work permit conditions set out for each operation.

### **Implementation**

Ensuring that all Tolko and contractor operations on the DFA conform to the Tolko SOPs and to all work permit conditions of approval for operations will occur through the mechanisms of the EMS:

- Contractor and operator awareness and training including the Annual Woodlands Contractors Meeting and the FMPOP Operators Guide provided to all contractors;
- During the COR all contractors are appraised of the Company's expectations of the contractor to adhere to all SOPs and to work permit conditions;
- The specific project, road and cutblock operating expectations related to the SOPs and work permit conditions for the respective operation will be reviewed with the contractor at the Project Tailgate Meeting prior to commencement of work in the block;
- Ongoing Operations Inspections and documentation in the Operations Inspection Form to monitor progress by contractors in meeting targets;
- MC Timber Harvest Inspection Reports are copied to the Company to document the findings of government inspections of operations with respect to all legislation and regulations and specifically relating to work permit conditions set out for the operation; and,
- Modifications to operations are made as required as operations proceed related to meeting the requirements of work permit conditions and SOPs in response to any anticipated concerns such as rutting or potential concerns for non-timber values (including re-scheduling or shutdown as required).

All of the above processes of the EMS and MC Timber Harvest Inspection process are currently in place.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

Monitoring of the compliance of Tolko and contractor operations to MC Work Permit conditions and to Tolko SOPs will take place through the EMS Environmental Incidence Reporting process which is in place to address any non-compliances that occur on the DFA.

Should any major non-compliances regarding MC Work Permit conditions occur (those resulting in the issue of a “Summary Procedure” or an “Indictment Notification” from MC to the Company), such incidences will be reported and addressed within the EMS Environmental Incidence Reporting (EIR) process as a major non-compliance.

Any MC or Company inspection or operational issues with the potential to become or lead to a non-compliance will also be reported and dealt with through the EMS Process Improvement Form (PIF) process with follow-up action to address the concern.

Any major non-compliances, as well as all EMS Process Improvement Form actions that occur on the DFA will be summarized annually in the SFM Report including documentation of any follow-up action taken.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.2</b>	<b>Water Quality and Quantity</b> Conserve water resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.2.1</b>	Healthy watersheds
<b>Objective 3.2.1.1</b>	Maintain water quality and quantity as a result of woodlands operations

<b>Indicator 3.2.1.1.2</b>	<b>Target 3.2.1.1.2</b>
Condition of stream crossings and roadways in terms of erosion control	Construct and maintain stream crossings and roadways in a condition that prevents siltation and blockage that results in serious impacts to water quality of rivers, streams and headwaters <b>Acceptable Variance:</b> No variance in maintenance of crossings or roadways to prevent siltation and blockage that results in serious impacts to commercial or recreational fish-bearing watercourses

### Management Strategy

Stream crossings and road development adjacent to watercourses are implemented according to the FMPOPs and in recognition of all conditions of associated work permits from MC and HADD authorization or Letter of Advice from DFO under the Navigable Waters Protection Act and the Fisheries Act. Construction includes application of mitigation practices to minimize potential for impact to adjacent watercourses including retention of vegetation, timing of construction and placement of materials and structures to control water run-off and drainage.

Follow-up monitoring will be implemented for all stream crossings and roads adjacent to watercourses to ensure that the condition of the crossings and roads are maintained in terms of erosion control and other measures necessary to prevent siltation into watercourses. Regular monitoring will enable follow-up action to take place in a timely fashion to minimize potential for road or crossing deterioration that could lead to impacts on adjacent watercourses.

Development, construction and monitoring of water crossings and roads adjacent to watercourses is managed according to the SOPs (WL032, WL050, WL051 and WL033) within the EMS.

### Forecast, Expected Response or Outcome

It is expected that through construction practices to fulfill work permit and other crossing permit conditions and the application of the road and crossing monitoring program, that

mitigation processes can be put in place and maintained as required to minimize impacts to watercourses.

The development of a Road and Crossing Inspection Guideline to provide direction for annual inspection monitoring of roads and crossings is expected to result in an ongoing program of monitoring leading to maintenance actions as required to mitigate impacts on watercourses.

### **Implementation**

Ensuring that construction of all stream crossings and road construction adjacent to watercourses will conform to the Tolko SOPs and to all work permit conditions of approval for construction will occur through the mechanisms of the EMS and the Road and Crossing Inspection Guideline:

- Contractor and operator awareness and training including the Annual Woodlands Contractors Meeting and the FMPOP Operators Guide provided to all contractors;
- During the COR all contractors are appraised of the expectations of the Company to adhere to all SOPs and to work permit conditions in construction of roads and stream crossings;
- The specific road and crossing construction expectations related to SOPs and work permit conditions for the respective operation will be reviewed with the contractor at the Project Tailgate Meeting prior to commencement of work on the road and/or crossing; and,
- Ongoing direction and inspection of construction activities to monitor progress of construction contractors in meeting requirements.

The inspection monitoring program for all stream crossings and roads adjacent to watercourses will be developed as a guideline (Road and Crossing Inspection Guideline) within the FMPOPs to provide a proactive approach to monitor and address potential problem areas and to prevent potential non-compliance events from occurring:

- Develop a new guideline by the end of 2004, to subsequently be incorporated within a future revision of the FMPOPs, to outline the requirements and scheduling for road and crossing structures inspection (including an inspection checklist to be completed each year for every Company all-weather Category 1 and 2 Road, and the requirement for an action plan to deal with any identified concerns); and,
- Implement the new Road and Crossing Inspection Guideline within the FMPOPs for Company All-weather Road and Crossings Annual Inspections starting in 2005 with all all-weather Company roads and crossings inspected annually.

The EMS SOPs and application of FMPOPs for road and crossing construction are currently in place. The annual inspection and follow-up action plan procedure for all-weather roads and crossings will be developed in 2004 for implementation in 2005.

Reporting on progress on this indicator will commence in 2004.

### **Monitoring and Reporting**

As described for indicator 3.2.1.1.1, the status for compliance of Tolko and contractor operations to MC Work Permit conditions and to Tolko SOPs during the construction of Company all-weather roads and crossings will take place through the EMS Environmental Incidence Reporting and the Process Improvement Form processes which are in place to address any non-compliances that occur on the DFA. Should any major non-compliances regarding MC Work Permit conditions occur (those resulting in the issue of an Summary Procedure or Indictment Notification from MC to the Company), such incidences will be reported and addressed within the EMS Environmental Incidence Reporting process as a major non-compliance.

Monitoring and reporting for this indicator and target will occur through the procedures to be outlined in the new FMPOP Guideline to be developed specifically to address Company all-weather road and crossing inspections. As indicated earlier, the guideline will include the use of a formal checklist that must be filled out and signed off annually for each Company all-weather Category 1 and 2 road and crossing. These checklists will then be maintained within the Road Filing System along with the Road Ledger and the associated action plan and resulting follow-up post-inspection to address any identified concerns.

The checklists, follow-up action plans, and resulting post-inspections for all Company all-weather Category 1 and 2 roads and crossings will be reviewed and summarized for reporting annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 3.0</b>	<b>Conservation of Soil and Water Resources</b>
<b>CSA SFM Element 3.2</b>	<b>Water Quality and Quantity</b> Conserve water resources by maintaining soil quality and quantity
<b>FML Area No. 2 DFA Value 3.2.1</b>	Healthy watersheds
<b>Objective 3.2.1.2</b>	Work towards an understanding of watershed health impacts/influences of forest operations

<b>Indicator 3.2.1.2.1</b>	<b>Target 3.2.1.2.1</b>
Reporting on evolution of watersheds research specific to forestry planning and operations	Report on research annually <b>Acceptable Variance:</b> No variance in conducting research project for the DFA. No targets are set for forest management at the watersheds level for the DFA at this time, and as such, no variances are applicable at present.

### Management Strategy

The Company plans and conducts forestry operations in accordance with the MC Forestry Branch and other government requirements as described in the FML Agreement, including management based upon provincially established FML Area No. 2 DFA, forest section and forest management unit boundaries. In recognition of the potential benefits to water quality and quantity that may be associated with the incorporation of watershed considerations in planning, implementation and monitoring/reporting of forest management activities, the Company will conduct a research project to assess the current state of knowledge and application of watersheds to forestry applicable to the DFA in Manitoba as well as the state of knowledge and use of watersheds for forest management in other jurisdictions across Canada with similar conditions to the DFA. This work will occur through a literature review and possible attendance of Company Woodlands staff at appropriate workshops and other such functions where the opportunity presents itself. The Company may seek out partnerships with other organizations to pursue this research. The findings of this research will be brought forward to the SFM Committee to assess the value of developing a specific indicator and target for application of watershed level considerations to planning and operations for the DFA.

### Forecast, Expected Response or Outcome

It is expected that a review of the state of knowledge and application of watersheds as they pertain to the DFA in Manitoba, and the state of knowledge in the consideration and application of watershed planning to forest operations in other similar jurisdictions across Canada will increase understanding of watershed issues related to forestry. Should it be determined that the findings of the research support the application of watershed level considerations in planning and implementing forest operations, and should the required

information be available for the DFA the Company will review the opportunity to look into this further with the government and report back to the SFM Committee on the results. A positive response in this regard would be anticipated to lead to the development of a specific indicator and target for watershed level planning and operations for the DFA should the findings support such action.

At the present time current FML Area No. 2 DFA, forest section and forest management unit boundaries will continue to be applied in this regard on the DFA in fulfillment of all legislation and regulations and plan approval conditions as approved by MC.

### **Implementation**

The development and implementation of a research project related to watershed level considerations for planning and implementation of forestry operations on the DFA will include:

- Discussion with potential partners to seek cooperation in conducting this research program (Ducks Unlimited, MC, etc.);
- Review of literature and discussions with provincial government agencies to identify appropriate and current watershed definitions and applications in place for the area encompassed by the DFA in Manitoba;
- Review of literature on related research and any current forestry operations utilizing watersheds in planning and implementing forestry operations and results on water quality and quantity for conditions and operations compatible to those of the DFA;
- Review of other CSA SFM performance frameworks in place or being developed across Canada for potential sources of “seed ideas” for consideration by the SFM Committee in this regard;
- Review findings of literature review in conjunction with current situation in Manitoba pertaining to the DFA to come to conclusions as to the implications for water quality and quantity for the DFA; and,
- Bring forward the research project findings to the SFM Committee for subsequent deliberations regarding the potential suggestion for a specific indicator and target for watershed considerations for future application to the DFA.

It is expected that the research project will be concluded and a new indicator and target identified, if appropriate, by 2008.

### **Monitoring and Reporting**

A Summary Report on the status of the research project into watershed considerations for planning and operations for the DFA will be prepared annually.

Progress towards the identification of a specific indicator and target for watershed considerations for the DFA will be summarized in the SFM Report annually.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystem Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.1</b>	<b>Carbon Uptake and Storage</b> Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
<b>FML Area No. 2 DFA Value 4.1.1</b>	Healthy forest making a positive contribution to global carbon balance
<b>Objective 4.1.1.1</b>	Increase carbon storage

<b>Indicator 4.1.1.1.1</b>	<b>Target 4.1.1.1 (A)</b>
Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	Over the next 5 years the Company will decommission 150 kilometres of older logging roads no longer required to reduce backlog road area to allow re-vegetation <b>Acceptable Variance:</b> Variance from the target of 150 kilometres over a 5 year period may occur dependant upon availability of old roads for decommissioning once other resource and public uses are considered and MC approval is obtained
	<b>Target 4.1.1.1 (B)</b>
	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase <b>Acceptable Variance:</b> No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)

### Management Strategy

To maintain soil productive ability, extent and variety on a forest section and DFA basis, the Company will undertake a program to decommission 150 kilometres of earlier constructed backlog permanent roads no longer in use (Target A) and will limit the extent of active Company all-weather roads (Categories 1 & 2) to not exceed half of one percent (0.5%) of the total productive forest landbase at any given time (Target B). Through strategic long-term planning at the FMP level in terms of available timber supply, current access infrastructure and lifespan, and review and implementation at the AOP level, new all-weather road development will be coordinated against the decommissioning of all-weather roads no longer required to meet this target.

### Forecast, Expected Response or Outcome

The Company has been in the process of identifying backlog permanent roads for potential decommissioning in consultation with MC and other resource users. It is anticipated that through an inventory of prospective candidate backlog roads, consultation with communities and resource users and submission of proposals to MC

within the AOP planning process, that agreement will be reached on a number of roads for decommissioning. Following approval, roads will be decommissioned as per work permit conditions, after which the Company will forward a letter to MC indicating that decommissioning has occurred and that the road has been placed on Interim Decommissioned status and inviting MC to take part in a joint inspection of the road. Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved provided that the conditions for decommissioning have been maintained. At this time the decommissioned road will be removed from the active road inventory. It is anticipated that over the next 5 years a total of 150 kilometres of backlog permanent roads will be decommissioned and removed from the active road inventory (Target A).

It is expected that the forecasted wood supply requirements and access availability and proposed development to address these requirements within the FMP will provide the long-term projection of access requirements for the DFA. The current measurement of all-weather roads in the DFA has been undertaken and documented within the Road Ledger to provide a mechanism for measurement and reporting on this indicator. The current measurement of active all-weather roads indicates a level of 0.02 % of the total productive forest landbase of the DFA.

Continued annual review of the status of current all-weather roads in conjunction with proposed new road development and decommissioning of all-weather roads no longer required is expected to maintain the level of active all-weather roads at or below the target level (Target B).

### **Implementation**

Decommissioning backlog permanent roads in the DFA will be achieved through a series of steps that have already been initiated:

- Complete an inventory of backlog all-weather Company roads that has been initiated using the GIS and historic records;
- Develop a Road Ledger to list all Company all-weather Category 1 and 2 Roads including their status as active or decommissioned (interim decommissioned to meet work permit conditions or final decommissioned based upon 2 year monitoring of decommissioning actions);
- Any roads transferred from the Company to government or other party responsibility will be removed from the Road Ledger upon the change in responsibility becoming finalized;
- Place all inventoried roads on the Road Ledger with their status indicated to track decommissioning progress;
- Review all backlog roads as compared to long-term FMP and upcoming AOP proposals to ensure no longer required for ongoing operations of the Company;
- Develop listing of roads being proposed for decommissioning annually in conjunction with the preparation of the Draft AOP for public review;
- Undertake public and resource user review of decommissioning concerns in conjunction with the public consultation process for each AOP;

- With input received from the public review, develop a decommissioning plan for each proposed road for submission to MC;
- Once approved the decommissioning work will proceed as per issued work permit conditions;
- Once work is completed the Company will forward a letter to MC notifying that the conditions have been met and the road has been moved to an Interim Decommissioned status and inviting MC to participate in an inspection of the road;
- Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved provided that the conditions for decommissioning have been maintained. At this time the road will be reclassified to final decommissioned status; and,
- To establish baseline information the Company will conduct a vegetation status survey 7 years following initial decommissioning of the road.

The process for decommissioning of backlog all-weather roads has commenced. The progress made towards the target (A) will be report annually starting in 2004.

Limiting the amount of all-weather Company roadbed in the DFA will be achieved through long-term strategic planning, decommissioning of roads no longer required and tracking of active roads through the Road Ledger:

- The current 1997 – 2009 FMP provided foreseen Company all-weather road requirements at the time of plan preparation based upon projected wood requirements and the existing road network at the time;
- On-going AOP planning occurs within the framework offered by the FMP with continuing assessment to identify opportunities to maximize the utilization of existing road infrastructure and minimize the development of new all-weather roads;
- Any new all-weather roads developed will be added to the Road Ledger under active status which will be updated annually in conjunction with preparation of the Cutover Records;
- The existing all-weather road infrastructure of the DFA has been measured and reported in the Road Ledger to provide a baseline for continuing assessment and reporting of this indicator (the current amount of active all-weather Company roads as related to the total productive forested landbase is 0.02 %);
- In conjunction with the development of the Road Ledger and in support of work to meet performance criteria within CSA SFM Element 4.1, the Company is undertaking an inventory of backlog all-weather roads that are no longer in use as part of a decommissioning plan for these roads;
- Once decommissioning of any future roads is completed the Company will forward a letter to MC notifying that the conditions have been met and the road has been moved to an Interim Decommissioned status and inviting MC to participate in an inspection of the road;
- Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved

- provided that the conditions for decommissioning have been maintained. At this time the road will be reclassified to final decommissioned status; and,
- Ongoing annual update of the Road Ledger and comparison to the total productive forest landbase will provide for measurement and reporting on this indicator and target.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

The backlog inventory of all-weather roads no longer in use by the Company will provide an initial benchmark for assessment of progress made towards Target (A). The availability of such roads for decommissioning will also depend however, on their use by other resource users and the approval of MC to decommission each road. As such, the acceptable variance in achieving the target will consider these factors.

For roads decommissioned under this process the Company will forward a letter to MC indicating that decommissioning has occurred and that the road has been placed on Interim Decommissioned status. Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved provided that the conditions for decommissioning have been maintained. These letters and any relevant correspondence received from MC will be maintained in the appropriate roads file. The findings of these follow-up monitoring processes will be logged in the Roads Ledger for subsequent reporting.

The information obtained from the 7 year re-vegetation survey will be tracked for research purposes to provide trend information on revegetation of these decommissioned roads. This information will be reviewed for potential application to future revised targets related to this indicator.

Monitoring of the amount of Company all-weather road in place at any given time will occur in conjunction with the preparation of the Cutover Records annually. At that time the cutover photography will be utilized to document any newly constructed all-weather road for input to the GIS for tracking. Such roads will also be added into the Road Ledger as active status at this time.

As backlog and other all-weather roads deemed to no longer be required are decommissioned and reported to MC, the letters to MC will be placed on file as backup to re-classify these roads as decommissioned in the Road Ledger. This will also take place annually in conjunction with the Cutover Record preparation.

The resulting Road Ledger update for each year will then be utilized in conjunction with the forest inventory data on the GIS to assess the percentage of the total productive forest landbase occupied by Company all-weather roads. The total will be summarized and reported for the DFA to report on the target.

The status of for this indicator and both Targets (A) and (B) will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystems Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.1</b>	<b>Carbon Uptake and Storage</b> Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
<b>FML Area No. 2 DFA Value 4.1.1</b>	Healthy forest making a positive contribution to global carbon balance
<b>Objective 4.1.1.1</b>	Increase carbon storage

<b>Indicator 4.1.1.1.2</b>	<b>Target 4.1.1.1.2</b>
Harvest blocks are regenerated as soon as possible	100% of all harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest <b>Acceptable Variance:</b> Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed treatment.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. A principle strategy that the Company has, and will continue to employ, involves the prompt application of the initial renewal treatment to each harvested area in order to maximize the success of the treatment. In general, the Company undertakes to initiate renewal treatments the year following harvest with the intent of conducting initial treatment (site preparation, scarification, direct planting or leave for unassisted natural regeneration) for all areas within 3 years of harvest. This management strategy, in conjunction with reforestation strategies based on previous forest cover types will assist to increase and maintain the carbon storage capacity of the forested sites on the DFA.

### Forecast, Expected Response or Outcome

Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type to determine the forecasted initial forest renewal treatments that will be required to meet the Company's forest renewal commitment under the FML Agreement.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of treatments to be applied to harvested areas to start the renewal process. The renewal component of the AOP is developed with the overall requirement that all areas harvested

must meet government regeneration requirements within 7 years of harvest. The intent of the Company is to apply initial renewal treatment as soon after harvest as the area is available in terms of access and the completion of harvesting and hauling operations. In order to maximize the opportunity to obtain successful renewal and certification of renewed areas the Company targets to apply initial treatments no later than 3 years following harvest provided that areas are large enough to practically conduct renewal treatments, that access is available, and that stock (if required for initial treatment) is available.

Based upon the Company's goal of initiating treatment within 3 years and the ongoing programs in place it is forecasted that 100 % of areas for which the Company has renewal responsibility, not deemed to require delay for operational scheduling purposes (small areas needing to be combined, areas with limited winter access requiring combining of areas or development of access), or limitation in stock availability, will receive initial treatment within 3 years of harvest.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of ensuring that 100% of all harvested blocks to supply the mill requirements reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cutblocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI enable the Company to formulate a pre-harvest renewal prescription and to plan and arrange for initial renewal treatments to be conducted promptly following harvest;
- The renewal treatment requirements for all blocks is kept in mind in development and removal of access such that where practical and suitable, renewal treatments (such as winter ripper-tooth plow treatment) are scheduled to be conducted immediately following harvest operations to utilize the access in place;
- Initial renewal treatments are developed based upon pre-harvest cover types, soil and other site conditions, access and other operating conditions, and MC regeneration requirements. Initial treatments can include scarification to promote natural regeneration, site preparation for planting or leaving the site for unassisted natural regeneration to occur, dependent upon the forest renewal objectives and site conditions;
- In all cases the forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement to meet MC regeneration requirements; and,
- Initial renewal treatment operations are implemented as per the FMPOPs.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

As part of the monitoring program for the renewal status of all cutblocks for which the Company has renewal responsibility, the Cutblock Status Report will be updated to reflect initial treatments applied to each cutblock. This update will occur in conjunction with the preparation of the harvest cutover records and the renewal summary reports each year.

From the Cutblock Status Report, the status of all cutblocks harvested 3 years earlier will be compiled to summarize the application of initial renewal treatments by type of treatment and total area treated as compared to the total area harvested 3 years earlier.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystems Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.1</b>	<b>Carbon Uptake and Storage</b> Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
<b>FML Area No. 2 DFA Value 4.1.1</b>	Healthy forest making a positive contribution to global carbon balance
<b>Objective 4.1.1.1</b>	Increase carbon storage

<b>Indicator 4.1.1.1.3</b>	<b>Target 4.1.1.1.3 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type and reviews the status of areas that have received initial renewal

treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey) . The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystems Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.1</b>	<b>Carbon Uptake and Storage</b> Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
<b>FML Area No. 2 DFA Value 4.1.2</b>	Reduce the use of fossil fuels
<b>Objective 4.1.2.1</b>	Minimize the amount of greenhouse gases produced to transport wood to the mills

<b>Indicator 4.1.2.1.1</b>	<b>Target 4.1.2.1.1 – <i>amended 2008</i></b>
Percentage of wood hauled by truck versus train	30% of the sawlogs required by The Pas mills from the DFA will be transported by train provided that rail opportunities are in place (averaged for the previous 2 year period) <b>Acceptable Variance:</b> No variance in the percentage of sawlogs to be delivered by train is acceptable provided that sufficient rail opportunities are retained in place across the DFA to offer this haul option from areas being operated in the DFA (averaged for the previous 5 year period)

### Management Strategy

The Company has held discussions with Hudson Bay Railway (the rail operator for northern Manitoba) and the Forest Engineering Research Institute of Canada (FERIC) regarding fuel efficiencies for delivery of wood from the DFA. From these discussions, documented in an internal memo dated March 24, 2004, and subsequently reviewed with the SFM Committee, fuel savings have been identified for hauling wood by rail versus truck. For operating areas across the DFA from which rail transport offers the option for hauling of sawlogs fibre to the millsite at The Pas, this transport method will be sought out and utilized to the maximum extent possible. At present rail deliveries are utilized to deliver all sawlogs from the Nelson River Forest Section and a portion of the Highrock Forest Section. Ongoing discussions between the Company and the rail line operator are in place to assess opportunities to utilize this transport option where operations and rail service permit.

### Forecast, Expected Response or Outcome

In 2003, there was a total of 728,307 cubic metres of sawlogs delivered to the millsite. Of this total, 407,263 cubic representing 56% of the sawlogs delivered to the mill from the DFA was transported to the millsite via rail. Long-term planning through the FMP and operational planning through the AOPs continue to support the expectation that sufficient volumes will continue to be produced for delivery from areas currently and available to be serviced by rail. Originally, it is expected that as long as the Hudson Bay

Railway (HBR) train service continues to be provided at a competitive rate that a minimum of 50% of the sawlogs to be delivered to the millsite from the DFA will be brought in by rail. Since the 2004, HBR 's ability to consistently deliver log car has been sporadic plus their rates have continue to rise; therefore, the target for this indicator will 30% of sawlogs to be delivered by rail.

### **Implementation**

Utilization of rail delivery will continue to be maximized where operations can be effectively and efficiently be linked to rail spur locations for loading to railcars and delivery to the millsite.

Tracking of sawlog deliveries by train as compared to truck will occur through scaling reports at the millsite:

- The woodyard scaling report will be expanded to indicate and report on the volume of wood delivered by train versus truck haul from each forest section; and,
- Scaling records will be summarized annually to provide comparison data based upon an average for the previous 5 year period for input to the Forest Management Annual Report (Reporting for this indicator to be done as an average of the previous 5 years to accommodate fluctuations that can occur due to delivery of substantial volumes from a given area with limited access).

This process is an ongoing part of the operations of the Company.

This indicator and target will be implemented in 2004.

### **Monitoring and Reporting**

All sawlogs delivered into the millsite is tracked using scaling records for deliveries and yard inventory. Scaling reports will be expanded upon to indicate the sawlogs volumes delivered by train and truck by forest section to the millsite. These reports will then be summarized and volumes of sawlogs delivered by train as compared to truck haul will be reported in the Forest Management Annual Report each year for the average of the previous 5 year period.

The status of for this indicator will be summarized annually in the SFM Report starting in 2004.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystems Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.1</b>	<b>Carbon Uptake and Storage</b> Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
<b>FML Area No. 2 DFA Value 4.1.2</b>	Reduce the use of fossil fuels
<b>Objective 4.1.2.1</b>	Minimize the amount of greenhouse gases produced to transport wood to the mills

<b>Indicator 4.1.2.1.2</b>	<b>Target 4.1.2.1.2</b>
Level of awareness of Woodlands staff of effects of unnecessary vehicle idling	Increase level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling <b>Acceptable Variance:</b> No variance in undertaking steps to increase the level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling

### Management Strategy

In recognition of the effects of unnecessary vehicle idling in terms of the value of reducing the use of fossil fuels on the DFA, the Company will take steps to increase the level of awareness of Woodlands staff in this regard. Communication on this subject will be conducted to remind staff of the importance of reducing vehicle idling time.

### Forecast, Expected Response or Outcome

Through the distribution of an annual reminder memo to each individual Woodlands staff member at the start of the winter season and discussion of this topic at the Annual Woodlands Meeting each year it is expected that the general level of awareness of the importance of reducing unnecessary vehicle idling will improve.

### Implementation

The level of awareness of Woodlands staff in terms of reducing unnecessary vehicle idling will occur through two documented processes:

- Distribution of a reminder memo to each individual Woodlands staff member to minimize vehicle idling times; and,
- A discussion of this topic with documentation in the minutes of the Annual Woodlands Meeting each year.

This indicator and target will be implemented in 2004.

### **Monitoring and Reporting**

The memo to be distributed to all Woodlands staff will be retained on file each year. Discussion of this topic and its relationship to the SFM system will be documented in the minutes of the Annual Woodlands Meeting.

The status of for this indicator will be summarized annually in the SFM Report starting in 2004.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystem Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.2</b>	<b>Forest Land Conversion</b> Protect forestlands from deforestation or conversion to non-forests
<b>FML Area No. 2 DFA Value 4.2.1</b>	Maintain the forested area of the DFA
<b>Objective 4.2.1.1</b>	Minimize the conversion of Crown forested to non-forested land

<b>Indicator 4.2.1.1.1</b>	<b>Target 4.2.1.1.1</b>
Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase <b>Acceptable Variance:</b> No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)

### Management Strategy

To maintain soil productive ability, extent and variety on the DFA, the Company will limit the extent of Company Category 1 and 2 all-weather roads to not exceed half of one percent (0.5%) of the total productive forest landbase at any given time. Through strategic long-term planning at the FMP level in terms of available timber supply, current access infrastructure and lifespan, and review and implementation at the AOP level, new all-weather road development will be coordinated against the decommissioning of all-weather roads no longer required to meet this target.

As described in Element 4.1, a target has been established within this performance framework to track and report on initial work on decommissioning of earlier constructed all-weather roads no longer required. Such work will continue as appropriate to decommission all-weather roads no longer required to balance against new road development in meeting this target.

### Forecast, Expected Response or Outcome

It is expected that the forecasted wood supply requirements and access availability and proposed development to address these requirements within the FMP will provide the long-term projection of access requirements for the DFA. The current measurement of all-weather roads in the DFA has been undertaken and documented within the Road Ledger to provide a mechanism for measurement and reporting on this indicator. The current measurement of active all-weather roads indicates a level of 0.02 % of the total productive forest landbase of the DFA.

Continued annual review of the status of current all-weather roads in conjunction with proposed new road development and decommissioning of all-weather roads no longer

required is expected to maintain the level of active all-weather roads at or below the target level.

### **Implementation**

Limiting the amount of all-weather Company roadbed in the DFA will be achieved through long-term strategic planning, decommissioning of roads no longer required and tracking of active roads through the Road Ledger:

- The current 1997 – 2009 FMP provided foreseen Company all-weather road requirements at the time of plan preparation based upon projected wood requirements and the existing road network at the time;
- On-going AOP planning occurs within the framework offered by the FMP with continuing assessment to identify opportunities to maximize the utilization of existing road infrastructure and minimize the development of new all-weather roads;
- Any new all-weather roads developed will be added to the Roads Ledger under active status which will be updated annually in conjunction with preparation of the Cutover Records;
- The existing all-weather road infrastructure of the DFA has been measured and reported in the Road Ledger to provide a baseline for continuing assessment and reporting of this indicator (the current amount of active all-weather Company roads as related to the total productive forested landbase is 0.02 %);
- In conjunction with the development of the Road Ledger and in support of work to meet performance criteria within CSA SFM Element 4.1, the Company is undertaking an inventory of backlog all-weather roads that are no longer in use as part of a decommissioning plan for these roads;
- Once decommissioning of any future roads is completed the Company will forward a letter to MC notifying that the conditions have been met and the road has been moved to an Interim Decommissioned status and inviting MC to participate in an inspection of the road;
- Following further monitoring for a 2 year term, the Company will submit a second letter notifying MC that final decommissioning has been achieved provided that the conditions for decommissioning have been maintained. At this time the road will be reclassified to final decommissioned status; and,
- Ongoing annual update of the Road Ledger and comparison to the total productive forest landbase will provide for measurement and reporting on this indicator and target.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

Monitoring of the amount of Company all-weather road in place at any given time will occur in conjunction with the preparation of the Cutover Records annually. At that time the cutover photography will be utilized to document any newly constructed all-weather

road for input to the GIS for tracking. Such roads will also be added into the Road Ledger as active status at this time.

As backlog and other all-weather roads deemed to no longer be required are decommissioned and reported to MC, the letters to MC will be placed on file as backup to re-classify these roads as decommissioned in the Road Ledger. This will also take place annually in conjunction with the Cutover Record preparation.

The resulting Road Ledger update for each year will then be utilized in conjunction with the forest inventory data on the GIS to assess the percentage of the total productive forest landbase occupied by Company all-weather roads. The total will be summarized and reported for the DFA to report on the target.

The status of for this indicator and target will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 4.0</b>	<b>Forest Ecosystem Contributions to Global Ecological Cycles</b>
<b>CSA SFM Element 4.2</b>	<b>Forest Land Conversion</b> Protect forestlands from deforestation or conversion to non-forests
<b>FML Area No. 2 DFA Value 4.2.1</b>	Maintain the forested area of the DFA
<b>Objective 4.2.1.1</b>	Minimize the conversion of Crown forested to non-forested land

<b>Indicator 4.2.1.1.2</b>	<b>Target 4.2.1.1.2 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type and reviews the status of areas that have received initial renewal

treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey). The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.1</b>	To supply industrial wood needs, while maintaining forest ecosystems sustainability
<b>Objective 5.1.1.1</b>	To provide a continuous, predicable and sustainable supply of timber consistent with existing wood supply commitments

<b>Indicator 5.1.1.1.1</b>	<b>Target 5.1.1.1.1</b>
Harvest levels in cubic metres as compared to the AAC	Harvest levels to remain within Government approved AAC <b>Acceptable Variance:</b> No variance in harvest levels outside of MC approved AAC levels based upon 5-year cut control periods is acceptable. Variation in any given year may occur. MC approved AAC levels may include accommodation of underutilized AAC from the previous period.

### Management Strategy

Harvesting within the provincial AAC levels as determined by the MC Forestry Branch is a long-standing requirement that the Company has operated under in meeting requirements of the *Forest Act*. As described in the FMPOPs, the Company undertakes to ensure that all planning and operations for harvesting on the DFA remain within the established AAC levels determined by MC.

### Forecast, Expected Response or Outcome

Sustainability analysis conducted in the preparation of the FMP tested and verified the AAC levels as sustainable through assessment using the HSG model run on the MC Forest Inventory. The harvest levels proposed at the time of FMP development for FML Area No. 2 were also assessed and indicated to be sustainable. The levels of harvest being utilized and proposed in AOPs for the DFA are within the levels proposed for the forest sections of the original FML Area No. 2 that now comprise the DFA.

The utilization of the AOP planning process, tracking and reporting of harvest and delivery volumes as part of the Forest Management Annual Report preparation process, use of the 5 year cut control and other processes described within the FMPOPs ensure that harvest volumes will remain within the government determined AAC for the DFA.

### Implementation

Planning and management of harvest levels within the AAC levels is an ongoing and principle component of the forest management practices of the Company. Achieving the target of remaining within the AAC includes a number of planning and operation programs and practices including:

- FMP sustainability analysis of AAC levels and proposed harvest levels to verify sustainability for a long-term time horizon (100 year forecast);
- AOP planning to track planned cutblock proposals to ensure that the AOP submission will result in harvest levels that remain within the AAC;
- Annual tracking of actual harvest volume levels and reporting within the 5 year cut control procedure prescribed by MC;
- Annual reporting to MC of harvest levels and status within the applicable AAC.

All of the above aspects of forest planning, operations and reporting for management of harvest levels with respect to the AAC are currently in place as part of the Company's forest management responsibilities under the *Forest Act* for the DFA.

Since the development and approval of the 1997 – 2009 FMP, the Province of Manitoba has moved to the use of wood supply modeling to determine future sustainable harvest levels in the province as new forest inventory data becomes available with supporting age information. The Company is supportive of this move and looks forward to the implementation of wood supply modeling in conjunction with MC for determination of sustainable harvest levels for the DFA as new inventory data becomes available. In support of this work, the Company has been proceeding with a research program to establish and implement Permanent Sample Plots (PSPs) across the various forest types of the DFA. The data from these PSPs will provide improved indication of the forest productivity and growth and yield for input to sustainability analysis for the DFA as the new inventory is implemented.

Reporting on this indicator will commence in 2004.

### **Monitoring and Reporting**

The monitoring of harvest levels as compared to AAC levels on the DFA is undertaken through tracking of volumes harvested and delivered (scaled deliveries to the mill) from harvested cutblocks, the addition of estimated undelivered in-bush volumes, and from the compilation of volumes reported by third party operators on the DFA in conjunction with declarations for Crown dues submission.

A summary of the harvest levels as compared to the AAC by 5 year cut control period is provided in the Company's Forest Management Annual Report to MC annually.

The progress made on the research program for establishment and re-measurement of PSPs across the DFA will be summarized each year in the SFM Report.

The status of this indicator will be summarized annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.1</b>	To supply industrial wood needs, while maintaining forest ecosystems sustainability
<b>Objective 5.1.1.2</b>	Minimize impacts upon non-timber ecosystem values

<b>Indicator 5.1.1.2.1</b>	<b>Target 5.1.1.2.1</b>
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) <b>Acceptable Variance:</b> No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.

### Management Strategy

The planning process, including public consultation processes and input on non-timber values, provides the direction for recognition of various non-timber ecosystem values and resource uses. Development of the AOP includes incorporation of the various MC and other government legislation, regulations and guidelines in place to address these values. Public community and resource user consultation within the plan development process assists in providing input on locally important values that may require mitigation and recognition within the follow-up work permit application and approval process. As part of the planning process leading directly to the implementation of operations the AOP and work permit conditions of approval provide the guidance required to address the various non-timber values in place on the DFA.

Through the ongoing implementation of the EMS, the Company will ensure adherence to all work permit conditions and Tolko SOPs in conducting forestry activities on the DFA. Operator awareness and training and direction of all contractor operations by Tolko through the mechanisms provided by the EMS in place for the DFA will ensure that the Company is in control of its activities.

Ongoing liaison with MC and other government departments also assists in meeting targets related to the management of operations to ensure that work permit conditions and Tolko SOPs are met. Copies of the MC Timber Harvest Inspections are provided to the Company on an ongoing basis to assist in follow-up of operations.

### **Forecast, Expected Response or Outcome**

It is expected that through contractor and operator training and the processes of the EMS including the application of the COR, Project Tailgate Checklist and meeting with contractors, and follow-up via the Operations Inspections with documentation on Operations Inspections Forms, that all operations will conform to the Tolko SOPs and to all work permit conditions set out for each operation.

### **Implementation**

Ensuring that all Tolko and contractor operations on the DFA conform to the Tolko SOPs and to all work permit conditions of approval for operations will occur through the mechanisms of the EMS:

- Contractor and operator awareness and training including the Annual Woodlands Contractors Meeting and the FMPOP Operators Guide provided to all contractors;
- During the COR all contractors are appraised of the Company's expectations of the contractor to adhere to all SOPs and to work permit conditions;
- The specific project, road and cutblock operating expectations related to the SOPs and work permit conditions for the respective operation will be reviewed with the contractor at the Project Tailgate Meeting prior to commencement of work in the block;
- Ongoing Operations Inspections and documentation in the Operations Inspection Form to monitor progress by contractors in meeting targets;
- MC Timber Harvest Inspection Reports are copied to the Company to document the findings of government inspections of operations with respect to all legislation and regulations and specifically relating to work permit conditions set out for the operation; and,
- Modifications to operations are made as required as operations proceed related to meeting the requirements of work permit conditions and SOPs in response to any anticipated concerns such as rutting or potential concerns for non-timber values (including re-scheduling or shutdown as required).

All of the above processes of the EMS and MC Timber Harvest Inspection process are currently in place.

This indicator and target will commence in 2004.

### **Monitoring and Reporting**

Monitoring of the compliance of Tolko and contractor operations to MC Work Permit conditions and to Tolko SOPs will take place through the EMS Environmental Incidence

Reporting process which is in place to address any non-compliances that occur on the DFA.

Should any major non-compliances regarding MC Work Permit conditions occur (those resulting in the issue of a “Summary Procedure” or an “Indictment Notification” from MC to the Company), such incidences will be reported and addressed within the EMS Environmental Incidence Reporting (EIR) process as a major non-compliance.

Any MC or Company inspection or operational issues with the potential to become or lead to a non-compliance will also be reported and dealt with through the EMS Process Improvement Form (PIF) process with follow-up action to address the concern.

Any major non-compliances, as well as all EMS Process Improvement Form actions that occur on the DFA will be summarized annually in the SFM Report including documentation of any follow-up action taken.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.2</b>	Balance of economic, social and environmental benefits of the forest without comprising sustainability
<b>Objective 5.1.2.1</b>	To replace the area just harvested with composition similar to pre-harvest

<b>Indicator 5.1.2.1.1</b>	<b>Target 5.1.2.1.1</b>
Harvest blocks are regenerated as soon as possible	100% of all harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest <b>Acceptable Variance:</b> Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed treatment.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. A principle strategy that the Company has, and will continue to employ, involves the prompt application of the initial renewal treatment to each harvested area in order to maximize the success of the treatment. In general, the Company undertakes to initiate renewal treatments the year following harvest with the intent of conducting initial treatment (site preparation, scarification, direct planting or leave for unassisted natural regeneration) for all areas within 3 years of harvest. This management strategy, in conjunction with reforestation strategies based on previous forest cover types will assist to increase and maintain the carbon storage capacity of the forested sites on the DFA.

### Forecast, Expected Response or Outcome

Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type to determine the forecasted initial forest renewal treatments that will be required to meet the Company's forest renewal commitment under the FML Agreement.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of treatments to be applied to harvested areas to start the renewal process. The renewal component of the AOP is developed with the overall requirement that all areas harvested

must meet government regeneration requirements within 7 years of harvest. The intent of the Company is to apply initial renewal treatment as soon after harvest as the area is available in terms of access and the completion of harvesting and hauling operations. In order to maximize the opportunity to obtain successful renewal and certification of renewed areas the Company targets to apply initial treatments no later than 3 years following harvest provided that areas are large enough to practically conduct renewal treatments, that access is available, and that stock (if required for initial treatment) is available.

Based upon the Company's goal of initiating treatment within 3 years and the ongoing programs in place it is forecasted that 100 % of areas for which the Company has renewal responsibility, not deemed to require delay for operational scheduling purposes (small areas needing to be combined, areas with limited winter access requiring combining of areas or development of access), or limitation in stock availability, will receive initial treatment within 3 years of harvest.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of ensuring that 100% of all harvested blocks to supply the mill requirements reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cutblocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI enable the Company to formulate a pre-harvest renewal prescription and to plan and arrange for initial renewal treatments to be conducted promptly following harvest;
- The renewal treatment requirements for all blocks is kept in mind in development and removal of access such that where practical and suitable, renewal treatments (such as winter ripper-tooth plow treatment) are scheduled to be conducted immediately following harvest operations to utilize the access in place;
- Initial renewal treatments are developed based upon pre-harvest cover types, soil and other site conditions, access and other operating conditions, and MC regeneration requirements. Initial treatments can include scarification to promote natural regeneration, site preparation for planting or leaving the site for unassisted natural regeneration to occur, dependent upon the forest renewal objectives and site conditions;
- In all cases the forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement to meet MC regeneration requirements; and,
- Initial renewal treatment operations are implemented as per the FMPOPs.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

As part of the monitoring program for the renewal status of all cutblocks for which the Company has renewal responsibility, the Cutblock Status Report will be updated to reflect initial treatments applied to each cutblock. This update will occur in conjunction with the preparation of the harvest cutover records and the renewal summary reports each year.

From the Cutblock Status Report, the status of all cutblocks harvested 3 years earlier will be compiled to summarize the application of initial renewal treatments by type of treatment and total area treated as compared to the total area harvested 3 years earlier.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.2</b>	Balance of economic, social and environmental benefits of the forest without compromising sustainability
<b>Objective 5.1.2.1</b>	To replace the area just harvested with composition similar to pre-harvest

<b>Indicator 5.1.2.1.2</b>	<b>Target 5.1.2.1.2 – <i>amended 2008</i></b>
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements <b>Acceptable Variance:</b> With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.

### Management Strategy

Renewal of all areas harvested to supply the Company's mill facilities is a commitment that the Company has made through its FML Agreement with the Province of Manitoba. As described in the FMPOPs, the Company undertakes to ensure that all such areas are reforested to meet government regeneration and FTG standards. Reforestation strategies for each harvested area are developed based on previous forest cover types to assist in maintaining the forest communities, ecosystem processes and conditions that occur across the DFA and to maintain the productivity of harvested sites. The tree species utilized in the planting program and promoted through natural regeneration of areas reflect the intent to achieve renewed stands that will be similar to those expected from natural disturbance of such areas. The continued implementation of the forest renewal program will assist to maintain a sustainable supply of timber from the DFA in conjunction with the application of sustainable harvest levels.

### Forecast, Expected Response or Outcome

The current level of harvest on the DFA is approximately 6,500 hectares per year. Each year as part of the preparation of the AOP the Company forecasts the expected harvest levels by forest type and reviews the status of areas that have received initial renewal

treatments such as site preparation and scarification to determine further additional requirements for treatments including tree planting.

Review of these requirements leads to development of the renewal component of the AOP which provides the plan for renewal treatments for the coming year including levels of various treatments and the requirements for tree seedling stock. The renewal component of the AOP is developed with the overall requirement that all areas harvested must meet government regeneration requirements within 7 years of harvest.

Based upon the Company's ongoing regeneration survey program and subsequent submission of results for certification by MC, the renewal of all harvested areas is forecasted to result in a success rate of 100%.

### **Implementation**

The forest renewal program is an ongoing and principle component of the forest management practices of the Company. Achieving the target of 100% reforestation of all harvested areas includes a number of planning and operation programs and practices including:

- Pre-harvest Forest Investigation (PHFI) of all proposed cut blocks prior to inclusion in the AOP includes pre-harvest forest cover composition, soil and other characteristics required for developing the pre-harvest renewal prescription for each block in the AOP;
- The data from the PHFI and government regeneration requirements are utilized to develop the pre-harvest renewal objective for each cut block and strategies to meet the target;
- The forest renewal component of the AOP is developed to meet the renewal commitment of the Company set out in the FML Agreement, including planning with MC to meet forecasted tree seedling stock requirements;
- Renewal operations are implemented as per the FMPOPs;
- Assessment of the success of the renewal program is undertaken through government approved regeneration and FTG survey programs;
- Results of the 7 year regeneration surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas;
- Any areas requiring additional follow-up treatment from the regeneration survey results will be treated within the additional 3 year period as per the FML Agreement;
- Results of the 14 year Free-to-Grow surveys are reviewed and certified by MC indicating that areas have received certification and that the reforestation commitment has been achieved for subject areas; and,
- Any areas requiring additional follow-up treatment from the Free-to-Grow survey will be treated and re-surveyed for submission to MC.

All of the above aspects of the forest renewal program are currently in place as the Company has been active in forest renewal on the DFA since 1989.

Reporting on this indicator will commence in 2005.

### **Monitoring and Reporting**

The monitoring of forest renewal on the DFA is undertaken through government certified surveys conducted for all cut blocks approximately 7 years following harvest (regeneration survey) and through subsequent surveys conducted approximately 14 years after harvest (Free to Grow survey). The status of all cut blocks from the time of harvest through renewal treatment to regeneration survey and FTG survey is tracked through WTS which is updated annually by means of inputs from harvest, renewal, regeneration, and FTG records.

A summary of the renewal status for cut blocks harvested 7 (regeneration survey) and 14 (FTG survey) years earlier for which the renewal commitment has come due is provided in the Company's Forest Management Annual Report to MC annually.

The report will include recommendations for subsequent treatment(s) to ensure those blocks that are below standard at the completion of a regeneration survey will become fully compliant with the MC FTG survey standards within the required timeframe.

The annual report will also clarify any extenuating circumstances that resulted in a specific block's exemption status from the 100% reforestation target. Any changes sanctioned by MC will require written documented authorization.

The status of for this indicator will be summarized annually in the SFM Report starting in 2005.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.3</b>	Multiple use of the forest, including the consideration of cultural values, recreational uses, tourism, and other non-timber resources
<b>Objective 5.1.3.1</b>	Forestry operations will be planned and implemented in a manner that considers the diversity of social, economic, cultural and environmental values on the forest and use of localized knowledge of local species

<b>Indicator 5.1.3.1.1</b>	<b>Target 5.1.3.1.1</b>
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans <b>Acceptable Variance:</b> No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.

### Management Strategy

The Company has developed and maintained a public consultation program in conjunction with its planning processes with increased focus on this area since development of the 1997 – 2009 FMP. In the preparation of the FMP, a number of mechanisms were developed, in addition to already existing processes, to promote and undertake public consultation for planning on the DFA:

- Formalization of public information meetings for the FMP and AOPs to provide the opportunity to provide information about the plan to the public and to offer the opportunity for feedback;

- Resource user consultations through user group meetings and in one-on-one informal meetings, including field visits;
- Development of the FML Area Forest Resource Advisory Committee (FRAC) to provide a forum for broad exchange of views and interests for the DFA and as an input mechanism to the plans of the Company;
- Participation in public awareness programs to promote public awareness of forestry and forest management on the DFA, including support for the Manitoba Forestry Association.

The Company has since built upon these programs to continue to make progress in encouraging public involvement in forest management planning on the DFA. A second FRAC has been developed based out of the Town of Snow Lake (Snow Lake FRAC) to provide a consultation mechanism for the people from the area who indicated an interest in participating. Members of the FML Area FRAC and the Snow Lake FRAC, as well as a number of other members of the public who have demonstrated a keen interest in forest management on the DFA have come together in the formation of the CSA SFM Advisory Committee to assist the Company in the development of this SFM Plan. The public information meetings for AOP development and for the preparation of Road Management Plans have been extended out to additional communities to increase the opportunities for people in these communities to participate in the planning process.

### **Forecast, Expected Response or Outcome**

Through the continuing implementation of the public consultation program that has been built for the DFA and the formalization of the process to log concerns and the Company's response to such concerns it is expected that the interests and concerns of Aboriginal and other communities and stakeholders across the DFA will be incorporated in the development of FMPs, AOPs and Road Management Plans for the DFA. Documentation of the concerns expressed by communities and stakeholders along with the Company's response and follow-up action plan to address such concerns is expected to allow the Company to address community and stakeholder interests in forest management planning for the DFA.

### **Implementation**

The public consultation processes applied to the DFA include a number of mechanisms to achieve the target to take into account the interests and concerns of communities and stakeholders across the DFA in planning and implementing forest management activities on the DFA:

- Conduct public meetings with aboriginal and other communities across the DFA to review draft plans (FMP, AOP and Road Management Plans);
- Ensure a concerted and documented effort is undertaken to meet with all Aboriginal communities to review plans within the overall public consultation program;
- Public meeting agenda items will include:
  - Presentation of the developing plan under consideration;

- Question and answer period with recorded minutes;
  - Opportunity for open-house detailed review of planning materials (maps, etc.) and documented input from participants;
  - Discussion of any local plant and animal species of interest to the community;
  - Other non-timber values;
  - Heritage values; and,
  - Opportunity for sharing of Aboriginal forest values including traditional ecological knowledge from participants.
- Documentation of agenda and other items raised by participants will occur through recorded meeting minutes;
  - Open-house portion of meetings will include documentation by Company staff of any enquiries raised by participants in one-on-one discussions to log interests and concerns for use in plan review;
  - Documented input (meeting minutes, one-on-one enquiries, letters, emails and phone calls) received from the public consultation processes will be applied to the review and finalization of the respective FMP, AOP or Road Management Plan through the utilization of logged meeting minutes, one-on-one interests and concerns expressed in any follow-up letters, emails or phone calls;
  - Raised issues and concerns will be addressed by the Company Area Planner within the mitigation proposed as applicable for cutblocks in the AOP or in the Road Management Plan as applicable;
  - The process followed for public consultation in the preparation of each FMP, AOP and Road Management Plan will be documented in the plan including the communities and stakeholders consulted, number of contacts made, other meeting advertising undertaken, and the opportunities provided for consultation;
  - Each FMP and AOP will include a Public Concerns Table to document the concerns identified during the public consultation process and the identification of the party concerned, as available;
  - The Company's response and action plan for each concern will be documented including situations where a difference in view may prevail;
  - Concerns brought forward (in any context) throughout the year will also be documented in the respective AOP Public Concerns Table to bring together all concerns raised and how they were addressed for summarizing annually in the SFM Report;
  - Preparation of an FMPOP Guideline to provide a structured approach to public consultation meetings and processes to achieve this target will be prepared in 2004; and,
  - Appropriate Woodlands staff will make themselves available as requested by members of the media to provide information regarding forest management on the DFA to the broad public.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

## **Monitoring and Reporting**

Monitoring and reporting on the public consultation processes for the DFA are ongoing in conjunction with the planning processes with which they are associated. The public consultation activities conducted for the preparation of each FMP, AOP and Road Management Plan are documented and summarized in the respective plan document. Documentation includes a description of the efforts made to advise communities and stakeholders of the scheduling of community meetings in the public consultation program and the attendance and level of response at these meetings.

Documentation of concerns brought forward by participants at the meetings, as well as emails, letters and phone calls, will occur in a Public Concerns Table to be included in the relevant FMP, AOP and/or Road Management Plan. These tables will include the concerns raised, identify the party concerned where available, and describe the response and action plan for follow-up by the Company, including how the concern was addressed in the respective plan as applicable.

All public consultation programs conducted each year for FMP, AOP and Road Management Plans as applicable will be summarized in the SFM Report. This summary will include a compilation of the concerns brought forward to the Company and the respective response of the Company to each concern (Public Concerns Table). In addition, this summary will indicate and reference the number of instances where plans were modified or jointly developed with other stakeholders or communities in response to public consultation findings.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.4</b>	Respect for the diverse aspirations, interests and plans of other users of the forests
<b>Objective 5.1.4.1</b>	Include heritage and cultural resource values in the planning process

<b>Indicator 5.1.4.1.1</b>	<b>Target 5.1.4.1.1</b>
Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources	100% of new all-weather roads to be reviewed for the potential for the presence of heritage resources <b>Acceptable Variance:</b> No variance in ensuring that all new all-weather roads be screened for the presence of heritage resources is acceptable

### Management Strategy

As described in the FMPOPs, the Company has undertaken a cooperative approach in working with other parties to identify heritage resource concerns and to incorporate these values in the development of mitigation for planning and implementation of forestry operations. Review of FMPs and AOPs includes the local IRMT and other government departments, including the Historic Resources Branch of Manitoba Culture, Heritage and Citizenship. Increasing awareness, appreciation and protection for heritage and archeological resources in addition to other issues and concerns that can arise with new access development has led to the development of a Road Management Plan for each new road, to include community consultation and review of heritage resource values. As part of the planning and development process for each new road the Company now utilizes the services of an archeologist to evaluate the potential for occurrence of heritage resources on the planned road route.

### Forecast, Expected Response or Outcome

Through the public consultation processes associated with the preparation of the FMP, AOP and Road Management Plans, and through the use of archeologist services to evaluate all new Company all-weather (Category 1 and 2) road development at the planning stage, it is expected that the protection of heritage resources will be enhanced through implementation of mitigation where heritage resources, judged to be significant by the archeologist and Historic Resources Branch, are discovered. The archeological evaluation for each new road will be summarized and included in the overall Road Management Plan for each new road for submission to MC for approval. All required permits will be obtained prior to construction activities for road development.

## **Implementation**

The processes in place to ensure that all new proposed Company all-weather roads are reviewed for the potential occurrence of heritage resources includes:

- Continuing ongoing review and approval of all FMPs, AOPs and Road Management Plans by the local IRMT to incorporate other timber and non-timber values in the approval process by representatives of various resource values;
- Public consultation processes at the FMP, AOP and specific Road Management Plan stages prior to plan finalization, approval and implementation to incorporate the interests and concerns of the public in the planning process;
- Local Aboriginal and other community consultation includes review of potential cultural and heritage resource values on proposed all-weather road routes for new roads;
- Utilization of an archeologist to evaluate the potential for occurrence of heritage resources on all new proposed all-weather roads resulting in a report describing the potential for heritage resource occurrence;
- Development of a Road Management Plan for each new road to incorporate local community consultation and input and to outline any mitigation measures to be used to protect heritage resources, judged to be significant by the archeologist and the Historic Resources Branch, where they occur, with reference to the report findings resulting from the archeologist review;
- Review and approval of all new all-weather road proposals by MC prior to construction; and,
- Upcoming revision to the FMPOPs will include the addition of a guideline to utilize the services of an archeologist to evaluate all-weather roads for heritage resource potential by 2005.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

## **Monitoring and Reporting**

The Road Management Plan will be prepared and in place for each new all-weather road proposed for development by the Company. Each such plan will include documentation of any public concerns arising from the public consultation process for the road, including any related to identified cultural and heritage resources as well as the Company's response and action plan to address these concerns. The Road Management Plan will also reference the report findings resulting from the archeologist review of the road regarding the potential for heritage resource occurrence and reference these findings in describing the mitigation measures proposed to protect any heritage resources where present.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.1</b>	<b>Timber and Non-timber Benefits</b> Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
<b>FML Area No. 2 DFA Value 5.1.5</b>	Large areas of forest minimally impacted by humans
<b>Objective 5.1.5.1</b>	Company to participate in the Manitoba Protected Areas Initiative led by the Government and respect identified Protected Areas in the DFA confirmed through the program

<b>Indicator 5.1.5.1.1</b>	<b>Target 5.1.5.1.1 (A)</b>
Protected Areas recognized in forest management plans (FMP and AOP)	No harvesting proposed in recognized Protected Areas <b>Acceptable Variance:</b> No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas is acceptable
	<b>Target 5.1.5.1.1 (B)</b>
	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT <b>Acceptable Variance:</b> No variance in ensuring that harvesting plans proposed for ASIs receive specific approval of the IRMT is acceptable

### Management Strategy

The Province of Manitoba is continuing to move towards the establishment of a series of Protected Areas across the province to contribute towards the goal of conserving biological diversity by protecting representative samples of natural regions represented in the province. At the present time actual Protected Areas have not yet been established under the program for the DFA, however, a series of Areas of Special Interest (ASI) have been established with associated geographical boundaries as interim units for continuing review.

With the preparation of the FMP and the associated Environmental Impact Statement, the Company has acknowledged and continued to participate in this review led by the Government of Manitoba. The boundaries of the ASIs established for the review process by the Province have been identified on AOP maps in recognition of the continuing program and the status of these areas as being under review.

### Forecast, Expected Response or Outcome

The ASI areas currently in place for the DFA will continue to be indicated on AOP harvest plan maps as areas requiring particular attention and discussion with the IRMT for consideration of blocks for harvest within such areas while the Province continues to

move forward in the finalization of potential Protected Areas from within these areas. Any such harvest proposals from within ASI areas would include completion of a PHFI survey and a Cutblock Information Sheet to provide information on the area to the IRMT for consideration in their decision.

Once any area on the DFA has been confirmed and finalized as being changed from FML Area status and Open Provincial Crown Land ownership to a Protected Area status, such areas would be excluded from harvesting proposals.

The recognition of Protected Areas confirmed through the Manitoba Protected Areas initiative will contribute to maintenance of ecosystem values for the DFA by retaining areas within which natural disturbance processes would be the driving force in shaping landscape patterns. By undertaking a documented review process (AOP and subsequent work permit approval) for any harvest proposals from within the current ASIs with the IRMT as part of the harvest planning process the opportunity is maintained for careful consideration of the characteristics of each proposed block area so as to not infringe upon the overall ability of the Province to complete its eventual target for Protected Areas across Manitoba.

### **Implementation**

The implementation of this indicator for respect of recognized Protected Areas is already in place in terms of the Company's commitment to not harvest within such areas once finalized as Protected Areas.

The Company will continue to include the current ASIs on AOP and any future FMP harvest plan maps, and will work closely with the IRMT to document the characteristics of any block areas (PHFI) proposed for harvest from within the ASIs. Harvest of such blocks will only proceed once AOP and/or work permit approval has been received from the IRMT.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

The monitoring of respect of recognized Protected Areas will be undertaken within the harvest cutover record production process. Annual review of cutover records produced from aerial photographs and/or satellite imagery of operating areas on the DFA will enable monitoring and reporting on the status of this indicator.

The monitoring of approvals for harvest of any cutblock proposals from within ASIs will be undertaken within the harvest cutover record production process with cross-reference to the work permit approvals file. Annual review of cutover records and work permit approval records as compared to ASI area boundaries will enable monitoring and reporting on the status of this indicator.

The status of this indicator will be summarized in the SFM Report.

## **Management Strategy**

The Province of Manitoba is continuing to move towards the establishment of a series of Protected Areas across the province to contribute towards the goal of conserving biological diversity by protecting representative samples of natural regions represented in the province. At the present time actual Protected Areas have not yet been established under the program for the DFA, however, a series of Areas of Special Interest (ASI) have been established with associated geographical boundaries as interim units for continuing review.

With the preparation of the FMP and the associated Environmental Impact Statement, the Company has acknowledged and continued to participate in this review led by the Government of Manitoba. The boundaries of the ASIs established for the review process by the Province have been identified on AOP maps in recognition of the continuing program and the status of these areas as being under review. No harvesting has been proposed within the ASI areas.

## **Forecast, Expected Response or Outcome**

The ASI areas currently in place for the DFA will continue to be indicated on AOP harvest plan maps as areas excluded from consideration for harvest while the Province continues to move forward in the finalization of the status of these areas.

Once any area on the DFA has been confirmed and finalized as being changed from FML Area status and Open Provincial Crown Land ownership to a Protected Area status, such areas would be excluded from harvesting proposals. In the interim, the currently set out ASI areas will continue to be shown on AOP harvest plan maps as areas excluded from harvest.

The recognition of Protected Areas confirmed through the Manitoba Protected Areas initiative will contribute to maintenance of ecosystem values for the DFA by retaining areas within which natural disturbance processes would be the driving force in shaping landscape patterns. Continued respect of the current ASIs in the harvest planning process will contribute towards this eventual target.

## **Implementation**

The implementation of this indicator for respect of recognized Protected Areas is already in place in terms of the Company's commitment to not harvest within such areas once finalized as Protected Areas. In the interim the Company will continue to include the current ASIs on AOP and any future FMP harvest plan maps and exclude harvest proposals from these areas.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

## **Monitoring and Reporting**

The monitoring of respect of recognized Protected Areas will be undertaken within the harvest cutover record production process. Annual review of cutover records produced

from aerial photographs and/or satellite imagery of operating areas on the DFA will enable monitoring and reporting on the status of this indicator.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.2</b>	<b>Communities and Sustainability</b> Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
<b>FML Area No. 2 DFA Value 5.2.1</b>	The long-term viability of local forest-based communities and businesses
<b>Objective 5.2.1.1</b>	To continue to provide opportunities for local employment in resources sectors that are dependent on the use of forest resources

<b>Indicator 5.2.1.1.1</b>	<b>Target 5.2.1.1.1 – <i>amended 2008</i></b>
Extent of local involvement in forest operations in the DFA	To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors <b>Acceptable Variance:</b> A 15% variance of the value of signed contracts to be conducted in the DFA, held by local contractors, provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work

### Management Strategy

It has long been recognized by the Company that there are a number of benefits to both the communities of the DFA and to the Company itself in building a strong local contractor presence in the DFA. To this end the Company has actively pursued and built relationships with Aboriginal and other communities and individual contractors to encourage development of a local contractor base.

### Forecast, Expected Response or Outcome

Through current relationships with contractors in place on the DFA at this time and ongoing discussions with interested parties the Company expects that the value of contracts held by local contractors for conducting the annual Woodlands operations of the Company on the DFA will continue to be at least 75%. A variance of 15% will be acceptable.

### Implementation

Ongoing efforts to manage the current contract base on the DFA for Woodlands operations and continuing discussions with interested local parties will be utilized to maintain a local contractor base on the DFA. The Company will continue to encourage the success of its local contractors and work closely with the operators. Ongoing work with Aboriginal contract operations to encourage their development and continuing success will continue.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

As part of the preparation of the Company's Forest Management Annual Report a summary will be prepared of the value and number of all contracts signed and acted on for the operations of the Woodlands activities of the Company in the proceeding year. The summary will include all components of the Woodlands operations including planning support (PHFI surveys, forest inventory, etc.), road construction and maintenance activities, harvesting operations, hauling, and forest renewal operations (scarification, site preparation, tree planting, Regeneration and Free-to-Grow surveys).

The summary will include identification of the distribution of the value of the contracts between local DFA origin operations as opposed to operations that are not based within the DFA.

The summary will also document any initiatives taken to encourage local contractors.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.2</b>	<b>Communities and Sustainability</b> Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
<b>FML Area No. 2 DFA Value 5.2.1</b>	The long-term viability of local forest-based communities and businesses
<b>Objective 5.2.1.2</b>	Endeavor to understand and take into account implications of forest planning on other users of the forest

<b>Indicator 5.2.1.2.1</b>	<b>Target 5.2.1.2.1</b>
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans <b>Acceptable Variance:</b> No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.

### Management Strategy

The Company has developed and maintained a public consultation program in conjunction with its planning processes with increased focus on this area since development of the 1997 – 2009 FMP. In the preparation of the FMP, a number of mechanisms were developed, in addition to already existing processes, to promote and undertake public consultation for planning on the DFA:

- Formalization of public information meetings for the FMP and AOPs to provide the opportunity to provide information about the plan to the public and to offer the opportunity for feedback;
- Resource user consultations through user group meetings and in one-on-one informal meetings, including field visits;

- Development of the FML Area Forest Resource Advisory Committee (FRAC) to provide a forum for broad exchange of views and interests for the DFA and as an input mechanism to the plans of the Company;
- Participation in public awareness programs to promote public awareness of forestry and forest management on the DFA, including support for the Manitoba Forestry Association.

The Company has since built upon these programs to continue to make progress in encouraging public involvement in forest management planning on the DFA. A second FRAC has been developed based out of the Town of Snow Lake (Snow Lake FRAC) to provide a consultation mechanism for the people from the area who indicated an interest in participating. Members of the FML Area FRAC and the Snow Lake FRAC, as well as a number of other members of the public who have demonstrated a keen interest in forest management on the DFA have come together in the formation of the CSA SFM Advisory Committee to assist the Company in the development of this SFM Plan. The public information meetings for AOP development and for the preparation of Road Management Plans have been extended out to additional communities to increase the opportunities for people in these communities to participate in the planning process.

### **Forecast, Expected Response or Outcome**

Through the continuing implementation of the public consultation program that has been built for the DFA and the formalization of the process to log concerns and the Company's response to such concerns it is expected that the interests and concerns of Aboriginal and other communities and stakeholders across the DFA will be incorporated in the development of FMPs, AOPs and Road Management Plans for the DFA. Documentation of the concerns expressed by communities and stakeholders along with the Company's response and follow-up action plan to address such concerns is expected to allow the Company to address community and stakeholder interests in forest management planning for the DFA.

### **Implementation**

The public consultation processes applied to the DFA include a number of mechanisms to achieve the target to take into account the interests and concerns of communities and stakeholders across the DFA in planning and implementing forest management activities on the DFA:

- Conduct public meetings with aboriginal and other communities across the DFA to review draft plans (FMP, AOP and Road Management Plans);
- Ensure a concerted and documented effort is undertaken to meet with all Aboriginal communities to review plans within the overall public consultation program;
- Public meeting agenda items will include:
  - Presentation of the developing plan under consideration;
  - Question and answer period with recorded minutes;

- Opportunity for open-house detailed review of planning materials (maps, etc.) and documented input from participants;
  - Discussion of any local plant and animal species of interest to the community;
  - Other non-timber values;
  - Heritage values; and,
  - Opportunity for sharing of Aboriginal forest values including traditional ecological knowledge from participants.
- Documentation of agenda and other items raised by participants will occur through recorded meeting minutes;
  - Open-house portion of meetings will include documentation by Company staff of any enquiries raised by participants in one-on-one discussions to log interests and concerns for use in plan review;
  - Documented input (meeting minutes, one-on-one enquiries, letters, emails and phone calls) received from the public consultation processes will be applied to the review and finalization of the respective FMP, AOP or Road Management Plan through the utilization of logged meeting minutes, one-on-one interests and concerns expressed in any follow-up letters, emails or phone calls;
  - Raised issues and concerns will be addressed by the Company Area Planner within the mitigation proposed as applicable for cutblocks in the AOP or in the Road Management Plan as applicable;
  - The process followed for public consultation in the preparation of each FMP, AOP and Road Management Plan will be documented in the plan including the communities and stakeholders consulted, number of contacts made, other meeting advertising undertaken, and the opportunities provided for consultation;
  - Each FMP and AOP will include a Public Concerns Table to document the concerns identified during the public consultation process and the identification of the party concerned, as available;
  - The Company's response and action plan for each concern will be documented including situations where a difference in view may prevail;
  - Concerns brought forward throughout the year will also be documented in the respective AOP Public Concerns Table to bring together all concerns raised and how they were addressed for summarizing annually in the SFM Report;
  - Preparation of an FMPOP Guideline to provide a structured approach to public consultation meetings and processes to achieve this target will be prepared in 2004: and,
  - Appropriate Woodlands staff will make themselves available as requested by members of the media to provide information regarding forest management on the DFA to the broad public.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

## **Monitoring and Reporting**

Monitoring and reporting on the public consultation processes for the DFA are ongoing in conjunction with the planning processes with which they are associated. The public consultation activities conducted for the preparation of each FMP, AOP and Road Management Plan are documented and summarized in the respective plan document. Documentation includes a description of the efforts made to advise communities and stakeholders of the scheduling of community meetings in the public consultation program and the attendance and level of response at these meetings.

Documentation of concerns brought forward by participants at the meetings, as well as through subsequent follow-up emails, letters and phone calls, will occur in a Public Concerns Table to be included in the relevant FMP, AOP and/or Road Management Plan. These tables will include the concerns raised, identify the party concerned where available, and describe the response and action plan for follow-up by the Company, including how the concern was addressed in the respective plan as applicable.

All public consultation programs conducted each year for FMP, AOP and Road Management Plans as applicable will be summarized in the SFM Report. This summary will include a compilation of the concerns brought forward to the Company and the respective response of the Company to each concern (Public Concerns Table). In addition, this summary will indicate and reference the number of instances where plans were modified or jointly developed with other stakeholders or communities in response to public consultation findings.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.2</b>	<b>Communities and Sustainability</b> Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
<b>FML Area No. 2 DFA Value 5.2.2</b>	Public safety
<b>Objective 5.2.2.1</b>	Increase public safety

<b>Indicator 5.2.2.1.1</b>	<b>Target 5.2.2.1.1</b>
Programs in place related to public safety during truck haul operations on DFA Company roads	Ensure the Haul Safety Program is in place annually for operators hauling on DFA Company roads <b>Acceptable Variance:</b> No variance in ensuring the Haul Safety Program is in place annually for wood delivery to the Company on DFA Company roads

### Management Strategy

The Company has developed a Haul Safety Program consisting of a number of components to promote the safety of the public, truck haul operators and other Company staff and contractors relating to wood delivery to the Company on DFA Company roads.

### Forecast, Expected Response or Outcome

Through the development and implementation of the Haul Safety Program on an annual basis it is expected that the truck haul operators, other contractors and Company staff involved in truck haul operations will operate with due regard to public safety in the promotion of public safety during truck haul operations.

### Implementation

The Haul Safety Program includes a number of mechanisms to achieve the target of ensuring that the Haul Safety Program is in place annually on the DFA:

- Develop the Haul Safety Program by the end of 2004 to include the following processes;
- Project Tailgate Checklist within the EMS for all contractors involved in truck haul operations includes haul safety requirements for review with contractors prior to commencement of hauling operations;
- Application of the Company Radio Guideline to ensure that radio contact is maintained by truck drivers for calling in locations on inbound and outbound trucks on Company roads;

- Mileage markers in place on all roads for the respective truck haul (designated by Company supervisors) for reference by drivers in calling locations;
- Public awareness signs posting forestry operations at the entrance to designated Company roads when truck haul in progress;
- Reminder of Haul Safety Requirements at Annual Contractors Meeting; and,
- Public haul safety concerns brought forward to the Company will be considered for input to the EMS, including possible application of process improvement.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

### **Monitoring and Reporting**

Monitoring and reporting on the Haul Safety Program will occur through documentation of the various components of the program each year within the EMS. This will include a check-off of safety preparations made for the truck haul:

- Project Tailgate Checklist reminder of all haul safety requirements for all haul contractors prior to haul start-up;
- Mileage markers in place on all designated roads;
- Public awareness signs posted on designated roads; and,
- Reminder at Annual Contractors Meeting.

Minutes of the Annual Contractor's Meeting will reflect review of the Haul Safety Program. Public safety concerns brought forward by members of the public that result in input to the EMS will be documented within the system and through the PIF as appropriate.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.3</b>	<b>Fair Distribution of Benefits and Costs</b> Promote the fair distribution of timber and non-timber benefits and costs
<b>FML Area No. 2 DFA Value 5.3.1</b>	Local sense of ownership and sharing in the benefits of the forest industry
<b>Objective 5.3.1.1</b>	To continue to have local presence in the forest industry through the ongoing participation of local contractors in the DFA

<b>Indicator 5.3.1.1.1</b>	<b>Target 5.3.1.1.1 – <i>amended 2008</i></b>
Extent of local involvement in forest operations in the DFA	To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors <b>Acceptable Variance:</b> A 15% variance of the value of signed contracts to be conducted in the DFA, held by local contractors, provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work

### Management Strategy

It has long been recognized by the Company that there are a number of benefits to both the communities of the DFA and to the Company itself in building a strong local contractor presence in the DFA. To this end the Company has actively pursued and built relationships with Aboriginal and other communities and individual contractors to encourage development of a local contractor base.

### Forecast, Expected Response or Outcome

Through current relationships with contractors in place on the DFA at this time and ongoing discussions with interested parties the Company expects that the value of contracts held by local contractors for conducting the annual Woodlands operations of the Company on the DFA will continue to be at least 75%. A variance of 15% will be acceptable.

### Implementation

Ongoing efforts to manage the current contract base on the DFA for Woodlands operations and continuing discussions with interested local parties will be utilized to maintain a local contractor base on the DFA. The Company will continue to encourage the success of its local contractors and work closely with the operators. Ongoing work with Aboriginal contract operations to encourage their development and continuing success will continue.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

As part of the preparation of the Company's Forest Management Annual Report a summary will be prepared of the value and number of all contracts signed and acted on for the operations of the Woodlands activities of the Company in the proceeding year. The summary will include all components of the Woodlands operations including planning support (PHFI surveys, forest inventory, etc.), road construction and maintenance activities, harvesting operations, hauling, and forest renewal operations (scarification, site preparation, tree planting, Regeneration and Free-to-Grow surveys).

The summary will include identification of the distribution of the value of the contracts between local DFA origin operations as opposed to operations that are not based within the DFA.

The summary will also document any initiatives taken to encourage local contractors.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 5.0</b>	<b>Multiple Benefits to Society</b>
<b>CSA SFM Element 5.3</b>	<b>Fair Distribution of Benefits and Costs</b> Promote the fair distribution of timber and non-timber benefits and costs
<b>FML Area No. 2 DFA Value 5.3.2</b>	Successful sustained forestry operations on the DFA
<b>Objective 5.3.2.1</b>	Maintain competitive stable short-term and long-term wood costs

<b>Indicator 5.3.2.1.1</b>	<b>Target 5.3.2.1.1</b>
Cost per cubic metre of delivered wood	Strive to achieve delivered wood costs that meet the average costs for regional forest industry of comparable operating circumstances <b>Acceptable Variance:</b> The Company will strive to achieve delivered wood costs within 10% of the average costs for comparable regional forest industry benchmarks

### Management Strategy

It is understood in the industry that in order to maintain the benefits to the people of the DFA associated with the operation of the Woodlands and mill operations at The Pas, it is crucial that the Company be a competitive operation that is sustainable in the long-term. To this end the Company has, and will continue to, actively pursue opportunities to reduce costs and improve competitiveness to maintain the viability of the operation. To monitor progress the Company participates in a cross-Canada comparison study that is ongoing to review and compare costs for forestry operations.

### Forecast, Expected Response or Outcome

Through continuous review and improvement processes, including examination of ways and means to reduce costs and increase efficiencies the Company will strive to achieve delivered wood costs that meet the average costs as compared to other regional forest industry operations with comparable conditions (operating conditions, haul distances, etc.).

### Implementation

Ongoing efforts to manage costs and explore new opportunities to reduce costs and improve efficiencies will continue:

- Continue to work with local contractors and interested parties in the DFA in order to encourage and build the local contractor base in the DFA;

- Participate in the Forest Engineering Institute of Canada (FERIC) to be kept informed and participate in research opportunities to assess means to reduce costs and increase efficiencies; and,
- Utilize the mechanisms of the EMS to assess performance and maintain continuous improvement.

Processes for this indicator and target are ongoing at this time.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

The Company participates in the PriceWaterhouseCoopers Canadian Woodlands Benchmarking survey. The study is undertaken annually with results shared amongst the participants in the forest industry. The assessment of the progress made in terms of this target will be based upon incorporation of haul delivery costs. The findings of the Company's standing with respect to delivered wood costs as compared to similar operations (operating conditions, haul distance, etc.) will be used to report on this indicator.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.1</b>	<b>Aboriginal and Treaty Rights</b> Recognize and respect Aboriginal and treaty rights
<b>FML Area No. 2 DFA Value 6.1.1</b>	Respect Aboriginal and treaty rights
<b>Objective 6.1.1.1</b>	Raise awareness of Aboriginal and treaty rights

<b>Indicator 6.1.1.1.1</b>	<b>Target 6.1.1.1.1</b>
Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and cultural awareness sessions	100% of all Woodlands staff will receive Aboriginal, treaty rights and cultural awareness training <b>Acceptable Variance:</b> No variance is acceptable

### Management Strategy

The Company will develop and implement an Aboriginal, treaty rights and cultural awareness training workshop to be incorporated within the overall training program for all Woodlands staff. This program is being undertaken to provide staff with a background and understanding in Aboriginal, treaty rights and cultural awareness to assist in their interaction with Aboriginal people and communities in the course of their activities on the DFA. This training is viewed as an important component to the overall public consultation process of the Company and will also support staff in their interactions with Aboriginal contractors and other interested parties on the DFA.

### Forecast, Expected Response or Outcome

Through the development and implementation of an Aboriginal, treaty rights and cultural awareness training workshop for all Woodlands staff it is expected that staff will be provided with an increased awareness and understanding of the interests and concerns of Aboriginal people and communities on the DFA. The initial development and implementation of the workshop is expected to result in attendance by the majority of Woodlands staff. The making of a video of the workshop lecture sessions will provide the mechanism for all remaining Woodlands staff unable to attend the workshop to view and learn from the video. Through an ongoing requirement for this training as part of the EMS training matrix all Woodlands staff will be required to take the training resulting in all Woodlands staff being trained in Aboriginal, treaty rights and cultural awareness.

## **Implementation**

The Aboriginal, treaty rights and cultural awareness training will be incorporated within the training matrix requirement for all Woodlands staff within the EMS for implementation via workshops and the use of a resulting video:

- A framework for delivery of workshop for Aboriginal, treaty rights and cultural awareness will be developed in 2004;
- Initial training will be delivered via the workshops to all available Woodlands staff in 2005;
- The Aboriginal, treaty rights and cultural awareness video will be produced to document the lectures and programs provided in the workshop;
- Remaining Woodlands staff not available to attend the workshop will view the Aboriginal, treaty rights and cultural awareness video to ensure that all Woodlands staff are trained;
- The presentation of an updated Aboriginal, treaty rights and cultural awareness workshop will occur every 3 years (with production of an updated video); and,
- Training in Aboriginal, treaty rights and cultural awareness through either attendance at a prescribed workshop or viewing of the video has been incorporated as part of standard employee training requirements as per the EMS for all new Woodlands staff.

Processes for this indicator and target will occur through 2004 - 2005.

Reporting for this indicator will commence in 2004.

## **Monitoring and Reporting**

Monitoring and reporting of progress with respect to the training of Woodlands staff for Aboriginal, treaty rights and cultural awareness will occur within the mechanisms of the EMS. Attendance records and follow-up of training records in the EMS will provide for documentation and review as compared against the current staff complement in place at any given time.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.1</b>	<b>Aboriginal and Treaty Rights</b> Recognize and respect Aboriginal and treaty rights
<b>FML Area No. 2 DFA Value 6.1.1</b>	Respect Aboriginal and treaty rights
<b>Objective 6.1.1.2</b>	Seek Aboriginal input to FMP and AOP plans

<b>Indicator 6.1.1.2.1</b>	<b>Target 6.1.1.2.1</b>
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans <b>Acceptable Variance:</b> No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.

### Management Strategy

The Company has developed and maintained a public consultation program in conjunction with its planning processes with increased focus on this area since development of the 1997 – 2009 FMP. In the preparation of the FMP, a number of mechanisms were developed, in addition to already existing processes, to promote and undertake public consultation for planning on the DFA:

- Formalization of public information meetings for the FMP and AOPs to provide the opportunity to provide information about the plan to the public and to offer the opportunity for feedback;
- Resource user consultations through user group meetings and in one-on-one informal meetings, including field visits;
- Development of the FML Area Forest Resource Advisory Committee (FRAC) to provide a forum for broad exchange of views and interests for the DFA and as an input mechanism to the plans of the Company;

- Participation in public awareness programs to promote public awareness of forestry and forest management on the DFA, including support for the Manitoba Forestry Association.

The Company has since built upon these programs to continue to make progress in encouraging public involvement in forest management planning on the DFA. A second FRAC has been developed based out of the Town of Snow Lake (Snow Lake FRAC) to provide a consultation mechanism for the people from the area who indicated an interest in participating. Members of the FML Area FRAC and the Snow Lake FRAC, as well as a number of other members of the public who have demonstrated a keen interest in forest management on the DFA have come together in the formation of the CSA SFM Advisory Committee to assist the Company in the development of this SFM Plan. The public information meetings for AOP development and for the preparation of Road Management Plans have been extended out to additional communities to increase the opportunities for people in these communities to participate in the planning process.

### **Forecast, Expected Response or Outcome**

Through the continuing implementation of the public consultation program that has been built for the DFA and the formalization of the process to log concerns and the Company's response to such concerns it is expected that the interests and concerns of Aboriginal and other communities and stakeholders across the DFA will be incorporated in the development of FMPs, AOPs and Road Management Plans for the DFA. Documentation of the concerns expressed by communities and stakeholders along with the Company's response and follow-up action plan to address such concerns is expected to allow the Company to address community and stakeholder interests in forest management planning for the DFA.

### **Implementation**

The public consultation processes applied to the DFA include a number of mechanisms to achieve the target to take into account the interests and concerns of communities and stakeholders across the DFA in planning and implementing forest management activities on the DFA:

- Conduct public meetings with aboriginal and other communities across the DFA to review draft plans (FMP, AOP and Road Management Plans);
- Ensure a concerted and documented effort is undertaken to meet with all Aboriginal communities to review plans within the overall public consultation program;
- Public meeting agenda items will include:
  - Presentation of the developing plan under consideration;
  - Question and answer period with recorded minutes;
  - Opportunity for open-house detailed review of planning materials (maps, etc.) and documented input from participants;
  - Discussion of any local plant and animal species of interest to the community;

- Other non-timber values;
- Heritage values; and,
- Opportunity for sharing of Aboriginal forest values including traditional ecological knowledge from participants.
- Documentation of agenda and other items raised by participants will occur through recorded meeting minutes;
- Open-house portion of meetings will include documentation by Company staff of any enquiries raised by participants in one-on-one discussions to log interests and concerns for use in plan review;
- Documented input (meeting minutes, one-on-one enquiries, letters, emails and phone calls) received from the public consultation processes will be applied to the review and finalization of the respective FMP, AOP or Road Management Plan through the utilization of logged meeting minutes, one-on-one interests and concerns expressed in any follow-up letters, emails or phone calls;
- Raised issues and concerns will be addressed by the Company Area Planner within the mitigation proposed as applicable for cutblocks in the AOP or in the Road Management Plan as applicable;
- The process followed for public consultation in the preparation of each FMP, AOP and Road Management Plan will be documented in the plan including the communities and stakeholders consulted, number of contacts made, other meeting advertising undertaken, and the opportunities provided for consultation;
- Each FMP and AOP will include a Public Concerns Table to document the concerns identified during the public consultation process and the identification of the party concerned, as available;
- The Company's response and action plan for each concern will be documented including situations where a difference in view may prevail;
- Concerns brought forward throughout the year will also be documented in the respective AOP Public Concerns Table to bring together all concerns raised and how they were addressed for summarizing annually in the SFM Report;
- Preparation of an FMPOP Guideline to provide a structured approach to public consultation meetings and processes to achieve this target will be prepared in 2004; and,
- Appropriate Woodlands staff will make themselves available as requested by members of the media to provide information regarding forest management on the DFA to the broad public.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

### **Monitoring and Reporting**

Monitoring and reporting on the public consultation processes for the DFA are ongoing in conjunction with the planning processes with which they are associated. The public consultation activities conducted for the preparation of each FMP, AOP and Road

Management Plan are documented and summarized in the respective plan document. Documentation includes a description of the efforts made to advise communities and stakeholders of the scheduling of community meetings in the public consultation program and the attendance and level of response at these meetings.

Documentation of concerns brought forward by participants at the meetings, as well as through subsequent follow-up emails, letters and phone calls, will occur in a Public Concerns Table to be included in the relevant FMP, AOP and/or Road Management Plan. These tables will include the concerns raised, identify the party concerned where available, and describe the response and action plan for follow-up by the Company, including how the concern was addressed in the respective plan as applicable.

All public consultation programs conducted each year for FMP, AOP and Road Management Plans as applicable will be summarized in the SFM Report. This summary will include a compilation of the concerns brought forward to the Company and the respective response of the Company to each concern (Public Concerns Table). In addition, this summary will indicate and reference the number of instances where plans were modified or jointly developed with other stakeholders or communities in response to public consultation findings.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.2</b>	<b>Respect for Aboriginal Forest Values, Knowledge, and Users</b> Respect traditional Aboriginal forest values and uses identified through the Aboriginal input process
<b>FML Area No. 2 DFA Value 6.2.1</b>	Respect Aboriginal traditional knowledge
<b>Objective 6.2.1.1</b>	Incorporating traditional knowledge into the development of forest operating plans

<b>Indicator 6.2.1.1.1</b>	<b>Target 6.2.1.1.1</b>
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans <b>Acceptable Variance:</b> No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.

### Management Strategy

The Company has developed and maintained a public consultation program in conjunction with its planning processes with increased focus on this area since development of the 1997 – 2009 FMP. In the preparation of the FMP, a number of mechanisms were developed, in addition to already existing processes, to promote and undertake public consultation for planning on the DFA:

- Formalization of public information meetings for the FMP and AOPs to provide the opportunity to provide information about the plan to the public and to offer the opportunity for feedback;
- Resource user consultations through user group meetings and in one-on-one informal meetings, including field visits;

- Development of the FML Area Forest Resource Advisory Committee (FRAC) to provide a forum for broad exchange of views and interests for the DFA and as an input mechanism to the plans of the Company;
- Participation in public awareness programs to promote public awareness of forestry and forest management on the DFA, including support for the Manitoba Forestry Association.

The Company has since built upon these programs to continue to make progress in encouraging public involvement in forest management planning on the DFA. A second FRAC has been developed based out of the Town of Snow Lake (Snow Lake FRAC) to provide a consultation mechanism for the people from the area who indicated an interest in participating. Members of the FML Area FRAC and the Snow Lake FRAC, as well as a number of other members of the public who have demonstrated a keen interest in forest management on the DFA have come together in the formation of the CSA SFM Advisory Committee to assist the Company in the development of this SFM Plan. The public information meetings for AOP development and for the preparation of Road Management Plans have been extended out to additional communities to increase the opportunities for people in these communities to participate in the planning process.

### **Forecast, Expected Response or Outcome**

Through the continuing implementation of the public consultation program that has been built for the DFA and the formalization of the process to log concerns and the Company's response to such concerns it is expected that the interests and concerns of Aboriginal and other communities and stakeholders across the DFA will be incorporated in the development of FMPs, AOPs and Road Management Plans for the DFA. Documentation of the concerns expressed by communities and stakeholders along with the Company's response and follow-up action plan to address such concerns is expected to allow the Company to address community and stakeholder interests in forest management planning for the DFA.

### **Implementation**

The public consultation processes applied to the DFA include a number of mechanisms to achieve the target to take into account the interests and concerns of communities and stakeholders across the DFA in planning and implementing forest management activities on the DFA:

- Conduct public meetings with aboriginal and other communities across the DFA to review draft plans (FMP, AOP and Road Management Plans);
- Ensure a concerted and documented effort is undertaken to meet with all Aboriginal communities to review plans within the overall public consultation program;
- Public meeting agenda items will include:
  - Presentation of the developing plan under consideration;
  - Question and answer period with recorded minutes;

- Opportunity for open-house detailed review of planning materials (maps, etc.) and documented input from participants;
  - Discussion of any local plant and animal species of interest to the community;
  - Other non-timber values;
  - Heritage values; and,
  - Opportunity for sharing of Aboriginal forest values including traditional ecological knowledge from participants.
- Documentation of agenda and other items raised by participants will occur through recorded meeting minutes;
  - Open-house portion of meetings will include documentation by Company staff of any enquiries raised by participants in one-on-one discussions to log interests and concerns for use in plan review;
  - Documented input (meeting minutes, one-on-one enquiries, letters, emails and phone calls) received from the public consultation processes will be applied to the review and finalization of the respective FMP, AOP or Road Management Plan through the utilization of logged meeting minutes, one-on-one interests and concerns expressed in any follow-up letters, emails or phone calls;
  - Raised issues and concerns will be addressed by the Company Area Planner within the mitigation proposed as applicable for cutblocks in the AOP or in the Road Management Plan as applicable;
  - The process followed for public consultation in the preparation of each FMP, AOP and Road Management Plan will be documented in the plan including the communities and stakeholders consulted, number of contacts made, other meeting advertising undertaken, and the opportunities provided for consultation;
  - Each FMP and AOP will include a Public Concerns Table to document the concerns identified during the public consultation process and the identification of the party concerned, as available;
  - The Company's response and action plan for each concern will be documented including situations where a difference in view may prevail;
  - Concerns brought forward throughout the year will also be documented in the respective AOP Public Concerns Table to bring together all concerns raised and how they were addressed for summarizing annually in the SFM Report;
  - Preparation of an FMPOP Guideline to provide a structured approach to public consultation meetings and processes to achieve this target will be prepared in 2004; and,
  - Appropriate Woodlands staff will make themselves available as requested by members of the media to provide information regarding forest management on the DFA to the broad public.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

## **Monitoring and Reporting**

Monitoring and reporting on the public consultation processes for the DFA are ongoing in conjunction with the planning processes with which they are associated. The public consultation activities conducted for the preparation of each FMP, AOP and Road Management Plan are documented and summarized in the respective plan document. Documentation includes a description of the efforts made to advise communities and stakeholders of the scheduling of community meetings in the public consultation program and the attendance and level of response at these meetings.

Documentation of concerns brought forward by participants at the meetings, as well as through subsequent follow-up emails, letters and phone calls, will occur in a Public Concerns Table to be included in the relevant FMP, AOP and/or Road Management Plan. These tables will include the concerns raised, identify the party concerned where available, and describe the response and action plan for follow-up by the Company, including how the concern was addressed in the respective plan as applicable.

All public consultation programs conducted each year for FMP, AOP and Road Management Plans as applicable will be summarized in the SFM Report. This summary will include a compilation of the concerns brought forward to the Company and the respective response of the Company to each concern (Public Concerns Table). In addition, this summary will indicate and reference the number of instances where plans were modified or jointly developed with other stakeholders or communities in response to public consultation findings.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.3</b>	<b>Public Participation</b> Demonstrate that the SFM public participation process is designed and functioning to the satisfaction of the participants
<b>FML Area No. 2 DFA Value 6.3.1</b>	Local public satisfaction with the planning process
<b>Objective 6.3.1.1</b>	To obtain local broad public satisfaction with the planning process

<b>Indicator 6.3.1.1.1</b>	<b>Target 6.3.1.1.1 (A) – <i>amended 2006</i></b>
Degree of satisfaction with the public participation component of the planning process	The majority of the FRAC Committee members responding to the survey indicate being satisfied (or better) with the public participation process of the FRAC Committee <b>Acceptable Variance:</b> No variance is acceptable

### Management Strategy

In order to maintain a high level of involvement and interest in the public participation process component of the planning process the Company will facilitate a review of the process with the FRAC Committee bi-annually as part of the overall review of the SFM Planning process. Through this review the Company will request input as to ways and means to maintain the interest of participants and areas requiring improvement. This process is considered to be a part of the overall continual improvement process for planning for the DFA.

### Forecast, Expected Response or Outcome

Through assessment of the level of satisfaction in the public participation component of the planning process by the FRAC Committee the Company is better positioned to understand the concerns and interests of the Committee and to then address such concerns. Through the process of adaptive management and continual improvement the Company will then be in a position to make adjustments to the public participation process in conjunction with the input of the Committee to ensure that participants continue to participate in the planning processes for the DFA. It is anticipated that by working closely with the committee to seek ongoing feedback on the satisfaction of the committee and by addressing concerns and issues as they arise, that the satisfaction of the majority of the members will be maintained as satisfied (or better).

## **Implementation**

The Company will continue to support the functioning of the FRAC Committee in its role in support of planning for the DFA. Within the ongoing processes of the Committee the Company will provide feedback to the Committee of the input that it is having in terms of planning for the DFA. The assessment of the degree of satisfaction of the SFM Committee with the public participation component of the planning process is assessed on an ongoing basis with continuing request of participants for input on the process. To more formally assess the degree of satisfaction with the process an independent survey has been designed by a third party and implemented to provide the FRAC Committee with the opportunity to provide input as to their satisfaction with the process and to make suggestions for any improvements that they feel would be suitable. The survey was conducted at the conclusion of the SFM Plan development in order to obtain formal feedback from the Committee and to obtain suggestions for improvement going forward. The input received will be considered and utilized as appropriate in the future workings of the Committee as the SFM Plan is implemented for the DFA.

As part of the overall assessment of SFM for the DFA the initial survey will be reviewed and updated as required for bi-annual review with the FRAC Committee to assess the ongoing satisfaction of the participants with the process being utilized.

Processes for this indicator and target are currently in place.

Reporting for this indicator will commence in 2004.

## **Monitoring and Reporting**

Monitoring and reporting on the degree of satisfaction with the public participation component of the planning process will occur through the bi-annual application of the updated survey. Input received through the survey will be reported back to the Committee in terms of overall results along with the compilation of suggestions and action plan for moving forward. A summary of the results will be presented bi-annually in the SFM Report.

The status of this indicator will be summarized bi-annually in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.4</b>	<b>Information for Decision Making</b> Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
<b>FML Area No. 2 DFA Value 6.4.1</b>	Continuous improvement of sustainable forest management practices on the DFA
<b>Objective 6.4.1.1</b>	Continual increase in the knowledge ecosystem processes and impacts of management practices

<b>Indicator 6.4.1.1.1</b>	<b>Target 6.4.1.1.1 – amended 2008</b>
Training and awareness opportunities for contractors on the DFA	Provide annual information sessions to 100% of all contractors on the DFA <b>Acceptable Variance:</b> It is recognized that for a number of circumstances some contractors may be unable to attend a given meeting, however there shall be no variance in ensuring that all contractors will attend the meeting and/or provided with a Summary Report on the meeting including minutes and all handout materials.

### Management Strategy

The Company recognizes the important role that its contractors fill in achieving SFM for the DFA as the parties who implement a large component of the forestry operations across the DFA. The contractors of the DFA play a key role in the collection of information used in planning (PHFI, forest inventory) and monitoring (Regeneration and Free-to-Grow surveys), and for the implementation road development, harvesting and forest renewal operations.

In order to ensure that contractors are informed of the SFM process for the DFA and to enable adaptive management and continual improvement in their operations, the Company will hold an Annual Contractor's Meeting each year for all contractors working on the Company's behalf on the DFA. A Summary Report of each Annual Contractors Meeting will be prepared for distribution to all contractors. A Tolko Woodlands representative will brief and provide the Summary Report to any contractors unable to attend the meeting.

### Forecast, Expected Response or Outcome

It is expected that the Annual Contractor's Meeting and the follow-up Summary Report will ensure that contractors operating on the DFA will be provided with information important to promote SFM. This communication mechanism will provide contractors

with updates on progress made towards SFM objectives, and on their role in continual improvement of operations. As described in the fact sheets for a number of the other indicators of the performance framework, the Annual Contractor's Meeting is a key mechanism that complements other processes within the EMS (COR, Project Tailgate Checklist, Inspection Reports) in implementing adaptive management and continual improvement on the DFA.

### **Implementation**

The Annual Contractor's Meeting will be hosted by the Company each year to provide a communication mechanism for all participants to be appraised of progress on SFM for the DFA and to highlight the important role of the contractors in the SFM process:

- Scheduling of the meeting will be set to maximize the opportunity for attendance of contractors;
- All contractors will be contacted directly by the Company and requested to attend the meeting;
- Agenda will include:
  - Update on EMS awareness;
  - Update on SFM progress for the DFA; and,
  - Specific indicators and targets with respect to the role of contractors in meeting stated targets.
- Presentations may be put on by outside experts in topics relating to forest ecosystem processes and the potential impacts and interactions that the activities of the contractors can have; and,
- A Summary Report of each Annual Contractor's Meeting will be prepared to document the material covered at the meeting for to provide for distribution to all contractors including those who may be unable to attend a given meeting.

Processes for this indicator and target are currently in place.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

The process for arranging the Annual Contractor's Meeting will be documented including tracking all contacts made for scheduling, invitation of contractors and confirmation of arrangements. Minutes will be recorded for all interactive (question and answer) components of the meeting and will be maintained on file along with attendance listing of participants and copies of all presentations made during the sessions.

A summary report on the Annual Contractor's Meeting will be prepared to include recorded attendance, minutes taken, copies of presentations, and any items requiring follow-up action. A copy of this report will be sent out to all contractors including those who may have been unable to attend the meeting itself in order to provide this alternative

source for the information and for follow-up purposes. A summary of topics covered and any follow-up actions found to be required arising from the Annual Contractor's Meeting will be provided in the SFM Report.

Following each Annual Contractor's Meeting, the attendance list will be compared to the invitation listing of all contractors and current Contractors' Orientations to identify those requiring the summary report. The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.4</b>	<b>Information for Decision Making</b> Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
<b>FML Area No. 2 DFA Value 6.4.1</b>	Continuous improvement of sustainable forest management practices on the DFA
<b>Objective 6.4.1.1</b>	Continual increase in the knowledge ecosystem processes and impacts of management practices

<b>Indicator 6.4.1.1.2</b>	<b>Target 6.4.1.1.2</b>
Tolko understanding and practices based upon current and emerging knowledge and recommended practices	Representatives of Woodlands staff will attend conferences, workshops and field trips related to current and emerging knowledge and recommended practices and bring forward any relevant recommendations for process improvement <b>Acceptable Variance:</b> No variance in providing the opportunity for all Woodlands staff to attend conferences, workshops and field trips to enable continual learning is acceptable. Annual evaluation of staff will include the opportunity for staff to bring forward suggestions for attending functions. Attendance to any given function is dependent upon scheduling related to staff work responsibilities, budgets and other factors.

### Management Strategy

The Company recognizes the important role that its staff fills in achieving SFM for the DFA as the people who implement the SFM policies of the Company and plan and direct forest management activities on the DFA. It is understood that maintaining the awareness and training of staff to current and emerging knowledge and recommended practices is a key component of the SFM process.

Within the EMS the Company has developed a training matrix to identify overall training requirements for all Woodlands staff as well as a Process Improvement Form (PIF) process to enable staff to bring forward lessons from such awareness and training sessions that staff feels would improve the SFM and other processes of the Company on the DFA. The utilization of the performance review process including annual review and the setting of 90 day goals provides an ongoing mechanism for the identification of awareness and training opportunities by and for staff members. In each case the opportunity will be evaluated for its merits in terms of the opportunity presented for contribution to SFM for the DFA, in addition to scheduling relative to staff work schedules and budget.

### **Forecast, Expected Response or Outcome**

It is expected that the EMS training matrix and ongoing staff performance review processes will provide the framework to bring forward and review opportunities for Woodlands staff to attend conferences. The ongoing performance review process and establishment of 90-day goals for each Woodlands staff member enables review of such opportunities and consideration of attendance at each event based upon its potential for SFM learning and application to the DFA in conjunction with other staff commitments and budget. These 90-day evaluations also enable review of training experiences and lessons learned and documented. Through these processes Woodlands staff representatives will attend a selection of events judged to be most valuable in terms of potential for application to SFM on the DFA.

### **Implementation**

To ensure that the Company's forest management practices on the DFA are based upon current and emerging knowledge and recommended practices, Woodlands staff will participate in a number of conferences, workshops and field trips through the following mechanisms:

- EMS training matrix sets out overall awareness and training requirements for each staff member;
- Performance review process, including application of 90-day goal setting is utilized to identify and evaluate upcoming opportunities for attendance at awareness and training events as well as review of training that has occurred;
- Trip reports documented by all staff attending events to convey potential process improvement opportunities on the DFA will be filed within the EMS;
- EMS Process Improvement Form (PIF) is then utilized for relevant opportunities to be input for consideration within the EMS; and,
- The Company also provides support to a number of conference and training programs.

Processes for this indicator and target are currently in place.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

Attendance by Woodlands staff at conferences, workshops, field trips and other events will be documented within the EMS training records. Items brought forward for consideration for SFM on the DFA will be documented within the EMS through the PIF process. Areas of research, processes and practices reviewed through attendance at such events by Woodlands staff will be summarized and presented in the SFM Report.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.4</b>	<b>Information for Decision Making</b> Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
<b>FML Area No. 2 DFA Value 6.4.1</b>	Continuous improvement of sustainable forest management practices on the DFA
<b>Objective 6.4.1.1</b>	Continual increase in the knowledge ecosystem processes and impacts of management practices

<b>Indicator 6.4.1.1.3</b>	<b>Target 6.4.1.1.3 (A)</b>
Training members of the Forest Resource Advisory Committees (FRAC) and the SFM Committee	FRAC and SFM Committee members will receive forest management presentations and information updates from the Company at least 2 times per year and the opportunity to participate in at least 1 field tour per year <b>Acceptable Variance:</b> No variance is acceptable
	<b>Target 6.4.1.1.3 (B)</b>
	FRAC and SFM Committees will be provided with the opportunity to place a representative on SFM audits for the DFA <b>Acceptable Variance:</b> No variance is acceptable

### Management Strategy

The Company recognizes the important role that the members of the FRAC and SFM Committees and members fill in contributing to SFM planning processes for the DFA. It is understood that maintaining the awareness and training of members of the committees in terms of forest management processes occurring on the DFA is important to provide the committees with the background understanding necessary to support their deliberations.

### Forecast, Expected Response or Outcome

It is anticipated that the presentation of information to the FRAC and SFM Committees on forest management planning, operations and other activities occurring on the DFA and the opportunity to attend field tours will continue to provide the committee members with increased knowledge and background in support of their deliberations for contribution to SFM planning. The observation by representative(s) from the FRAC and SFM Committees on SFM audits will enable reporting back directly to the committee(s) on the

auditing process. This information, in conjunction with the background of each committee member in various areas of interest and values on the DFA, will provide the basis for informed discussions and recommendations regarding SFM for the DFA.

### **Implementation**

Building on information provision processes that have already occurred with the FRAC and SFM Committees, the Company will continue to provide information and opportunities for the committee members to become further acquainted with the forest management processes on the DFA:

- The Company will provide information to update the FRAC and SFM Committees on forest management activities occurring on the DFA a minimum of 2 times per year to include:
  - Presentation of the Annual Operating Plan (AOP) for the upcoming year for input and feedback from the committees prior to finalization;
  - Presentation of the Forest Management Annual Report to report on the actual implementation of each AOP as compared to the planned activities;
  - Presentation of audit reports and responses.
  - Presentation of the SFM Report each year to report on the progress made towards SFM objectives and targets for the DFA.
- The meetings of the FRAC and SFM Committees will be held periodically in various locations of the DFA to enable increased participation from around the DFA;
- The Company will schedule and arrange a field tour of the DFA once per year and invite all members of the FRAC and SFM Committees to take part;
- The Company will provide the opportunity for a representative of the FRAC and SFM Committees to act as an observer during SFM audits of the DFA to enable reporting back to the committees; and,
- The Company will also invite members of the FRAC and SFM Committees to attend the Aboriginal Awareness Workshops in conjunction with the presentations being made to Woodlands staff of the Company.

Processes for this indicator and target are currently in place.

Reporting for this indicator will commence in 2004.

### **Monitoring and Reporting**

The agenda and meeting minutes of FRAC and SFM Committee meetings will document the presentation of forest management information on the DFA to members of the committees. Field trips and the reporting of observers on audits of the DFA will also be captured in the agenda and minutes of the prior and follow-up meetings of the committees. A summary of the findings of any field trips or audits will be captured in the follow-up discussion of the committee with the meeting minutes. Audit reports will also reflect the presence of committee observers in attendance.

The status of this indicator will be summarized in the SFM Report.

## SFM Performance Requirements for the FML Area No. 2 DFA

<b>CCFM Criterion 6.0</b>	<b>Accepting Society's Responsibility for Sustainable Development</b>
<b>CSA SFM Element 6.4</b>	<b>Information for Decision Making</b> Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
<b>FML Area No. 2 DFA Value 6.4.1</b>	Continuous improvement of sustainable forest management practices on the DFA
<b>Objective 6.4.1.2</b>	Increase broad public access to information pertaining to SFM for the DFA

<b>Indicator 6.4.1.2.1</b>	<b>Target 6.4.1.2.1</b>
Access of the broad public to information on SFM, FMP and AOP plans and related public participation processes	Sufficient information sharing mechanisms so the broad public will have access to the recent SFM Plan, FMP and AOPs and Annual SFM Report <b>Acceptable Variance:</b> No variance is acceptable

### Management Strategy

The Company has developed and maintained a public consultation program in conjunction with its planning processes with increased focus on this area since development of the 1997 – 2009 FMP. In the preparation of the FMP, a number of mechanisms for the distribution of information related to planning on the DFA were developed, in addition to formalization of some already existing processes, to promote information sharing to the broad public across the DFA:

- Formalization of public information meetings for the FMP and AOPs, including provision of preliminary draft version maps and associated data to inform the attendees of plans for the DFA and to offer the opportunity for feedback;
- Resource user consultations and presentation of maps and associated data through user group meetings and in one-on-one informal meetings;
- Development of the FML Area Forest Resource Advisory Committee (FRAC) with subsequent presentation of AOP and other planning information through the course of committee meetings;
- Participation in public awareness programs to promote public awareness of forestry and forest management on the DFA, including support for the Manitoba Forestry Association.

The Company has since built upon these programs with development of the Snow Lake FRAC and the CSA SFM Advisory Committee to assist the Company in the development of this SFM Plan. The public information meetings for AOP development and for the

preparation of Road Management Plans have been extended out to additional communities to increase the opportunities for people in these communities to participate in the planning process. In conjunction with the development of this SFM Plan the Company has developed a website, and the production of a yearly newsletter, to promote the distribution of planning information for the DFA to the broad public.

### **Forecast, Expected Response or Outcome**

Through the continuing implementation of the public consultation program and the associated distribution mechanisms established to disseminate information out to the broad public it is expected that access to information on planning for the DFA has been increased, resulting in improved opportunity for the public to become and stay informed on planning for the DFA, and participate in the various public participation mechanisms that are in place.

### **Implementation**

The public consultation processes applied to the DFA include a number of mechanisms to achieve the target to provide sufficient information sharing processes so that the broad public will have access to the recent SFM Plan, FMP, AOPs and the SFM Report:

- Provide the draft maps outlining proposed operations with associated data at public meetings with aboriginal and other communities across the DFA to review draft plans (FMP, AOP and Road Management Plans);
- Opportunity provided at all public information meetings for open-house detailed review of planning materials (maps, etc.) and documented input from participants;
- Future AOP information meetings will also be utilized to provide information to attendees on the status of the SFM Plan and its implementation for the DFA, including reporting on progress made towards objectives and targets;
- SFM Plan, FMP, and AOP planning materials are presented to the FRAC and SFM Committees on an ongoing basis to share further with their constituents;
- FMP documents, including the plan and the associated Environmental Impact Statement, are available on Manitoba Public Registries across the DFA;
- The Tolko Manitoba website [www.tolkomanitoba.com](http://www.tolkomanitoba.com) has been developed to provide broad public access to the SFM Plan, AOPs beginning with the 2005 AOP, and other planning documents pertaining to the DFA;
- A newsletter will be produced and distributed to the public to highlight ongoing forest management activities on the DFA on a yearly basis;
- The Company will respond to individual requests for information related to planning on the DFA, providing direction to available information or supplying further information as appropriate; and,
- Preparation of an FMPOP Guideline to provide a structured approach to public consultation meetings and processes to achieve this target will be prepared in 2004, including outlining the mechanisms by which SFM Plan, FMP, AOPs and the Annual SFM Report will be distributed to the broad public.

Processes for this indicator and target will be phased in over 2004 to further the processes already in place.

Reporting for this indicator will commence in 2005.

### **Monitoring and Reporting**

Monitoring and reporting on the information sharing mechanisms for the broad public in term of planning materials for the DFA are ongoing in conjunction with the planning processes with which they are associated. The public consultation activities, and associated information sharing mechanisms, conducted for the preparation of each FMP, AOP and Road Management Plan are documented and summarized in the respective plan document. Documentation includes a description of the planning materials (maps, etc.) provided at meetings, in any mailings and on the website to share information with the broad public.

All information sharing mechanisms employed in conjunction with public consultation programs conducted each year for SFM Plan preparation, FMP, AOP and Road Management Plans as applicable will be summarized in the SFM Report.

The status of this indicator will be summarized in the SFM Report.

## **6.0 SFM System**

The Company has established an SFM System through the alignment of its people, systems, strategies, resources and reporting structure that will work in tandem with the EMS and other forest management planning processes to implement SFM on the DFA. These resources and structure will enable the Company to implement and operate an SFM System for the DFA in concert with the participation of the other stakeholders and interested parties.

Through Tolko policies, the EMS, and the forest management planning process (public participation mechanisms, FMP, AOP and work permits) the Company will implement an SFM System to satisfy the requirements of the CSA Z809-02 Standard. The resources of the Company and the processes and controls developed for the DFA will be utilized to develop and maintain a continual improvement loop for forest management on the DFA.

Section 5 of this SFM Plan describes the performance framework in terms of SFM values, objectives, indicators and targets for the elements of the CSA SFM framework. Regular and periodic measurement and assessment processes will be undertaken to monitor progress made towards SFM and will enable feedback as part of the EMS to ensure continual improvement. These monitoring processes, in addition to management review will contribute to reporting by the Company on progress in achieving SFM and will clearly demonstrate any corrective and preventive actions that are required in the event of any unplanned variances.

In the development process of the SFM System and this SFM Plan for the DFA, the Company has reviewed and updated the Company's EMS to integrate the SFM System more fully with the EMS, which has received ISO 14001 Registration. This update has been undertaken as part of the process improvement process for the EMS to ensure that the EMS and the SFM Systems for the DFA will work in an integrated and complementary fashion.

### **6.1 SFM Policy**

The Sustainable Forest Management (SFM) Policy of the Company is encompassed by the Environmental Policy, Forest Management Principles, and Aboriginal Policy of Tolko as presented in Appendices 2 - 4 of this SFM Plan. These most recent and updated version of these policies and principles are posted and available for viewing on the Company's website for at [www.tolko.com](http://www.tolko.com).

The Company's EMS also provides specific commitments particularly relating to implementation procedures, checking and corrective action, performance monitoring and measuring and process improvement. The recent update process undertaken by the Company to the EMS has resulted in the incorporation of all necessary requirements to ensure that the Standards of CSA Z809-02 will be achieved in order to undertake SFM on the DFA. The EMS Manual is applicable to Tolko Industries Ltd. Corporate and Divisional commitments to both the ISO 14001 and CSA Z809-02 standards (EMS Manual 2004). The EMS is designed to assist the Company to comply with the

requirements of the Company's Environmental Policy and the Forest Management Principles.

Within the Company's corporate Policy Manual, the general philosophy and policies of the Company regarding the health and safety of its staff employees is described. To provide conditions and safeguards for the safety of DFA-related workers and the public, the Company has established policies regarding safety training, safety committees, the Workplace Hazardous Materials Information System (WHMIS) and the safety of visitors to the operations of the Company (Tolko Industries Ltd. Corporate Policy Manual Policy Numbers 08.01 – 08.05). In addition to the guidance provided at the corporate level, the Tolko Manitoba Solid Wood Division Woodlands has also developed and implemented a Workplace Safety and Health Program to address the requirements of off-site woodlands operations across the DFA. The policy addressed by this program addresses safe work procedures, safe working conditions, well maintained equipment, and housekeeping. Referencing the Corporate Policy Manual of Tolko Industries Ltd. the Woodlands Workplace Safety and Health Program addresses levels of responsibilities, general safety regulations and procedures, training, team and safety committee meetings, workplace safety and health, emergency response for both on- and off-site situations, incident investigations, safety inspections, personal protective equipment, WHMIS, lock-out requirements and procedures, miscellaneous policies, incentive programs, emergency phone numbers and specific safe work procedures.

## **6.2 Structure and Responsibility**

The Company has set out a structure and established roles to ensure that the policies and principles of the Company are implemented in terms of SFM. The EMS identifies the roles, responsibilities and authorities of staff and employees at Tolko for ensuring that the SFM requirements are established in accordance with the CSA Z809-02 Standard (EMS Manual Section 3.2). The SFM Divisional Champion (Divisional Forester) is responsible for the development, implementation and maintenance of the SFM Plan. The Divisional Forester at the Company is also the EMS Divisional Champion for the operations on the DFA which assists to provide integration of components of the EMS as applicable to the SFM System. The specific responsibilities of the SFM Divisional Champion are described in the job description for the Divisional Forester. Further roles and responsibilities for implementation and maintenance of the SFM System are described in the EMS Delegation of Authority SOP (MB-SOP-WL090). The SFM Champion is the specific management representative responsible to ensure maintenance of the SFM System and for reporting on the SFM requirements to divisional management for review and as a basis for continual improvement.

In addressing requirements of the SFM System, the role of the former EMS Staff Committee at Tolko Manitoba has been expanded to include SFM requirements and will function as the Manitoba EMS/SFM Staff Committee. The EMS/SFM Staff Committee, chaired by the Divisional EMS/SFM Champion, meets monthly to review the on-going progress and requirements in terms of the Company's EMS registration and SFM certification including review and resolution of issues pertaining to the EMS and SFM

Systems, on-going public participation process requirements, monitoring and measurement including performance framework progress review, Standard Operating Procedures and control, training requirements, process improvements, emergency preparedness and response including environmental incident reports, legal compliance and records. The EMS/SFM Staff Committee provides a supporting role to the EMS/SFM Champion in following-up and maintenance of the EMS and SFM Systems including internal audit requirements and providing assistance and recommendations to senior management in terms of management review of the SFM System.

### **6.3 Training, Awareness, Qualification and Knowledge**

The training, awareness, qualification and knowledge requirements for the Company's Woodlands staff are identified in the EMS Training Matrix (EMS intranet). DFA-related forestry workers, including Tolko staff and employees, contractors and third parties, must be aware of the importance of conforming to the SFM Policies of the Company, including the Environmental Policy and the EMS.

The Company utilizes the controls set out in the EMS (Standard Operating Procedures (SOPs)) and government planning and operating guidelines to ensure that all operations on the DFA are undertaken within the legislative and regulatory framework applicable to the DFA. Company staff follow the planning and operating practices described in the FMPOPs (1996) and the direction and guidance provided by the 1997 – 2009 FMP. Contractors are required to operate within the controls of the EMS (SOPs) and all legal and guideline requirements (EMS Manual Section 4.5). Manitoba Timber Sale operators are not required to follow the EMS procedures due to their individual status and separate agreement with the Province of Manitoba. These Timber Sale Operators are required to follow all legislative and guideline requirements for forest management in Manitoba and the FMP, AOP and Work Permit conditions applicable to their operations. It is these underlying legislative and guideline requirements that formed the basis for the EMS requirements.

As documented in the FMP, it is the intent of the Company that all people working as employees and contractors of the Company will be knowledgeable, competent, responsible and accountable for their duties and that they will continually improve their skills through education and training. All field employees receive training in first aid, WHMIS, working alone, personal protective equipment, handling/transportation of dangerous goods, forest fire fighting, and mobile radio communications. Additional training may be undertaken in various types of equipment operation dependent upon work assignments.

As a key component of the overall FMP development process, the Company prepared the Forest Management Planning and Operating Practices (FMPOPs) Manual (Tolko Manitoba 1996) which documented the processes and practices to be followed by the staff and employees of the Company and contractors in undertaking forest management activities on the DFA. The FMPOPs comprised an important component of the FMP in terms of documenting the processes for implementation of the Plan. Government legislation and guidelines were reviewed as part of the preparation process for the

FMPOPs and it is further recognized by the Company that all legal requirements and government guidelines for the DFA will be followed. The implementation of the FMPOPs in the field led to the development of the Forest Management Planning and Operating Practices Operators Guide (Tolko Manitoba 1999) for use in training and educating contract workers in the key field components of the FMPOPs.

As per the EMS, education and training needs for Woodlands staff is evaluated in consultation with each employee (EMS Manual Section 4.1). An EMS/SFM Training Matrix is in place to summarize the job categories and training needs for all Woodlands staff relative to the implementation of the EMS and SFM. Annual performance reviews of all staff provide additional opportunity to review any further training needs and the effectiveness of training that has occurred in order to make adjustments as needed as part of overall continual improvement of programs. The EMS/SFM Staff Committee ensures that training sessions are held in all EMS and SFM requirements in order to enable employees to maintain their training and awareness levels as required. As per the EMS, each employee is responsible to maintain his or her training records up-to-date within the intranet EMS system.

Considerations taken into account in determining education and training needs include:

- Legislation and regulations pertaining to the DFA;
- Tolko's Environmental Policy and Forest Management Principles;
- CSA Z809-02 Standard and SFM performance requirements;
- ISO 14001: 1996 Standard;
- EMS significant environmental risks;
- Standard operating procedures;
- Forest Management Planning and Operating Practices;
- Health and safety requirements and re-certification;
- Existing training qualifications and performance of DFA-related workers; and,
- SFM Plan requirements.

As outlined in the EMS (EMS Manual Section 4.5) procedures are in place to ensure that contractors and suppliers to the Company are aware and understand the requirements of the EMS and SFM on the DFA. Annual review is undertaken with all relevant contractors with information on all key concepts, issues, obligations and procedures of the EMS and SFM Systems that are appropriate to the contracted activities recorded on the Contractor Orientation Record (COR). The COR for all contractors is updated annually and is maintained on the EMS intranet. Additional follow-up with contractors occurs at the pre-work stage through a "tailgate" meeting and completion of a Project Tailgate Checklist (EMS Manual Section 4.5) as well as through operations inspections.

The Tolko Manitoba Woodlands Contractor Annual Meeting and related information sessions held for all Tolko Manitoba Woodlands staff, contractors and third parties operating on the DFA provides the opportunity for these staff and operators to be kept up-to-date on all standard operating procedures, the Operators Guide, overall review of the EMS and progress on SFM for the DFA. It is then the responsibility of all contractors and third party operators to then communicate this information to their employees thus providing access to information for all DFA-related workers. The holding of this annual

meeting is included as one of the indicators related to training of DFA-related workers in the performance framework (Indicator 6.4.1.1.1).

## **6.4 Communications**

The Company has established a number of mechanisms to ensure that both internal and external communications occur as required to ensure the flow of information between levels and functional areas. The Company recognizes the important and crucial role that communications play in making it possible for SFM to be achieved and for the EMS to succeed. Internal communication within and between functional groups and levels of management and workers and external communication between the Company and stakeholders and other members of the public is a necessary activity in order to provide for feedback to occur and for the continual improvement loop to function.

### **Internal Communications**

Internal communications are facilitated through procedures established in the EMS (EMS Manual Section 4.2). This procedure applies to all information pertaining to the EMS and to the integrated SFM System. The EMS communications are managed via the Company's Intranet. Additional communications are also facilitated via telephone, fax, email, meetings, reports, newsletters, Tolko Company Circular, etc. The procedure promotes regular and on-going communication between management and staff in a two-way manner in order to facilitate review of performance and feedback to keep management informed of opportunities for improvement in processes and procedures. The Tolko EMS is maintained on the intranet, enabling maintenance of the up-to-date most recent and applicable versions of all policies, EMS Manual, standard operating procedures and forms for use by all permanent and long-term seasonal staff. As part of their outlined responsibilities, supervisors are responsible to ensure that all information pertinent to their employees and contractors is communicated. Process Improvement & Incident Reporting, Quarterly Reporting and Annual Reporting is undertaken to maintain information flow throughout the organization. The Annual EMS and SFM Report in particular, addresses compliance with legislation, summary of SFM Plans and other certification reports, review of objectives and targets, audit results and other issues as outlined in the EMS (EMS Manual Section 4.2).

Communication procedures are in place to specifically address contractors and suppliers of Tolko working on the DFA (EMS Manual Section 4.5). These procedures include communicating with contractors and suppliers to ensure awareness and understanding of the requirements of the EMS and SFM on the DFA. Annual review is undertaken with all relevant contractors with information on all key concepts, issues, obligations and procedures of the EMS and SFM Systems that are appropriate to the contracted activities recorded on the COR, updated annually and maintained on the EMS intranet to enhance internal communication. Additional communication follow-up with contractors occurs at the pre-work stage through a "tailgate" meeting and completion of a Project Tailgate Checklist (EMS Manual Section 4.5).

As described earlier, the Tolko Manitoba Woodlands Contractors Annual Meeting and related information sessions held for all Tolko Manitoba Woodlands staff, contractors and third parties operating on the DFA provides the opportunity for communication of the status of all standard operating procedures, the Operators Guide, overall review of the EMS and progress on SFM for the DFA.

The EMS/SFM Staff Committee meets on a scheduled basis with a minimum of quarterly meetings in support of the EMS/SFM Divisional Champion to ensure that all required communication processes necessary to the maintenance of the EMS and SFM Systems are in place. The committee assists in ensuring the flow of information between senior management and staff is operating effectively including information required for to meet all training and awareness requirements, monitoring and management review and continual improvement of the EMS and SFM Systems.

The Company also utilizes a scheduled monthly meeting to communicate safety, EMS and SFM updates and issues to all Woodlands staff. Minutes of these meetings are taken and posted on the EMS intranet and on bulletin boards.

### **External Communications**

External communication between the Company and the public is facilitated through the EMS procedure described in the EMS Manual (Section 4.3). Procedures are in place to track, document and respond to communications from the public regarding the Company's environmental performance, the EMS and the SFM Plan. Such procedures also include processes to maintain communication with representatives of government agencies, non-government organizations and other interested parties or individuals. Communication processes include meetings, telephone calls, letters, faxes or emails.

The Company maintains a Public Mailing List consisting of an extensive public contact database of First Nation and other community representatives, government agency representatives, non-governmental organizations, associations, user groups, other parties and interested individuals numbering approximately of 800. This Public Mailing List is utilized by the Company for providing invitation to FMP and AOP public meetings or other organized public communication events and for communicating with interested parties across the DFA on activities pertaining to SFM. This listing has been utilized throughout the SFM System development for the DFA to invite people and organizations to participate in the process and to keep them informed as the SFM Plan was developed.

The 1997 – 2009 FMP documents the extensive public communication and participation program that was undertaken as part of the plan preparation process. A separate Report on Public Information Meetings on the Company's 1997 – 2009 FMP was prepared and submitted as an appendix to the FMP. As described in Section 4 of this SFM Plan, the Company undertakes a number of external public participation and communication programs as part of the forest management planning process including public forestry awareness functions, public information meetings, user group consultations and the FML Area and Snow Lake FRACs.

For the preparation of this SFM Plan a new public participation program was developed in the form of a CSA SFM Advisory Committee which provides a very key communication function with respect to the development of the performance framework

for the SFM System for the DFA and assistance in the preparation of this SFM Plan. The Public Mailing List database referenced above was also utilized throughout this SFM System development process in order to provide relevant SFM documents, notices and updates to First Nation and other communities, DFA-related workers, government representatives, interested parties and stakeholder groups. The Company will communicate with the SFM Committee regarding SFM and EMS audit performance results and follow-up on an on-going basis.

As per the four indicators from the performance framework for the DFA pertaining to public consultation (5.1.3.1.1, 5.2.1.2.1, 6.1.1.2.1 and 6.2.1.1.1), a mechanism has been developed to ensure the documentation of input received from the public (SFM and FRAC Committees, AOP Public Information Meetings, letters, emails, faxes and emails) through Issues and Concerns Tables. These tables include identification of any concerns communicated from the public and the Company's response to address the concern. The Issues and Concerns Table pertaining to this SFM Plan is included within Appendix 5.

The Company's website ([www.tolkomanitoba.com](http://www.tolkomanitoba.com)) is also utilized to help disseminate information to DFA-related workers, interested parties and the public and has provided an important resource for information on this SFM Plan development process. To follow-up in public communication all related documentation to the SFM System including the SFM Plan itself and summaries of annual reports on SFM performance will be available on the website on an on-going basis to continue to enable input from the broader public. Similarly, other reports related to the environmental performance of the Company such as summaries of the EMS audit reports are made available.

As described in Section 4, the 2005 AOP meetings held in 2004 were utilized to present and receive comment on the draft SFM Plan from the broader public. All comments received via email, letters and the AOP meetings were then documented and utilized in the revision and finalization of the SFM Plan and documented in the Issues and Concerns Table presented in Appendix 5 of this SFM Plan.

As described earlier in Section 4 of this SFM Plan, the Company has instituted a process to continually update and maintain the Public Mailing List for use in keeping in contact with interested parties across the DFA in terms of SFM. The update process will occur annually in conjunction with public participation activities associated with the preparation of each AOP.

The Company maintains a public input database for external comments as outlined in the EMS (EMS Manual Section 4.3) including documentation of records in the EMS/SFM module entries.

## **6.5 Reporting**

A number of reporting mechanisms are in place for the DFA in terms of provincial legislative and FML Agreement requirements, EMS reporting and specific SFM reporting on progress made in meeting SFM performance objectives. The role of reporting within the SFM System is crucial to providing information to management in order to provide for adaptive management and continual improvement. Closely linked to the internal and external communication procedures of the Company, reporting processes are outlined in the EMS (EMS Manual Sections 4.2 and 4.3).

The Annual Report for the EMS includes:

- Record of compliance with legislation;
- Summary of Environmental Incident Reports;
- Review of significant risks and recommended changes from process improvement;
- Summary of SFM Plans and other certification reports;
- Review of objectives and targets and recommended changes from process improvement;
- Summary of completion of programs;
- Summary of process improvement recommended changes to corporate EMS procedures;
- Recommended changes to Environmental Policy from process improvement;
- EMS, SFM and compliance audit results;
- Summary of external communication issues; and,
- Work plan for coming years.

The Annual EMS Report provides input to the management review process and review of objectives, targets, environmental programs and operational controls.

An Annual Report will be prepared and made available to the public describing the Company's progress in meeting and maintaining the SFM requirements. The SFM Report will provide the opportunity for the Company to communicate how the policy commitments are being implemented and how continual improvement is being made. The Annual SFM Report will include:

- Progress, successes and shortcomings made within the SFM performance framework;
- Emerging issues being encountered;
- Future plans;
- Corrective actions required; and,
- Management commitments for moving forward.

The SFM Report will be reviewed with the SFM Committee to incorporate input prior to the report being finalized. Findings of the EMS and SFM Annual Reports will be reviewed at the Tolko Manitoba Woodlands Contractor Meetings.

As required by the FML Agreement, the Company provides an Annual Forest Management Report to MC to report upon all forest management activities conducted on the DFA during the preceding year. The report is utilized to summarize actual implementation of forest management activities as compared to those proposed in the associated AOP. Information presented in the Annual Forest Management Report includes:

- Manufacturing facility production;
- Wood fibre supply in terms of harvesting, regulation of the AAC and deliveries;
- Timber stumpage dues collection;
- Timber sale administration activities;
- Forest renewal activities;

- Access development;
- Planning and reporting;
- Forest protection;
- Forest inventory;
- Integrated resource management;
- Public communication; and,
- Company organizational structure.

The Company also maintains a Harvest Cutblock Status Report which maintains a summary of harvesting, renewal and regeneration success for all areas harvested on the DFA. This report is maintained and updated annually.

The Company prepares and submits quarterly Crown Timber Dues Reports to the Province to update activities regarding the collection of timber dues, renewal charges and any other associated penalties or other charges from Manitoba Timber Sale operators conducted by the Company on behalf of the Province. As per the FML Agreement the Company undertakes these activities under authority of *The Forest Act*.

These and other operational reporting processes are viewed as crucial to assess the result of implementation of forest management plans on the DFA and progress made in achieving SFM. As described earlier with regard to communication processes, the Company will provide summaries of the Annual EMS Report and the Annual SFM Report on the Company's website to enable broad public distribution.

## **6.6 Documentation**

This SFM Plan contains the documentation on the performance framework and the implementation process for achieving SFM and meeting the requirements of the CSA Z809-02 Standard for the DFA. The SFM Plan document will be maintained along with other pertinent documents for reporting on SFM on the Tolko Manitoba website.

All relevant documentation arising from the commitment of the Company to develop the SFM Plan and implement the requirements of the CSA Z809-02 Standard on the DFA will be maintained within the EMS. The current version of all procedures required for implementation of SFM on the DFA will be maintained on the intranet within the EMS document control system (EMS Manual Section 4.4).

The SFM Annual Report, EMS Annual Report (EMS Manual Section 4.2), the Company's Annual Forest Management Report to MC, and other reports and documents as pertinent, will provide information on the SFM Plan and the progress made in SFM implementation on the DFA as applicable.

Annual review and communication of the requirements of the EMS and SFM with contractors and suppliers of the Company working on the DFA is documented on the Contractor Orientation Record, updated annually and maintained on the EMS intranet. Additional communication follow-up with contractors occurs at the pre-work stage through a "tailgate" meeting with documentation through a Project Tailgate Checklist (EMS Manual Section 4.5).

## **6.7 Document Control**

The SFM Plan and all pertinent procedures and other documents will be included in the EMS Document Control Register (Corporate EMS Intranet website) and will be treated as controlled documents within the Company's EMS (EMS Manual Section 4.4). All such documents will be registered to ensure that they can be readily located. The SFM Champion will be responsible to distribute and maintain control of all SFM Plan and related documents pertaining to the SFM System. Through the EMS procedures (EMS Manual Section 4.4) periodic revision will occur in response to suggestions raised through the process improvement procedure (EMS Manual Section 5.2) or through other communication processes including internal and external communications (EMS Manual Sections 4.2 and 4.3). Any updates to the controlled SFM documents will result in a new version which will be clearly differentiated from the original document by the date of revision.

## **6.8 Operational Procedures and Control**

The legislation and government guidelines that pertain to the DFA provide the overall legal framework that will be followed in implementing forest management.

During the FMP development process, the Company prepared the Forest Management Planning and Operating Practices (FMPOPs) Manual which documents the processes and practices to be followed by Company staff and employees and by contractors and their workers in undertaking forest management activities on the DFA. The FMPOPs form an important component of the FMP in terms of documenting the processes for implementation of the Plan. The implementation of the FMPOPs in the field led to the development of the Forest Management Planning and Operating Practices Operators Guide (1999) for use in training and educating Company and contractor staff, employees and workers in the key field components of the FMPOPs and for providing operational procedures for their implementation.

The FMPOPs and the associated Operators Guide are currently in the process of being updated. These documents are also updated annually and will be reviewed with all contractors at the Annual Woodlands Meeting. In addition, updated versions of the Operators Guide are attached as an appendix to the standard contract issued to each contractor.

In development of the EMS, review of significant environmental risks and impacts led to development of Standard Operating Procedures (SOPs) necessary to ensure conformance with the Environmental Policy(s) and the EMS and CSA SFM objectives and targets (EMS Manual Section 3.3). Through the process model of the EMS, Standard Operating Procedures and other operational control mechanisms (forms, etc.) have been prepared, approved by management and implemented as necessary to assure that operational tasks conducted by Company Woodlands personnel and contractors will be undertaken consistent with all applicable legal and guideline requirements for the DFA and the

requirements of SFM. In addition, on-going and newly developed programs such as training seminars, development of guidelines, development of new systems (such as road monitoring) and other processes are undertaken within the EMS and SFM Systems as part of the commitment to continual improvement. As outlined in the EMS (EMS Manual Section 3.1) any Tolko employee can propose a new risk for consideration through the process improvement procedure within the EMS. Such proposals will be reviewed and considered for potential addition to the significant risks list leading to additional SOP development and implementation to provide control.

As outlined in the EMS (EMS Manual Section 4.5) the requirements of the EMS and SFM for the DFA are communicated and documented with contractors and suppliers to ensure that they understand the requirements of the EMS and CSA SFM that apply within the terms and conditions of the EMS and their contract agreement or purchase order with the Company. Annual review is undertaken with all relevant contractors with information on all key concepts, issues, obligations and procedures of the EMS and SFM Systems that are appropriate to the contracted activities recorded on the COR. Additional follow-up with contractors occurs at the pre-work stage through a “tailgate” meeting and completion of a Project Tailgate Checklist (EMS Manual Section 4.5). On-going inspections are undertaken throughout the implementation of operations with results captured for follow-up and reporting using Operations Inspections Forms (EMS Manual Section 5.1, MB-Form-WL201).

Manitoba Timber Sale Operators who conduct forest management activities on the DFA are licensed independently and directly by the Manitoba Government, and as such, these operators are not controlled by the Tolko EMS or the associated SOPs. These operators are required to fully comply with all legislation, regulations and government guidelines pertinent to the DFA and are controlled in their activities through the compliance and enforcement activities of MC. To increase the overall knowledge and awareness of the Manitoba Timber Sale Operators on the DFA the Company will provide all relevant SOPs and Operator Guides to these operators. A number of these operators also conduct activities under contract to the Company on the DFA as contractors. In these roles the operator is directed and managed under the Company’s EMS and SFM Plan.

## **6.9 *Emergency Preparedness and Response***

Emergency preparedness and response procedures are in place (EMS Manual Section 4.6) to guide development of emergency preparedness plans prepared by the Company for the DFA. Emergency Preparedness Plans in place for the DFA include the Fuel and Oil Spill EMP (MB-SOP-WL 010), Forest Fire EMP (MB-SOP-WL001) and the Herbicide Spill Emergency Preparedness Plan (MB-SOP-WL020).

The procedures for forest fire response are tested and reviewed on a regular basis as a result of the action required to address natural and man-made occurrences of fire on the DFA. The Forest Fire EMP includes requirement for updating and submission of the Company’s Fire Protection and Suppression Plan on an annual basis including review with MC Regional Services. The Forest Fire EMP includes provision for taking appropriate preventative and mitigative steps through application of forest operations

modification guidelines (including restrictions or shutdown of operations) and application of forest operations fire equipment standards.

The Company's Woodlands Workplace Safety and Health Program includes safety regulations and procedures to address emergency preparedness and response in terms of working alone, travel on Company and public roads, travel on lake ice crossings, off-site emergency response and incident investigations.

A testing procedure is included within the EMS. Testing is undertaken annually unless the emergency preparedness and response plans have been fully utilized through actual emergency events (EMS Manual Section 4.6).

### **6.10 Monitoring and Measurement**

As reported in the 1997 – 2009 FMP, the Company has developed and maintained a number of monitoring and measurement mechanisms to assess and report on its forest management activities on the DFA. The Company has long recognized the role of monitoring of actual results of forest management activities as compared to planned activities, the Company is able to make needed adjustments and changes to achieve continual improvement in its operations. The Company has established a Geographic Information System (GIS) to provide the infrastructure tool necessary to enable the up-to-date recording of all activities, maintenance of an updated forest inventory, and to allow for analysis of such factors as wood supply and wildlife habitat supply.

Record keeping information is collected and maintained for all harvest, road development and forest renewal activities that take place in the DFA. Procedures have been established for collection, input and summary of all forest management activity information, including its storage in the GIS. The capabilities of the GIS permit Company staff to produce up-to-date maps and tabular data on any area within the DFA for use in planning, monitoring and reporting.

In compliance with FML Agreement and MC requirements, the Company maintains harvest, renewal and regeneration records for the DFA through the GIS. These records are also utilized by the Company to maintain the forest inventory for the DFA up-dated with respect to forest management activities. Forest renewal monitoring and measurement includes the use of MC certified regeneration surveys to track the success or need for further renewal work for all areas harvested.

From the data collected for harvesting, renewal and regeneration of cutblocks, a Harvest Cutblock Status Report is produced each year to summarize harvest and renewal activity and to report on the percentage of regeneration survey certification achieved for a given harvest year. A Forest Management Annual Report is prepared and submitted to MC each year which provides monitoring and reporting on all activities conducted in the previous year relative to the respective AOP proposals. A follow-up meeting is held between the Company and MC to review the findings of the Report, which includes information on manufacturing facility production, wood harvesting and deliveries, regulation of the AAC, stumpage dues collection and the administration of Manitoba

timber sale operations on the DFA, forest renewal, access development, planning, forest protection, integrated resource management and public communication activities.

The continuing operation of the FML Area FRAC and the Snow Lake FRACs is viewed as an important component of the overall monitoring program of the Company. Through on-going interaction with the FRAC committees the Company is committed to review planning and operations to seek input, review findings and to take corrective action when necessary. As described earlier in this SFM Plan, the FML Area FRAC and the SFM Committees will be joined moving forward as this SFM Plan is implemented for the DFA and the committee moves into its long-term monitoring and reporting role for SFM in addition to continuing to fulfill the other objectives for which the committee was formed.

As described in the EMS Manual (Section 5.1), the Company is committed to monitoring and measurement of environmental performance relating to the EMS, including the measurement of SFM performance for the DFA. Monitoring and measurement of indicators of SFM for the DFA is a crucial part of checking and corrective action leading to continual improvement.

An overview of the monitoring and measurements to be conducted in meeting SFM requirements on the DFA is provided in the Summary Tables for the Performance Framework (Appendix 7) as well as on the individual indicator fact sheets in Section 5.

#### **Assessment of Public Participation Process for SFM**

At the conclusion of the SFM Plan development process and on an annual basis thereafter the Company will undertake an assessment of the public participation process utilized for SFM on the DFA. The effectiveness of the process will be examined with input sought from the participants themselves, with the objective of identifying strengths and weaknesses and to obtain input on suggested improvements in order to make improvements to the public participation process on an on-going basis. The results of this review will be shared with the participants themselves as well as with the broader public. Indicator 6.3.1.1.1 has been developed to include the assessment and reporting on satisfaction in the SFM public participation process within the performance framework itself.

#### **Assessment of the Performance Framework for the FML Area No. 2 DFA**

On an annual basis a formal review of the performance framework will be undertaken as part of the divisional review process for the DFA. This review will assess the continuing effectiveness and validity of the values, objectives, indicators and targets utilized as the performance framework for the SFM Plan. In addition to this internal review as part of the divisional review, the performance framework will be reviewed with the SFM Committee as part of this formal review. The values, objectives, indicators and targets will also be maintained on the Tolko Manitoba website thereby providing the opportunity for the public to view the framework and provide any feedback to the Company through contact information posted on the website ([www.tolkomanitoba.com](http://www.tolkomanitoba.com)).

### **Assessment of SFM Performance Indicators**

Assessment of the SFM performance indicators will be undertaken according to the program outlined in the individual fact sheets provided in Section 5 of this SFM Plan for each indicator and the summary tables contained in Appendix 7 for each of the indicators. This table and the fact sheet descriptions outline the schedule for measurement of each indicator in terms of measurement frequency and the protocol that will be utilized.

Measurements in terms of levels observed for each indicator will be recorded and compared to the target that has been established as part of the performance framework. Findings will be documented along with any variances from the target levels in the Annual SFM Reports. The reports will follow-up with an assessment of reasons for any variances including situations where the planned activity to which the indicator is correlated was not fully implemented, deficiencies in information available at the time of indicator/target establishment that may have resulted in false assumptions regarding the ability to achieve the targets, an unsuitable indicator selection, or factors beyond the control of the Company that have influenced the measured results. The resulting assessment of the performance indicators will be utilized to identify where progress is being made towards achieving SFM Plan objectives.

A detailed description of the monitoring and reporting processes associated with each of the indicators applicable to the SFM performance framework for the DFA is provided with the indicator descriptions set out in Section 5 of this SFM Plan.

### **Assessment of SFM System Requirements**

The SFM System for the DFA will be assessed utilizing the EMS audit process as described in the EMS Manual (Section 5.4) and in ISO 14001: 1996 Certification and Surveillance Audits and the SFM System audit process as described in CSA Z809-02: Certification and Surveillance Audits. These system audits will be utilized to determine the adequacy of the Tolko EMS and the SFM System developed for the DFA as compared to the requirements of the CSA Z809-02 and ISO 14001 Standards. The process improvement (EMS Manual Section 5.2) and management review (EMS Manual Section 6.0) processes within the EMS will be applied to the review and continual improvement process as it applies to the SFM System for the DFA.

### **Assessment of Legal Compliance**

Through the Contractor Orientation Process (COR), project tailgate meetings (Project Tailgate Checklist Form) and operational inspections (Operational Inspection Form) and other on-going processes within the EMS, the performance of each contractor is inspected, monitored and reviewed by the Company. In addition, MC undertakes on-going compliance inspections and follow-up processes for review of contractor adherence to legislation and regulatory requirements and specific plan and work permit approval conditions applicable to their operations. The results of the MC compliance inspections are documented on Manitoba Conservation Timber Cutting Inspection Reports, with a copy of the results being provided to the Company for their records. These Timber Cutting Inspection Reports forms are filed and tracked with the applicable approved Work Permit for the contractor at the offices of the Company. The Company and MC

have established a mutual arrangement for exchange of information resulting from operational inspections and timber cutting inspections on a regular basis. Within the performance framework, several indicators have been developed that will track and report upon any major non-compliances that occur (resulting in summary procedure or indictment notification).

Procedures for identifying and resolving non-conformances and non-compliances on contractor operations are identified in the EMS and the COR. This process includes discussion and documentation of the consequences of non-conformance, including potential termination of the contract and/or fines (COR and SOPs). The roles and responsibilities of contractors to meet SFM requirements are identified in the EMS Manual.

### **6.11 Compliance to Legislation**

As stated earlier, the Company is committed, through its Environmental Policy and Forest Management Principles, to operating within the framework of all legislation and regulations applicable to the DFA. Within the EMS (EMS Manual Section 5.1), the Company has put procedures in place to ensure that performance as compared to legislation and regulations will be monitored, assessed and reported.

As a component of the EMS the Company maintains a library of all legislation and regulations pertaining to management of the DFA at the Woodlands office located at the millsite at The Pas (EMS Manual Section 3.2). The library is maintained up-to-date with all revisions communicated to Company staff through the EMS intranet monthly. In addition, contractors are advised of changes that effect their operations. Changes to legislative requirements, guidelines and operating procedures are also discussed at the Annual Woodlands Contractors Meeting.

Through the Contractor Orientation Process, project tailgate meetings, operational inspections and other on-going processes within the EMS, the performance of each contractor is inspected, monitored and reviewed by the Company. In addition, MC undertakes on-going compliance inspections and follow-up processes for review of contractor adherence to legislation and regulatory requirements and specific plan and work permit approval conditions applicable to their operations. Legal compliance of all third party operations on the DFA is regulated by MC through compliance inspections of operations by Natural Resource Officers who review operations in terms of AOP and Work Permit conditions and legal requirements with results identified on Manitoba Conservation Timber Cutting Inspection Reports issued to each respective third party.

Procedures for identifying and resolving non-conformances and non-compliances on contractor operations are identified in the EMS and the COR. This process includes discussion and documentation of the consequences of non-conformance, including potential termination of the contract and/or fines (COR and SOPs). The roles and responsibilities of contractors to meet SFM requirements are identified in the EMS Manual in Section 4.5. Any non-conformances or non-compliances will be addressed through corrective and preventive actions as described in the process improvement procedure set out in the EMS (EMS Manual Section 5.2).

As noted earlier, several indicators have been developed (3.1.1.1.2, 3.2.1.1.1 and 5.1.1.2.1) within the performance framework that will track and report upon any major non-compliances that occur through the MC monitoring process (resulting in summary procedure or indictment notification).

## **6.12 Corrective and Preventive Action**

Within the EMS the Company has developed process improvement procedures (EMS Manual Section 5.2) to provide direction in investigation and initiating corrective and preventive action and for making improvement suggestions to the EMS and SFM Systems.

The Company utilizes a number of mechanisms to identify non-conformances and opportunities for improvement including:

- EMS and SFM audits;
- Compliance audits;
- Operational inspections and maintenance activities;
- MC and other government department input including Timber Cutting Inspection Reports;
- Incidents and near-incidents, including emergency situations;
- Internal and external communications;
- Monitoring and measurement of the SFM Performance Framework and other activities;
- Review and input obtained from the CSA SFM Committee and FML Area and Snow Lake FRAC Committees;
- Internal Company EMS/SFM Staff Committee reviews;
- Direct observation and input received from members of the public;
- Direct observation and input received from contractors; and,
- Employee suggestions for improvement.

These mechanisms provide the input opportunities for the implementation of the process improvement procedures (EMS Manual Section 5.2) commencing with completion of a Process Improvement Form (PIF) for submission and follow-up with the Woodlands Manager for Tolko Manitoba Divisional level EMS and SFM issues and with the Corporate Sustainability Manager for Corporate or EMS System improvements.

Where an employee, contractor or supplier feels that an opportunity for improvement exists the issue is to be discussed with the appropriate supervisor and a PIF will be completed. Discussion with the Woodlands Manager or Sustainability Manager as appropriate will then occur with the Manager ensuring that a Corrective Action Plan (CAP) will be developed as required and the results of the issues and results will be communicated.

In the case of a non-conformance resulting in a significant environmental incident the employee, contractor or supplier who discovers the incident will first ensure the safety of themselves, other workers and the public and then take immediate action to prevent further impact on the environment. Following these actions the employee, contractor or

supplier who discovered the significant environmental incident should inform the appropriate Tolko Company supervisor and complete an Environmental Incident Report (EIR) (EMS Manual Section 5.2). The author of the EIR will notify the Woodlands Manager or Area Manager as appropriate.

For any occurrence of a non-compliance with legal requirements resulting from a government agency investigation, the appropriate supervisor will complete an EIR to be forwarded to the Woodlands Manager or Area Manager as appropriate. Upon receiving a completed EIR the Manager will ensure the development of a long-term response including a root-cause analysis and a Corrective Action Plan. Included in the review will be an assessment of the operational controls related to the incident and the need for modification of these controls and any creation of new controls required. Communication of any process improvements to appropriate employees, contractors and suppliers would then be undertaken.

For all EMS and SFM process improvement procedures the Woodlands Manager will verify that the prescribed actions have been taken through ensuring that tasks and follow-ups are completed, verify the effectiveness of the prescribed actions by closing the PIF or EIR, and ensure that all required documentation is completed, filed and communicated to necessary individuals (EMS Manual Section 5.2).

The EMS/SFM Staff Committee reviews all PIFs and EIRs during regular meetings with advice to the appropriate staff provided for follow-up. These reviews are documented in the minutes of the EMS/SFM Staff Committee meetings and posted at the Company's EMS intranet.

### **6.13 Records**

A procedure for the identification, maintenance and disposition of SFM requirement records, including training records and the results of audits and reviews is included within the EMS (EMS Manual Section 5.3). As described in the EMS Manual, all SFM records will be maintained electronically within the EMS intranet unless otherwise controlled at the Tolko Manitoba Solid Wood Division or as required by legislation. In terms of retention times, all records will be kept for a minimum of 3 years unless otherwise stated in a Standard Operating Procedure or as required through legislation.

The current record keeping process relevant to actual operations as compared to AOP proposals is tracked through the Annual Forest Management Report. As described earlier under reporting, a number of other operational reports are produced that constitute records of forest management activities on the DFA.

### **6.14 Internal Audits**

A procedure outlining the process for conducting audits of SFM and EMS requirements is included in the EMS (EMS Manual Section 5.4). The procedures are in place to ensure that the EMS conforms to the requirements of SFM (CSA Z809-02) and EMS (ISO

14001). The internal audit process is crucial to ensuring that the SFM System is in place to make progress towards SFM for the DFA. As outlined in the EMS Manual (Section 5.4) the results of all EMS and SFM internal audits will be provided to senior management to be included within management review for the DFA.

### **6.15 Management Review**

The management of the Company will undertake an annual review of SFM requirements and the SFM System to ensure that progress towards SFM for the DFA occurs. The management review process is described in the EMS (EMS Manual Section 6.0). The management review will review SFM and the EMS to ensure the continuing suitability, adequacy and effectiveness of the systems in place on the DFA.

The divisional review process will include input from the internal EMS/SFM Staff Committee which fills an important on-going role in the maintenance of the SFM System for the DFA to ensure that all required communication processes necessary to the maintenance of the EMS and SFM Systems are in place. The committee assists in ensuring the flow of information between senior management and DFA-related workers is operating effectively including information required for to meet all training and awareness requirements, monitoring and management review and continual improvement of the EMS and SFM Systems.

The management review will address the possible need for changes to Company policies, targets, and other SFM requirements, in light of audit results, changing circumstances, compliance results and the commitment to adaptive management and continual improvement for the DFA.

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## 8.0 List of Acronyms

AAC	Annual Allowable Cut
AOP	Annual Operating Plan
ASI	Area of Special Interest
CCFM	Canadian Council of Forest Ministers
CEC	Clean Environment Commission
CO	Cutover
COR	Contractor Orientation Record
COSEWIC	Committee On the Status of Endangered Wildlife In Canada
CSA	Canadian Standards Association
DFA	Defined Forest Area
DFO	Department of Fisheries and Oceans
EIA	Environmental Impact Assessment
EIR	Environmental Incidence Report
EIS	Environmental Impact Statement
EMS	Environmental Management System
FEC	Forest Ecosystem Classification
FML	Forest Management License
FMP	Forest Management Plan
FMPOPs	Forest Management Planning and Operating Practices
FMU	Forest Management Unit
FPAC	Forest Products Association of Canada
FRAC	Forest Resource Advisory Committee
FTG	Free to Grow
GIS	Geographic Information System
Ha	Hectares
HSI	Habitat Suitability Index
IRMT	Integrated Resource Management Team
ISO	International Standards Organization
IWA	International Woodworkers of America
LGD	Local Government District

MB	Manitoba
MC	Manitoba Conservation
ME	Manitoba Environment
MESA	Manitoba Endangered Species Act
MMF	Manitoba Metis Federation
MNR	Manitoba Natural Resources
NFA	Northern Flood Agreement
PHA	Pre-harvest Assessment
PHFI	Pre-harvest Forest Investigation
PIF	Process Improvement Form
PR	Provincial Road
PSP	Permanent Sample Plot
PTH	Provincial Trunk Highway
Rge	Range
SARA	Species at Risk Act
SCTC	Swampy Cree Tribal Council
SFM	Sustainable Forest Management
SOPs	Standard Operating Procedures
SPF	Spruce – Pine – Fir
TLE	Treaty Land Entitlement
Twp	Township
VTE	Vulnerable, threatened and endangered
WPM	West Prime Meridian
WHMIS	Workplace Hazardous Materials Information System

## 9.0 Appendices

### List of Appendices

- Appendix 1: Summary of the 1997 – 2009 Forest Management Plan for the DFA
- Appendix 2: Tolko Environmental Policy
- Appendix 3: Tolko Forest Management Principles
- Appendix 4: Tolko Aboriginal Policy
- Appendix 5: SFM Plan Public Participation Supplement
- Operating Ground Rules for The Pas FRAC;
  - Operating Ground Rules for Snow Lake FRAC;
  - Operating Ground Rules for CSA SFM Committee;
  - Issues and Concerns Table for the SFM Plan;
  - Parking Lot Items Raised during SFM Committee Deliberations;
  - Summary of Themes Covered in Discussions and Deliberations of the SFM Committee; and,
  - Copies of sample letters utilized to inform interested parties on the DFA of the SFM Plan development process and invite their participation.
- Appendix 6: Table of Implications of Alternate Management Strategies for the DFA
- Appendix 7: Summary Tables of the Performance Framework for the DFA
- Appendix 8: Issues and Concerns Identified During Public Development of CSA-SFM Plan
- Appendix 9: Summary of the Requirements of the CSA SFM Z809-02 Standard

# **APPENDIX 1**

## **SUMMARY OF THE 1997-2009 FOREST MANAGEMENT PLAN FOR THE DFA**

# 1997 – 2009 Forest Management Plan Summary

## 10.0 Introduction

The Company's 1997-2009 Forest Management Plan (FMP) describes timber harvesting, access development, and forest renewal activities planned for the Tolko Manitoba Forest Management License Area (FML Area No. 2) for the 13 year period of 1997 to 2009 inclusive. This summary of the FMP has been prepared as an appendix document to the SFM Plan being prepared by the Company to meet the Sustainable Forest Management (SFM) requirements of the CSA Z809-02 Standards. The SFM Plan is based upon the approved and licensed plans for forest management activities and processes presented in the FMP and as such, some directly applicable material has been referenced within the SFM Plan document itself. The full version of the Company's 1997-2009 FMP, along with the associated Environmental Impact Statement (EIS) is available for viewing by the public at Manitoba Conservation Environment Approvals Branch Public Registries. This summary of the FMP has also been made available for public access via the Company's website for presentation of SFM related materials at [www.tolkomanitoba.com](http://www.tolkomanitoba.com).

The FML Area No. 2 DFA has been reduced in size from the area that was in effect as the FML Area at the time the 1997 – 2009 FMP was prepared, submitted and approved. Section 8 (A) of the FML Agreement between the Company and the Province of Manitoba describes the original FML Area No. 2 as consisting of two parts: Area I and Area II. In 2002 the geographic area encompassed by "Area II" was withdrawn from FML Area No. 2 resulting in the DFA that is now in place and to which the SFM Plan applies. In addition, the rights to harvest of stands on the DFA classified as "Hardwood" and "Mixedwood" in the Manitoba Forest Inventory were withdrawn from the Company and repatriated back to the Crown in 2002. As such, the hardwood and mixedwood resources on the DFA are now managed and allocated by MC.

The manufacturing facilities of the Company located at The Pas, Manitoba, and the rights and responsibilities for the management of the forest resource of FML Area No. 2 were acquired by Tolko Industries Ltd. on August 8, 1997. The Company was acquired by Tolko Industries Ltd. after the 1997-2009 FMP was submitted to the Government of Manitoba for approval and licensing, but prior to the holding of Clean Environment Commission (CEC) public hearings on the FMP. As such, Tolko Industries Ltd. had acquired control of the operation prior to the final public review, and the MC approval and licensing of the FMP which occurred by the end of 1997. Tolko Industries Ltd. is on record as fully supporting and endorsing the content and commitments made in the 1997 – 2009 Forest Management Plan.

As a result of the changes that have occurred with respect to the ownership of the Company and resulting responsibility for management of the DFA, as well as to the size and extent of the DFA itself as outline above, commentary on these changes is provided throughout this summary as applicable. It is important to note that the change in the extent of the DFA is a result of the withdrawal of areas from portions of the original FML

Area No. 2 that previously extended further into the Mountain and Interlake Forest Sections than is now the case with the DFA. As such it is noted that the entire DFA currently in effect was included in the FML Area at the time of FMP preparation, submission and approval and was included in the biophysical and resource use descriptions, sustainability assessment, proposed operations and all other components of the FMP presentation.

The FMP, which is a requirement of the Company's FML Agreement with the Province of Manitoba, required and received approval by Manitoba Conservation (MC), formerly Manitoba Natural Resources (MNR) and a license under the Manitoba Environment Act. An Environmental Impact Assessment (EIA) of the FMP was undertaken and a separate Environmental Impact Statement (EIS) submitted to Manitoba Conservation Environmental Approvals Branch, formerly Manitoba Environment (ME). The FMP received approval under *The Forest Act* and an Environmental License (Manitoba Environment License # 2302 E) under *The Manitoba Environment Act* in 1997.

The timber to be harvested under the FMP is utilized to supply the Company's mills at The Pas and to meet the requirements of third party operators who also have rights to wood supply on the DFA through their Timber Sale Agreements with Manitoba under the Manitoba Timber Sale System.

Tolko Manitoba's manufacturing facilities (unbleached kraft paper mill and sawmill) are described, along with the Woodlands organization which is responsible for planning and implementing the Company's forest management activities. The Company presently employs approximately 550 workers, with an estimated 200 additional people employed in contractor operations directly related to the Company's wood supply needs.

The Company's commitment to sustainable development, the economic and social benefits related to the implementation of the FMP, and the processes for communicating with the public and soliciting input on the FMP are reviewed. The latter includes public information meetings, resource user consultations, the recently established Forest Resource Advisory Committee (FRAC), and the other public awareness activities of Company staff. As one user of the forest, the Company is committed to participating with other forest resource users, the provincial government, and non-government organizations in processes to meet SFM objectives for the DFA.

Introductory material presented in the FMP includes:

- Terms of reference;
- History and overview of the Company to the point in time at which the FMP was produced, including manufacturing facilities, and the Woodlands organization;
- Commitment to sustainable development;
- Preview of the FMP;
- Public participation processes; and,
- Economic and social benefits of the operation.

## **11.0 Forest Resource Organization and Administration**

The ecological context of the DFA and the administrative boundaries established by the Province of Manitoba for forest management are described.

The process by which regulation of the Annual Allowable Cut (AAC) is undertaken by MC is presented, along with a summary of the respective planning and administration responsibilities of the Company and Manitoba as set out in the Forest Management License (FML) Agreement.

Forest resource organization and administration material presented in the FMP includes:

- Ecological context of the DFA;
- Administrative boundaries;
- Regulation of the AAC;
- Company and Province of Manitoba responsibilities; and,
- Joint responsibilities of the Company and Louisiana Pacific Canada for hardwood planning in the portion of Forest Management Unit (FMU) 12 contained in the DFA.

## **12.0 Biophysical Environment for FML Area No. 2**

The description of the biophysical environment for FML Area No. 2 includes information on the lands and resources that make up the FML Area. As described earlier, the area encompassed by FML Area No. 2 at the time that the FMP was prepared, submitted and approved included area that is no longer part of the FML Area identified as the DFA for this SFM Plan. All lands included in the DFA are, however, included within the area for which biophysical environment information was presented when the FMP was prepared.

The characteristics of the FML Area No. 2 DFA described in the FMP include:

- Ecological land classification including ecozones and ecoregions;
- General land description including geology, topography and landforms, soils, climate and the carbon budget, air quality and vegetation;
- Hydrology including watersheds, surface water resources and groundwater;
- Timber resources including the Manitoba Forest Inventory, forest fires, extreme weather conditions, insects and disease, and the condition and supply of timber;
- Terrestrial wildlife including ungulates, furbearers, small mammals, birds, reptiles and amphibians; and,
- Aquatic wildlife including fish and aquatic invertebrates.

## **13.0 Land and Resource Use**

The description of land and resource uses for FML Area No. 2 includes information on the land and resource uses that are present on the FML Area. As described earlier, the area encompassed by FML Area No. 2 at the time that the FMP was prepared, submitted and approved included area that is no longer part of the FML Area identified as the DFA

for this SFM Plan. All lands for which the land and resource uses that are applicable to the DFA are, however, included within the area presented when the FMP was prepared.

The land and resource uses of the FML Area No. 2 DFA described in the FMP include:

- An overview of Crown land classification and administration in Manitoba;
- Transportation infrastructure including provincial road network, railways, and transportation services;
- Hydroelectric power and natural gas development;
- Mining activities;
- Agriculture activities;
- Provincial water resource infrastructure;
- Fishing activities including commercial, sport, and domestic fishing;
- Wild rice harvesting including commercial and domestic production;
- Hunting activities including recreational and domestic hunting;
- Trapping and trapline administration;
- Lodges and outfitting;
- Snowmobiling;
- Skiing;
- Designated waterways;
- Special places including parks, wildlife management areas, and ecological reserves and heritage resources;
- First Nations Lands including Indian Reserves, Treaty Land Entitlement, Northern Flood Agreement and Co-management Agreements;
- Tourism; and,
- Special forest products.

## **14.0 Former and Existing Forest Management Practices**

The planning framework for the DFA encompasses multi-year forest management plans, annual harvest and renewal plans and work permits guided by the legal and regulatory requirements of the Province of Manitoba and the requirements of the FML Agreement between the Company and the Province. The framework includes:

- Long-term strategic forest management plans guided by Manitoba's *Ten Year Forest Management Plan Submission Guidelines* (MNR 1998);
- Annual operating plans guided by Manitoba's *Planning and Submission Requirements for Annual Operating Plans* (MNR 1994); and,
- Work permit applications for each harvest, road development and forest renewal activity.

All forest management activities undertaken on the DFA are reviewed and approved through the government approval process which includes:

- On-going joint review and mitigation development during the course of plan development with the Integrated Resource Management Teams (IRMTs) representing the various Branches of government on behalf of the range of

biophysical and resource values present on the DFA. Final review and approval of each FMP, AOP and respective work permits occur through these bodies for the DFA;

- Review and approval of FMPs and AOPs by the Integrated Directors Group (IDG) for review from a provincial perspective;
- Review and licensing of the FMP under *The Manitoba Environment Act* by MC Environmental Approvals Branch (formerly Manitoba Environment);
- Application for a work permit for each forest management operation on the DFA with approval through the respective IRMTs with final site-specific mitigation and work permit conditions of operation identified; and,
- Final on-the-ground monitoring and inspection process with District Natural Resource Officers.

The discussion of access development presents an overview of existing access development on FML Area No. 2. In conjunction with the development of the FMPOPs the Company developed a road classification system which is presented in the plan and has been utilized to categorize all Company roads on the DFA and for tracking and monitoring in the Company's Geographic Information System (GIS). The planning and development process for road construction as well as for associated maintenance requirements is outlined.

An historical overview of logging on FML Area No. 2 is presented in the FMP. Commercial logging operations commenced in 1908 by the Finger Lumber Company along the Saskatchewan River. The first operations for the current mill complex of the Company and its predecessors began in 1969 in the Saskatchewan River Forest Section of the DFA with cut and skid operations. Mechanical harvesting operations began in the DFA in the 1970's and have progressed to this day with up-to-date mechanical systems including cut-to-length operations. Deliveries include both road and rail transport from the areas of the DFA. Annual volumes harvested from FML Area No. 2 to supply the mills at The Pas since 1969 are summarized.

The Manitoba Timber Quota System under which independent timber sale operators harvest timber on the DFA is described. Under this system, MC, formerly MNR has granted third parties the rights to harvest specified volumes of timber from FML Area No. 2. Softwood and hardwood volumes harvested by third parties for their own use from FML Area No. 2 are summarized.

Forest renewal responsibilities of the Company and MC, silviculture systems, forest renewal requirements and prescriptions are reviewed. An historical overview of the Company's forest renewal activities is presented, including tree planting, site preparation, scarification, juvenile spacing, and herbicide release. Prior to development of the FMP, 51 million seedlings had been planted from 1984 to 1995 as the Company took on responsibility for forest renewal on the DFA. Since that time the Company has now planted over 100 million seedlings on the FML Area. Regeneration survey results and the Manitoba Forest Renewal Stocking Standards are presented.

Tolko Manitoba's commitment to integrated resource management is outlined and specific activities are described in the FMP. The Company recognized the importance of

integrating other values on the DFA within the planning process through public communication and participation in planning processes and working with the various guidelines in place for forest management in Manitoba. A key part of the FMP development project was the development of the FMPOPs to integrate other values across the DFA in the development and implementation of forest management activities.

A discussion of forest protection addresses the respective roles of the Company and MC in the protection of forest resources on the DFA. Fire control, and insect and disease protection issues and approaches are described.

The Company's Geographic Information System (GIS) is described and research activities for timber and other resources are summarized. The latter includes participation in a woodland caribou strategy for the FML Area.

## **15.0 Objectives for the 1997-2009 Planning Period**

The mission statement, environmental policy and forest management policy of the Company's predecessor were presented in the FMP. The SFM Policy of Tolko Manitoba as described through the Company's Values, Mission Statement, Forest Management Principles, Aboriginal Policy and Environmental Policy is presented on the Company's website at [www.tolko.com](http://www.tolko.com). The Environmental Policy, Forest Management Principles and Aboriginal Policy of Tolko are also presented as Appendices 2, 3 and 4 of the Tolko Manitoba SFM Plan document. The objectives set out for the FMP to be applied in management of the DFA are as follows:

- Plan and operate within all federal and provincial legislative and regulatory requirements;
- Apply the principles of SFM to provide for sustainable timber production, social and economic values and maintenance of ecosystems;
- Plan and implement operations which recognize non-timber resource values in FML Area No. 2; and,
- Maintain and enhance ongoing public communication processes to provide opportunities for the public to participate in the forest management planning process for FML Area No. 2.

The four objectives for the FMP are accompanied by a series of strategies for the implementation of the FMP in undertaking forest management on the DFA. These objectives have been set out to provide a consistent framework with the requirements of SFM as set out in the CSA Z809 Standard. Subsequent to the FMP, work on the SFM Plan has led to the development of the SFM performance framework for the DFA through an expanded public participation process to capture the values, indicators, objectives and targets for the DFA. This performance framework, set out in the Tolko Manitoba SFM Plan, provides additional and further defined direction to the Company in planning and implementing forest management activities in addition to the objectives and strategies laid out in the FMP.

In addition to identification of the Company's objectives and strategies for forest management on the DFA, the Company's also addressed its role in terms of the Province of Manitoba's Forest Policies in terms of planning and operating practices.

## **16.0 Sustainability Analysis**

*Manitoba's Forest Plan . . . Towards Ecosystem Based Management* (KPMG, 1996) sets the direction for MC for the evolution to ecosystem based management (EBM) of Manitoba's forests. EBM requires managing the forest to ensure future productivity, healthy regeneration, and ecological diversity, as well as satisfying economic, environmental and social values. In accordance with EBM goals and in recognition of the importance of forecasting analysis as a component of SFM planning, the FMP includes an assessment of the sustainability of the wood supply, ecosystems and biodiversity, and wildlife habitat for FML Area No. 2. These sustainability questions are examined for a 100 year forecast period through models utilizing the best available data appropriate to FML Area No. 2.

A sustainability assessment and forecast of the characteristics for forest composition as described by Manitoba FEC V-types and wildlife habitat values as described by Habitat Suitability Index (HSI) values was undertaken for FML Area No. 2 in the preparation of the FMP. The analysis was undertaken for two alternative scenarios representing potential strategies for management of the FML Area:

- Harvest to the full AAC level as per Provincial MC levels; and,
- Harvest to a lower harvest level identified as the potential maximum required to meet the needs of the Company and the Manitoba Timber Sale operators on the FML Area as defined at the time of FMP preparation.

In undertaking the sustainability assessment for these two alternative scenarios, the strategies applicable to both included the Company's commitment to forest renewal for all areas harvested to meet the timber supply requirements of the mill facilities of the Company. In order to test and ensure confidence in the AAC levels applicable to the FML Area, the Company undertook sustainability analysis to examine the forecasted effects of harvest at the AAC levels as the first alternative scenario or strategy assessed. The second alternative scenario examined was to forecast the effects on the elements of the forest utilized in the FMP as indicators at the proposed maximum harvest levels for the Company and third parties on the FML Area at the time of FMP preparation.

Proposed maximum FMP harvest levels and AACs for the FML Area No. 2 in place at the time of FMP development were as follows:

	<b>Softwood (m3)</b>	<b>Hardwood (m3)</b>	<b>Total (m3)</b>
AAC (Level M)	2,639,800	1,124,060	3,763,860
Maximum Proposed Harvest	1,800,000	890,000	2,690,000

Updated proposed maximum harvest levels and AACs for the current FML Area No. 2 DFA are as follows:

	Softwood (m3)	Hardwood (m3)	Total (m3)
AAC (Level 1)	1,645,180	N.A.	1,645,180
Maximum Proposed Harvest	1,224,545	N.A.	1,224,545

As described in the SFM Plan, the harvest levels of the Company and third parties on the FML Area and those currently proposed in the AOP remain well below the maximum harvest levels tested and assessed in the FMP.

Timber supply modeling demonstrated that both the MC AAC and the maximum harvest levels proposed in the FMP (which are within the MC AACs) were sustainable for all forest sections and ecoregions of the original FML Area No. 2 which includes the current DFA, over the 100 year forecast period. The economic and social benefits related to the proposed harvest are also identified as being sustainable.

The wood supply model results were then used in further modeling on an ecoregion basis to analyze sustainability of ecosystems and biodiversity and to assess wildlife habitat supply. The analysis of ecosystem integrity and biodiversity as represented by forecasts of seral state-covertype/Forest Ecological Classification (FEC) composition showed that the distribution remained relatively constant for northern (Ecoregions 88 and 89) and central (Ecoregion 148) ecoregions which incorporate the Highrock, Nelson River and Saskatchewan Forest Sections of the current DFA. The modeling also forecasted a relatively constant supply of habitat for most wildlife species in these same areas.

As noted in the FMP, the Company recognizes that in the implementation of forest management activities over the forecast period, the AAC and related harvest volumes utilized in the FMP modeling analysis will be adjusted in light of actual future forest conditions. This provides opportunity to adjust the AAC and harvest levels to address any potential forecasted adverse impacts on age class structure.

## **17.0 Proposed Operations**

All Company and Company contract operations are to be conducted as documented in the Company's "Forest Management Planning and Operating Practices" (FMPOPs), developed in conjunction with the FMP development process. These FMPOPs, which are included as Appendix 3 to the FMP, document the Company's commitment to responsible forest management planning and operations. The FMPOPs are the basis for measures to mitigate potential environmental impacts of Company and Company contractor forest management activities. The FMPOPs will also play a central role as the Company progresses towards EBM and Sustainable Forest Management (SFM).

In development of the FMP operating areas were established by the Company for planning purposes. They are the areas within which harvesting is planned over the 1997-2009 period. The associated eligible stands for harvest are all forest stands identified as cutting class 3, 4 and 5 in the MC Forest Inventory which are contained within the proposed operating areas.

All-weather and main winter road access development for the 1997 - 2009 period are summarized. The FMP includes proposed construction of 859 kilometres of all-weather road over the 1997 – 2009 period. With the withdrawal of areas south of the 53<sup>rd</sup> Parallel from the FML Area, the current DFA includes 734 kilometres of the all-weather roads proposed in the FMP.

The Proposed Operations Map in the FMP indicates the proposed operating areas, associated forest stands eligible for harvest, and all-weather and main winter road access corridors.

In development of the FMP the Company indicated a potential maximum requirement for wood volumes based upon a proposed mill expansion plan in terms of both softwood and hardwood utilization.

The maximum annual harvest volumes indicated in the FMP to meet the combined requirements of the Company and the third party Manitoba Timber Sale Operators from the original FML Area No. 2 were described as 1,800,000 m<sup>3</sup> of softwood and 890,000 m<sup>3</sup> of hardwood. At present, softwood supply requirements for the Tolko mill facilities remain at a level of 1,224,545 cubic metres of softwood annually. At present the Manitoba Timber Sale Operators on the DFA harvest at levels of 49,361.97 cubic metres of softwood, such that the total wood supply requirements from the DFA remain well within the maximum wood supply requirement proposed in the FMP.

Subsequent to the development of the FMP, as noted earlier and in the SFM Plan, the rights to the hardwood resource on the FML Area No. 2 DFA have been repatriated back to the Province of Manitoba.

Areas harvested will be renewed consistent with the FMPOPs and the Company's commitments and obligations as detailed in the FMP.

## **18.0 Monitoring Activities**

As acknowledged in the FMP, monitoring of forest management activities is essential to measure performance and to provide information for any needed adjustments to ensure continuous improvement through the adaptive management process. Monitoring activities described in the FMP include:

- Record keeping systems in place using GIS technology;
- Harvest and forest renewal records and reports;
- Regeneration surveys of harvested areas and certification status by MC;
- Harvest cutblock status reports to monitor harvest and follow-up reforestation activities and renewal status;
- Forest Management Annual Report to MC, which reports on forest management activities undertaken on FML Area No. 2 for follow-up discussion and review at annual meeting with MC; and,
- Utilization of the FML Area and Snow Lake FRAC committees which also provides on-going public and stakeholder participation in monitoring forest management activities conducted on FML Area No. 2.

As described in the monitoring section of the FMP, the Company made the commitment to develop and implement the SFM System for the DFA in fulfillment of the CSA Z809-02 Standards. A number of steps had been taken in this regard in conjunction with the development of the FMP including:

- Formation of the FML Area FRAC, which has since led to the formation of the additional CSA SFM Committee focused directly on assisting the Company in the preparation of the SFM Plan for the DFA;
- Development of the FMP and subsequent AOPs in fulfillment of all legislative and regulatory requirements and the FML Agreement with the Province of Manitoba;
- Development and on-going implementation of the public information meeting process for the FMP and all subsequent AOPs;
- Development and on-going update of the Public Mailing List updated to include all interested persons and organizations attending public information meetings or requesting information of the Company;
- On-going individual one-on-one meetings and group consultations with non-timber resource users on the DFA including trappers, lodge owners and non-government organizations;
- Training and development programs for staff members; and,
- Development and implementation of the Forest Management Annual Report which compares actual activities to those planned on the DFA with respect to each AOP.

As indicated by the Company in the FMP, the preparation of the SFM Plan for the DFA includes a performance framework of values, objectives, indicators and targets that have

been developed through a public participation process with the assistance of the members of the CSA SFM Committee.

## **19.0 Research**

The Company's research initiatives have been focused on enhanced forest management (forest inventory and intensive forest management (silviculture)), integrated resource management, and equipment improvements. The Company's interest is in practical research that will contribute to sustainable forest management on FML Area No. 2.

The forest inventory research program includes the establishment of Permanent Sample Plots (PSPs) to be established in a comprehensive sampling of stand conditions representative of the productive stands of the DFA. The data collected will be utilized to assist in development of growth and yield tables and curves for the various stand types in the DFA for future application to sustainability analysis and as a basis for future monitoring. In addition the research is being expanded to include natural disturbance and the effect of herbicides on biodiversity. A new updated forest inventory is also being produced for the DFA with initial work being focused on the Saskatchewan River Forest Section.

The Company has been involved in a number of research initiatives as described in the FMP including:

- Tree Improvement Trials (on-going joint work with MC);
- Manitoba Archeological Predictive Model development with the Manitoba Model Forest, other Manitoba forest industry and Manitoba Conservation;
- Manitoba Forestry Wildlife Project;
- Woodland Caribou Research;
- Northern Manitoba Vision Field Trials; and,
- Bat Hibernacula Habitat Review.

Work in the woodland caribou research area continues at this time with the development of a Woodland Caribou Strategy for the southern Highrock area jointly with MC.

As indicated in the FMP the Company is interested in participating in new research initiatives related to sustainable forest management on the DFA. As such, the Company is currently participating in a university sponsored study on the effects of soil warming on the soil structure and function of black spruce boreal forests.

The Company is a member of the Forest Engineering Research Institute of Canada (FERIC) which undertakes research on behalf of its members in areas of equipment productivity, safety, training and environmental and sustainable forest management issues such as soil and site disturbance. The Company has and will continue to avail itself of training opportunities through FERIC based upon new research developments.

## **20.0 Training and Development**

The FMP indicates the recognition of the Company of the importance of training and development for assisting staff and employees in their roles in resource management. The Company's training and development activities pertaining to its forest management activities include staff memberships and affiliations with a number of other organizations related to the advancement of forest management such as the Canadian Institute of Forestry. In-house training and development of staff through attendance at seminars, workshops, and conferences is undertaken where suitable opportunities are presented that will contribute to the training and development plan for each staff member. Such opportunities currently include the Company's participation in the Manitoba Forest Practices Committee which is a joint project with MC and other Manitoba forest industry partners to develop operational practices leading to sustainable forest management in the province.

Since the development of the FMP the Company has established an EMS for the DFA that includes a training and development program and a training matrix outlining the program and resulting training undertaken by each staff member. More recently the Company has also integrated the requirements for SFM within the EMS.

# **APPENDIX 2**

## **TOLKO ENVIRONMENT POLICY**



**Section: Guiding Principles and Introduction**

<b>Policy No.:</b>	<b>Issue Date:</b>	<b>Amendment Date:</b>	<b>Page</b>
01.03	January 1998	April 2001	1 of 1

**SUBJECT: ENVIRONMENTAL POLICY**

Tolko is committed to the well-being of future generations through responsible environmental performance. This is a key value of the Company. Our ability to operate the business, satisfy customers and other stakeholders and build sustainable economic success is increasingly dependent on our environmental performance. Our commitment applies to all aspects of our business.

Tolko’s Management Team, drawing on the input of employees and stakeholders, provides strategic direction and resources to help the Company honour this policy. This includes ensuring that employees receive the education and training necessary for them to carry out their work in an environmentally responsible manner. Employees will actively participate in environmental management and challenge operating principles they believe can be improved.

Activities that support this policy are:

- Complying with environmental laws and regulations and other requirements to which we commit;
- Continually improving our environmental performance;
- Integrating the requirements of environmental laws and regulations and our other commitments into business planning and decision making;
- Managing forest land in a professional and sustainable manner consistent with Tolko’s Forest Management Principles;
- Managing operations to minimize pollution;
- Evaluating our environmental performance through internal and external audits, reviews and benchmarking;
- Communicating environmental, social and economic performance with our employees, the public and other stakeholders; and
- Encouraging and recognizing employees for their contribution towards improving our environmental performance.

Tolko’s performance will be reviewed and reported annually.

Tolko Industries Ltd. Corporate Policy Manual <i>Guiding Principles and Introduction</i> <i>Environmental Policy</i> “Uncontrolled Copy” Date Printed: May 21, 2004	1
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# **APPENDIX 3**

## **TOLKO FOREST MANAGEMENT PRINCIPLES**

## **APPENDIX 3: Tolko Forest Management Principles**

# **Tolko Industries Ltd. Forest Management Principles**

**Established June 1999 – Amended May 2004**

Forest lands managed by Tolko make an important contribution to the quality of life for many communities by providing a wide range of environmental, social and economic benefits.

Tolko is committed to professional and sustainable forest management. Our ability to provide raw materials to our manufacturing facilities depends on managing forest resources and respecting all forest values.

Tolko's Management Team develops strategic direction and provides resources to the Woodlands departments. The Woodlands group, drawing on the input from our employees, stakeholders, aboriginals and members of the public, will develop professional resource plans that demonstrate an innovative and sensitive approach to forest land management. Tolko's activities will be ecologically suitable, economically feasible and socially acceptable.

### **Activities that support these principles are:**

- ◆ Maintaining or improving the health and productivity of forest ecosystems and biological diversity;
- ◆ Actively promoting stakeholder and public participation through open communication;
- ◆ Respecting aboriginal and treaty rights;
- ◆ Providing for safeguards to the health and safety of employees, contractors and the public in our Woodlands operations;
- ◆ Complying with forest management legislation and policies;
- ◆ Evaluating our forest management performance through internal and external audits, reviews and benchmarking; and,
- ◆ Increasing our knowledge and expertise through advances in science and the implementation of adaptive management.

# **APPENDIX 4**

## **TOLKO ABORIGINAL POLICY**

**Section:** Guiding Principles and Introduction

<b>Policy No.:</b>	<b>Issue Date:</b>	<b>Amendment Date:</b>	<b>Page</b>
01.04	January 1998	May 2000	1 of 1

**SUBJECT:** ABORIGINAL POLICY

Tolko is committed to work with aboriginal communities and individuals on the basis of mutual understanding, respect and trust, as well as recognition of and sensitivity to the different cultural values and traditions of each community in which Tolko operates.

The principles that guide our business are:

- Ensure effective communication on forest management activities that involve aboriginal areas of interest.
- Provide employment and contract opportunities to aboriginal people consistent with Tolko's Equal Employment Opportunity" policy.
- Conduct our business in a manner that will be supportive of ventures that make sound business sense and are operated for the mutual benefit of all parties.
- Establish and maintain a participative process to identify opportunities and address or resolve conflicts that may arise.

# **APPENDIX 5**

## **SFM PLAN PUBLIC PARTICIPATION SUPPLEMENT**

## **Appendix 5A: Operating Ground Rules for The Pas FRAC**

# **TOLKO MANITOBA FOREST RESOURCE ADVISORY COMMITTEE Operating Ground Rules – May 30, 1996**

### **Background**

As a component of on-going public involvement in Tolko Manitoba's forest management activities, Tolko Manitoba is establishing a Forest Resource Advisory Committee (FRAC) for the Tolko Manitoba Forest Management License (FML) Area.

### **Purpose**

The FRAC will serve as an on-going forum where representatives from a broad cross-section of interests can share knowledge, interests, views, values, and concerns with respect to forest management activities that are to be conducted in the Tolko FML Area. This forum is intended to allow for open, fair and orderly discussion of these matters.

### **Objectives**

The objectives of the FRAC include:

- To provide an opportunity for diverse interests to discuss forest management activities proposed for the Tolko FML Area.
- To provide an opportunity for Tolko Manitoba to learn about interests, values, and concerns of committee members as they pertain to forest management activities in the FML Area.
- To contribute to and comment on Company forest management plans and environmental practices.
- To provide a forum where the public can present issues, interests and concerns regarding forest management planning and operations within the Tolko FML Area.
- To provide a forum representing a broad cross-section of interests, which can be consulted with respect to matters to be addressed in the approval processes for Tolko Manitoba's Forest Management Plans.

## **Operations of the FRAC**

The following are proposed as preliminary “ground rules” for the FRAC to conduct its meetings. Once the FRAC is established, it is expected the committee will wish to review this suggested approach and finalize how it is to function.

- Individual FRAC members will not be requested to represent any position advanced by the Committee or other individuals. However, they must be prepared to consider opinions and differing positions advanced by others.
- In the interest of continuity, a commitment by FRAC members to attend all meetings is expected. When this is not possible, an alternate may participate.
- The FRAC will meet as necessary with the frequency of meetings decided by the FRAC.
- Minutes of the meeting will be taken by Tolko Manitoba and will be distributed within one week of each meeting to each member.
- Information required by the Committee will be provided in a timely manner. Information made available by individuals or organizations must be forwarded to the Chairman for distribution. Information of a confidential nature should be presented as such. Information or opinions must be substantiated by acceptable references.
- Some areas of discussion may require the assistance of outside experts or resource persons. As these areas become apparent, Tolko Manitoba will arrange to have these individuals present at a subsequent meeting.
- Some FRAC meetings, or portions of meetings, will be open to the public to provide an opportunity for non-members to express their opinions or suggestions related to the various forest management activities.
- Individuals wishing to make a formal presentation to FRAC will be required to notify the Chair or one of the FRAC members in advance that they wish to make a presentation to the FRAC.

## **APPENDIX 5B: Operating Ground Rules for Snow Lake FRAC**

### **Snow Lake Forest Resource Advisory Committee (FRAC) Operating Ground Rules – April 16, 2003**

#### **Background**

As a component to improve on-going public involvement in Tolko's forest management activities, a Forest Resource Advisory Committee for the Snow Lake area has been established.

#### **Purpose**

The Snow Lake Forest Resource Advisory Committee (SL-FRAC) will be guided by the desire to achieve respectful and compatible coexistence among all resource users. Representatives from a broad cross section of interests can share knowledge; interests, views, values and concerns with respect to planned forest management activities and their relationship with other resource users on the land.

#### **Objectives**

To provide an opportunity for Tolko to learn about interests, values, and concerns of Committee members as they pertain to forest management activities in the Snow Lake area.

To provide an opportunity for Committee members to learn more about forest management.

Review and comment on Tolko forest management plans and environmental practices.

To provide a forum where the public can present issues, interest and concerns regarding planned forest management activities.

#### **Operations of the SL-FRAC**

Participation on SL-FRAC is voluntary.

Commitment of all members to be respectful of one another and to focus on issues rather than on personalities.

A committee member selected by the committee members will chair the SL-FRAC.

In the interest of continuity, a commitment by SL-FRAC members to attend all meetings is expected. When this is not possible, an alternate may participate.

The SL-FRAC will meet as necessary with the frequency of meetings decided by the committee.

Minutes of each meeting will be recorded and distributed to committee members.

Committee members will be responsible to inform their constituents about the progress of discussions for each meeting.

The committee will strive for consensus decision making, but where it is not possible all members shall have an opportunity to have their views heard, understood and recorded.

Some areas of discussions may require the assistance of outside experts or resource persons. As these areas become apparent, the Chair will arrange to have these individuals present at a subsequent meeting.

Some SL-FRAC meetings, or portions of meetings, will be open to the public to provide an opportunity for non-members to express their opinions or suggestions related to the various forest management activities.

Individuals wishing to make a formal presentation to the SL-FRAC will be required to notify the Chair in advance.

April 16, 2003

## **APPENDIX 5C: Operating Ground Rules for CSA SFM Committee**

### **CSA SFM Advisory Committee**

#### **Operating Ground Rules – July 3, 2003**

#### **Background**

Tolko Industries Ltd, Manitoba Solid Wood Division (Tolko Manitoba or the Company) is seeking to develop a Sustainable Forest Management plan (SFM) under Canada's national forest certification standard set by the Canadian Standards Association (CSA). The Company plans to certify to the CSA standard.

#### **Purpose**

The purpose of the operating ground rules is to define the goals, tasks, roles and procedures that will guide the development of the Tolko Manitoba Sustainable Forest Management Plan. The SFM Plan will be developed based on the CSA's Sustainable Forest Management Standard CSA-Z809-02 and will be complementary to the Company's 1997 to 2009 Forest Management Plan.

#### **Objectives**

The ground rules will attempt to ensure efficiency, simplicity and clarity to foster a smooth process with a clear understanding of potential outcomes and expectations. The terms of the Operating Ground Rules include the following sections:

1. Goals
2. Timelines
3. Communication
4. Resources
5. Roles, responsibilities & obligations
6. Decision-making process
7. Changes to the process
8. Information
9. Additional participation
10. Operating guidelines

## **Goals**

The goals of the process are to develop an SFM plan in accordance with the CSA guidelines and develop procedures for monitoring the effectiveness of the SFM plan. The SFM Plan for Tolko Manitoba will comply with all existing legislation and policy and will be consistent with the strategic direction and intent in the Company's 1997 to 2009 FMP.

## **Timelines**

The target date for completing the SFM Plan is November 30, 2003. The company will be responsible for producing a schedule of meeting dates to allow the process to reach a successful conclusion.

## **Communication**

Agendas and meeting minutes will be prepared for each meeting. This material will be distributed to members of the SFM Advisory Committee, to the executive of the organizations represented on the committee and as requested to other interested members of the public.

## **Resources**

SFM Advisory Committee members travelling from outside The Pas to attend meetings will be reimbursed for mileage (rate set by company), and meals/ accommodations (receipts required).

Expenses incurred in the development of this Plan will be the responsibility of the Company.

The Company will provide the meeting facilities and copies of required documentation, including the Z809-02 standard.

## **Roles and Responsibilities**

The roles and responsibilities of participants in the process are to assist the Company in developing the SFM Plan by:

- identifying local values that relate to the Canadian Council of Forest Ministers (CCFM) SFM criteria and critical elements.
- developing objectives that describe a desired future state or condition for each value.
- selecting indicators to be used to assess progress in meeting objectives.
- establishing one or more targets for each indicator that provide a clear, specific statement of expected results.
- developing procedures for monitoring the effectiveness of the SFM Plan.

- communicating the progress of the committee to their constituents.
- attending meetings or selecting and briefing an alternate to represent them.

Participants will note their primary reason for involvement with the SFM Advisory Committee and their links to the Company or any other concerned organizations. By participating on the CSA Public Advisory Committee, it is not implied that the organization a committee member represents endorses one forest certification system over another. Committee members affiliated with particular organizations are participating due to their interest in and/or expertise relating to the CCFM criteria identified in CSA-Z809-02.

A facilitator will be employed to assist the SFM Advisory Committee in its work. The role of the facilitator will be to:

- Facilitate/chair the SFM advisory committee meetings.
- Prepare agendas and review meeting minutes prior to distribution.
- Prepare a work plan and timetable for the process.
- Assist participants in developing recommendations for the SFM Plan.

### **Decision-making process**

Participants in the SFM Plan will aim to reach decisions on the basis of consensus. Consensus is defined as substantial agreement reached by concerned interests. Consensus includes an attempt to remove all objections and implies that although participants may not agree with all aspects of the agreement, they are willing to accept the total package.

In negotiating to reach consensus, participants agree to:

- negotiate in good faith.
- state concerns openly and directly and as interests rather than positions\*
- listen carefully, ask questions and educate themselves regarding the interest of others.
- share relevant information.

When consensus is reached, a written record of the agreement will be recorded in the meeting minutes.

If consensus is not achieved, the facilitator will assist the participants in resolving their differences through the application of interest-based negotiation procedures. If consensus is still not achieved, the participants will agree to disagree and the options defined in the negotiation process as well as the underlying reason for dissent will be recorded in the meeting summary. The Company will consider all options in development of the final SFM Plan and will provide a written explanation for decisions taken where consensus was not achieved.

\*interest are defined as the needs, wants, fears and concerns that are connected to an issue. Positions are defined as a predetermined solution to a problem without consideration for the interest of others.

### **Changes to the Process**

The ground rules for the SFM Plan process may be changed at any time during the process in accordance with the decision making process described in section 6.

### **Information**

The SFM Plan will be supported by relevant information including the CSA SFM guidelines and supporting reference documents, examples of other boreal forest based SFM Plans and the Company's 1997 to 2009 Forest Management Plan.

### **Additional participation**

Interested groups not associated with the committee may make presentations or take part in discussions if desired. If requested by the committee the Company may arrange for participation by experts to discuss technical issues. The need for any outside experts at an upcoming working meeting should be noted at the previous meeting. It will be the responsibility of committee members to raise this at the appropriate time.

### **Operating Guidelines**

The SFM Plan will be developed by Tolko Manitoba based on advice and recommendations provided by the SFM Advisory Committee. The SFM Advisory committee will include a cross-section of participants with varying interests and backgrounds. Participants in the process will:

- contribute to the development of the SFM Plan
- attend meetings on a regular basis
- consider the views of others in developing recommendations.
- aim to reach decisions on the basis of consensus.
- meetings of the SFM Advisory Committee will be open to the general public.





## **APPENDIX 5 F: Summary of Themes Covered in Discussions and Deliberations of the SFM Committee**

### **Summary of Themes Discussed at the CSA-SFM Committee Meetings**

Attendance of committee members came from the public at large and a range of organizations from across the DFA. The CSA-SFM committee consisted of 37 members plus a facilitator, note taker and several Tolko staff. Guest speakers were invited to help provide a better understanding on some key aspects of forest management in Manitoba. There were also 20 FRAC members and 39 interested parties on the mailing list for the meeting minutes. All CSA-SFM meeting minutes were posted at the Company's web site located at [www.tolkomanitoba.com](http://www.tolkomanitoba.com)

#### **June 4, 2003**

This initial meeting provided information on the Company's CSA certification initiative, and a request to the public to either participate in or stay informed about the CSA public advisory process. The Company discussed the forest certification process, the advantages of certification, reasons why forest companies are moving to certification and the CSA Z809-02 standard. Also draft ground rules for effective operation of a CSA-SFM public advisory committee were discussed along with a timetable for the CSA-SFM process. A total of 24 members from the public attended the first meeting plus 2 more members represented the Company.

#### **June 24-25, 2003**

At this meeting draft ground rules for the operation of the CSA public advisory committee were reviewed. Draft values, objectives, indicators and targets relating to CCFM Criterion 3 of CSA Z809-02 standard were developed. A "Parking Lot" issues table was initiated and two items were added to the table. A total of 18 members from the public attended all or a portion of the two-day meeting plus another 3 members represented the Company.

#### **August 26-27, 2003**

This meeting developed draft values, objectives, indicators and targets relating to CCFM Criteria 5 and 6 of the CSA Z809-02 standard. A cumulative "Parking Lot" issues table was developed and six items were placed in the table. A total of 13 members from the public attended all or a portion of the two-day meeting plus another 3 members represented the Company.

#### **September 23-24, 2003**

This meeting developed draft values, objectives, indicators and targets relating to CCFM Criteria 2 and 4 of CSA Z809-02 standard. The Manager of Forest Inventory and Resource Analysis with Manitoba Conservation gave a presentation on how annual

allowable cut is determined by the province. The final version of the CSA-SFM committee operating ground rules was distributed. The cumulative “Parking Lot” issues table grew to 13 items. A total of 16 members from the public attended all or a portion of the two-day meeting plus another 2 members represented the Company.

#### **October 21-22, 2003**

This meeting developed draft values, objectives, indicators and targets relating to CCFM Criterion 1 of the CSA Z809-02 standard. Also Criterion 3, Element 3.1 was revisited. The silviculture forester with Manitoba Conservation gave a presentation on provincial forest renewal standards. The cumulative “Parking Lot” issues table was reduced to 8 items. A total of 12 members from the public attended all or a portion of the two-day meeting plus another 5 members represented the Company.

#### **January 21-22, 2004**

This meeting completed outstanding values, objectives, indicators and targets with respect to Criterion 3, Element 3.2. The Company planners gave presentations on the 2004 Annual Operating Plan. A professor from University of Manitoba gave presentations on public involvement in forest management in Manitoba and cumulative environmental assessments in Canada. Discussions were initiated on joining the CSA-SFM committee with the FRAC committee once the CSA-SFM plan was completed. The cumulative “Parking Lot” issues table included 10 items. A total of 16 members from the public attended all or a portion of the two-day meeting plus another 4 members represented the Company.

#### **March 24-25, 2004**

Summary tables for all the indicators developed to date were review along with the detailed fact sheets for each indicator in Criterion 1, 2 and 3 plus several in 4, 5 and 6. The acting head of Manitoba Conservation Parks and Protected Areas gave a presentation on the goals, development and current status of the provincial Protected Areas Initiative program. A Manitoba Conservation official with the policy branch gave a presentation on the many issues surrounding resource roads including establishment, closure, access and liability. The cumulative “Parking Lot” issues table included 10 items. A total of 18 members from the public attended all or a portion of the two-day meeting plus another 5 members represented the Company.

#### **May 26-27, 2004**

Summary tables and fact sheets for all the indicators developed for the CSA-SFM plan were reviewed along with the draft SFM plan which had been mailed out to members previous to the CSA-SFM committee meeting. An official from Manitoba Conservation gave a presentation on the provincial crown stumpage program. At the end of the meeting the cumulative “Parking Lot” issues table still contained a number of items. It was agreed the outstanding items from the “Parking Lot” table would be placed in the SFM plan. A total of 14 members from the public attended all or a portion of the two-day meeting plus another 5 members represented the Company.

## **APPENDIX 5G: SFM Plan Development Process and Public Awareness**

### **CSA SFM Plan Public Awareness**

#### **Letter of Invitation to AOP/CSA Information Meetings**

- ❑ May 1, 2003 invitation letter mailed to over 800 individuals and organizations.
- ❑ Invited public to attend meeting to hear a presentation on CSA and Tolko plans to develop an SFM plan.

#### **Newspapers – Notice of AOP/CSA information meetings**

- ❑ Winnipeg Free Press – May 28, 2003
- ❑ Star & Times Swan River – May 13, & 20, 2003
- ❑ Thompson citizen – May 9, 11, 16, & 23, 2003
- ❑ Snow Lake News – May 15, & 22, 2003.
- ❑ Opasquia Times The Pas – May 7, 9, 14, 16, & 21, 2003.
- ❑ Flin Flon Reminder – May 16, & 23, 2003.

#### **TV – Notice of AOP/CSA information meetings**

- ❑ Snow Lake access channel from May 15 to May 26, 2003.

#### **Radio – Notice of AOP/CSA information meetings**

- ❑ NCI (Native Communications Inc.) (covers all First Nation communities on the FML Area) – three times/day on May 7, 9, 13, 16, 23, & 30, 2003.
- ❑ CBC Radio Thompson (covers most communities on the FML Area) – 3 times/day on May 9, 11, 16, & 23, 2003.
- ❑ Arctic Radio - The Pas – 3 times per day on May 7, 9, 14, 16, 21, & 23, 2003.
- ❑ Arctic Radio - Flin Flon – 3 times per day on May 9, 12, 16, & 23, 2003.

#### **Radio Interviews – brief overview on CSA and SFM Plan.**

- ❑ CFAR Flin Flon – Joe McCormick (CFAR) interviewed Doug Hunt (Tolko) on May 14, 2003.
- ❑ NCI (Native Communications Inc.) Winnipeg – Tawney Moffatt (NCI) interviewed Doug Hunt (Tolko) on May 9, 2003.

#### **Newspaper Articles**

Thompson Citizen – May 14, 2003 “Tolko looking to Get Certified”

#### **Bulletin Board – Notice of AOP/CSA meetings posted at the following locations.**

- ❑ The Pas – Tolko woodlands office/kraft paper/sawmill/yard garage, & town library
- ❑ Thompson - woodlands office
- ❑ Ponton - gas station
- ❑ Snow Lake - town office
- ❑ Grand Rapids – community hall & restaurant
- ❑ Easterville – band office & dollar store
- ❑ Moose Lake – community hall & band office

- ❑ Wanless – general store
- ❑ Cranberry Portage – post office.
- ❑ Flin Flon – library & store.
- ❑ Pukatawagan – band office
- ❑ Mafeking – store
- ❑ Cormorant – community hall & community store.
- ❑ Sherridon – town office & local store.
- ❑ Wabowden – town office
- ❑ Pikwitonei – town office
- ❑ Nelson House – band office
- ❑ Thicket Portage – town office

#### **Letter To First Nation Communities – CSA**

- ❑ Letter outlined request to visit their community and give an overview of CSA and ask if they would like to participate in the development of a CSA SFM plan.
- ❑ April 23, 2003 letter to Chief of Nisichawayasihk Cree Nation
- ❑ April 23, 2003 letter to Chief of Pimicikamak Cree Nation
- ❑ April 23, 2003 letter to Chief of Norway House Cree Nation
- ❑ April 28, 2003 letter to Chief & Council of Grand Rapids First Nation
- ❑ April 28, 2003 letter to Chief of Chemawawin Cree Nation
- ❑ April 28, 2003 letter to Chief of Pine Creek First Nation
- ❑ April 28, 2003 letter to Chief of Mosakahiken Cree Nation
- ❑ May 1, 2003 letter to Chief & Council of Opaskwayak Cree Nation

#### **Chief and Council Presentation – CSA overview presentation**

- ❑ Opaskwayak Cree Nation – May 12, 2003
- ❑ Chemawawin Cree Nation – May 21, 2003
- ❑ Grand Rapids First Nation – May 21, 2003
- ❑ Mosakahiken Cree Nation – June 3, 2003

#### **Other Groups – CSA overview presentation**

- ❑ Tolko Forest Resource Advisory Committee – March 6, 2003.
- ❑ Snow Lake Forest Resource Advisory Committee – March 11 & April 16, 2003.
- ❑ Tolko Woodlands staff – April 14, 2003
- ❑ Manitoba Conservation – The Pas – April 30, 2003.
- ❑ Snow Lake town council – June 17, 2003.
- ❑ Moose Lake town council – June 3, 2003.

#### **Community Meetings**

- ❑ Presentation on CSA and SFM plan and request to the public to participate on a CSA SFM committee.
- ❑ Wanless – May 13, 2003 – community hall
- ❑ Thompson – May 13, 2003 – Tolko office
- ❑ Flin Flon – May 14, 2003 - Victoria Inn
- ❑ Cormorant – May 15, 2003 – community hall
- ❑ Wabowden – May 15, 2003 – community hall
- ❑ Pikwitonei – May 16, 2003 – community hall
- ❑ Nelson House May 20, 2003 – community hall.

- ❑ Sherridon – May 20, 2003 – community hall
- ❑ Easterville – May 21, 2003 – community hall
- ❑ Grand Rapids – May 21, 2003 – RC Hall
- ❑ Cranberry Portage – May 22, 2003 – curling rink
- ❑ Snow Lake – May 26, 2003 – community hall
- ❑ Pukatwagan – May 27, 2003 – Youth centre
- ❑ Mafeking – May 27, 2003 – Legion hall
- ❑ Thicket Portage – May 28, 2003 – community hall
- ❑ The Pas – Kikiwak Inn
- ❑ Winnipeg – May 29, 2003 – University of Winnipeg
- ❑ Moose lake – June 3, 2003 – community hall

#### **Letter of Invitation To Sit On CSA Committee**

- ❑ May 20, 2003 letter sent to over 800 plus names inviting them to participate on the Tolko CSA committee – first meeting scheduled on June 4, 2003.
- ❑ All woodlands staff copied on the letter of invitation.

#### **Newspaper – Notice Of First CSA Meeting On June 4, 2003**

- ❑ Notice to public requesting help to develop SFM Plan and request to attend first CSA meeting to obtain more information.
- ❑ Opasqui Times The Pas – May 30 & June 4, 2003.
- ❑ Flin Flon Reminder – May 30, 2003
- ❑ Snow Lake News – May 29, 2004
- ❑ Thompson Citizen – May 30, 2003.

#### **Phone Calls/Letters Received by Company on CSA**

- ❑ Don from Cross lake – questions about location/time of meeting will try to attend.
- ❑ Warren from Pikwitonei – questions about first meeting – will try to come.
- ❑ Chris from The Pas – will attend the first CSA meeting.
- ❑ Jayne from The Pas – will attend the first meeting.
- ❑ Ron from Nisichawayasihk Cree Nation – does Tolko cover expense – will attend.
- ❑ Fred from Wabowden – expenses? – may attend.
- ❑ Wilson from Nisichawayasihk – if expenses covered – may attend.
- ❑ Joanne from Thicket Portage – are expenses covered – will send a representative.
- ❑ Shanna from Thompson – may attend.
- ❑ Donna from Swan River – may attend the second meeting.
- ❑ Robert from Opaskwayak Cree Nation – time & location of meeting – will attend.
- ❑ Premier of Manitoba office – can not attend.
- ❑ Manitoba Labour & Immigration – can not attend – would like CSA information.
- ❑ Lindy from Winnipeg – can not attend – would like to kept up to date.
- ❑ Hugh from Swan River – can not attend.
- ❑ Shellia from The Pas – can't attend – would like CSA info sent to her.
- ❑ Garry from Snow Lake – can't make first meeting will come to the second meeting.
- ❑ Robert from Thicket Portage – where is the meeting location – will attend.
- ❑ Dan from Swan River – will attend the first meeting.
- ❑ Bob from Thompson – may attend – wants to receive CSA information.
- ❑ Karen from The Pas - conflict of interest concern – will attend.
- ❑ William from Grand Rapids First Nation – location/time of first meeting – will attend.

- Bill from Flin Flon – will attend first meeting.
- Glen from Wabowden – will attend first meeting.

**First CSA SFM public advisory committee meeting – June 4, 2003**

- Meeting held in The Pas woodlands office.
- Meeting chaired by facilitator.
- 23 attendees, plus 3 Tolko woodlands, plus facilitator and minute taker.
- Presentation on CSA by Doug Hunt and Paul Chapman.
- Handouts on meeting agenda, presentation material, CSA Z809-02 SFM standard, operating ground rules, certification similarities, CSA, ISO 14001 EMS, certification status in Canada,
- 16 people indicated full participation for future meetings.

**Second CSA SFM public advisory committee meeting – June 24/25, 2003**

**Third CSA-SFM public advisory committee meeting – August 26/27, 2003**

**Fourth CSA SFM public advisory committee meeting – September 23/24, 2003**

**Fifth CSA SFM public advisory committee meeting – October 21/22, 2003.**

**Sixth CSA SFM public advisory committee meeting – January 21/22, 2004.**

**Tolko Manitoba Web site – February 2004**

- Notice sent out to general public on location and information for the new site.

**Seventh CSA SFM public advisory committee meeting – March 24/25, 2004**

**Woodlands News letter mailed out to general public – March 2004**

- Information on CSA process and the Tolko Manitoba web site.

**Draft CSA SFM Plan – May 17, 2004**

Draft copy of CSA SFM plan mailed out to members of the advisory committee.

**Eighth CSA SFM public advisory committee meeting – May 26/27, 2004**

**Community Public Meetings – June 2004**

- Public meetings held to review the next annual plan and the draft CSA SFM plan
- Copy of CSA SFM plan left in community for review and comments.

**Final Version of CSA SFM plan – August 2004**

- Copy mailed to all members of the CSA SFM committee and interested citizens.
- Copy placed on the Tolko Manitoba web site.



May 1, 2003

### **PUBLIC COMMUNITY MEETINGS – May 2003**

Tolko Industries Ltd. is in the process of preparing the 2004 Annual Harvest and Renewal Plan. The Plan describes harvesting, reforestation and road development activities planned for Tolko Manitoba's Forest Management Licence Area in 2004. The plan will be submitted to Manitoba Conservation for approval this fall.

We are holding a number of public community consultation meetings to provide an opportunity for those who have an interest in these operations to learn more about the activities proposed for 2004 and to discuss their interest and concerns.

Also during each public community meeting a Tolko representative will present a brief overview on the Canadian Standards Association (CSA) requirements for sustainable forest management. Tolko is seeking public participation in the development of a sustainable forest management plan. Tolko is looking for volunteers to form a CSA committee that will develop local values, goals, indicators and measures that will assess sustainable forestry.

We wish to invite you to participate in these public meetings regarding the preparation of the 2004 Annual Harvest and Renewal Plan and the development of a sustainable forest management plan under the CSA standards. The locations of the community meetings are indicated on the reverse of this letter.

Please feel free to pass this invitation to others who may have an interest in learning more about forest management activities planned in 2004.

Should you have any questions please contact me at 204-623-8542 or email [doug\\_hunt@tolko.com](mailto:doug_hunt@tolko.com).

Yours truly,

Doug Hunt  
Divisional Forester

## Tolko 2004 Annual Harvest and Renewal Plan

### Schedule of Public Meetings

Community	Date	Time	Location
Wanless	May 13	7:00 PM	Wanless Community Hall
Thompson	May 13	7:00 PM	Tolko Office
Flin Flon	May 14	7:00 PM	Victoria Inn
Cormorant	May 15	7:00 PM	Cormorant Community Hall
Wabowden	May 15	7:00 PM	Wabowden Community Hall
Pikwitonei	May 16	1:00 PM	Pikwitonei Community Hall
Nelson House	<b>May 20</b>	<b>7:00 PM</b>	<b>Duncan Wood Memorial Hall</b>
Sherridon	May 20	7:00 PM	Sherridon Community Hall
Easterville	May 21	2:00 PM	Easterville Community Hall
Grand Rapids	May 21	7:00 PM	RC Hall St. Alexander Parish
Cranberry Portage	May 22	7:00 PM	Curling Rink
Snow Lake	May 26	7:00 PM	Community Hall, Reading Room
Pukatawagan	<b>May 28</b>	<b>1:00 PM</b>	<b>Youth Centre</b>
Mafeking	May 27	7:00 PM	Legion Hall
Thicket Portage	May 28	1:00 PM	Thicket Portage Community Hall
The Pas	May 28	7:00 PM	Kikiwak Inn, Bignell Room
Winnipeg	May 29	7:00 PM	University of Winnipeg C-FIR Centre, Room 4CM41
Moose Lake	June 3	2:00 PM	Moose Lake Community Hall



Tolko Industries Ltd. invites you to a Public Information Meeting to discuss our proposed 2004 Annual Harvest and Renewal Plan. Also during the open house a presentation will be given on the Canadian Standards Association requirements for sustainable forest management and the public involvement in developing standards.

For further information, please contact Doug Hunt at Tolko Industries, The Pas office (204-623-8542).

<b>Community</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
Wanless	May 13	7:00 PM	Wanless Community Hall
Flin Flon	May 14	7:00 PM	Victoria Inn
Cormorant	May 15	7:00 PM	Cormorant Community Hall
Sherridon	May 20	7:00 PM	Sherridon Community Hall
Easterville	May 21	2:00 PM	Easterville Community Hall
Grand Rapids	May 21	7:00 PM	RC Hall St. Alexander Parish
Cranberry Portage	May 22	7:00 PM	Curling Rink
Snow Lake	May 26	7:00 PM	Community Hall, Reading Room
Pukatawagan	May 27	1:00 PM	Youth Centre
The Pas	May 28	7:00 PM	Kikiwak Inn, Bignell Room
Moose Lake	June 3	2:00 PM	Moose Lake Community Hall

Opasquia Times  
 May 7 and May 9, 2003 Editions



January 28, 2003

Dear FRAC Member:

Our next FRAC meeting will be held on Thursday, **March 6, 2003** starting at 9:00 AM in The Pas Woodlands Office. Lunch will be provided.

The focus of the meeting will be on Canada's National Sustainable Forest Management Standard (CAN/CSA Z809) and the goal of Tolko Manitoba Woodlands achieving certification to this standard in 2004.

John Dunford, the Sustainability Manager for Tolko Industries Ltd., will help lead the CSA discussions and the role of public participation.

To assist in finalizing arrangements, please confirm your participation with Eleanor Douglas. Phone 204-623-8540, fax 204-623-4560 or email [eleanor\\_douglas@tolko.com](mailto:eleanor_douglas@tolko.com).

As in the past, Tolko Industries Ltd. will cover travel and accommodations expenses for committee members whose participation on the FRAC is not part of their employment.

Yours truly,

Doug Hunt  
Divisional Forester

DH:ed



February 17, 2003

Dear Committee Member:

Please find enclosed the minutes from our initial meeting held on January 28, 2003. If you have any comments or concerns please let me know or you can wait until our next meeting scheduled for March 11 in Snow Lake.

Also enclosed is the January 28 agenda, the draft ground rules for a committee and the notes from the December 10 meeting held in Snow Lake.

If you have any questions please call me at 204-623-8542.

Yours truly,

Doug Hunt  
Divisional Forester

DH:ed  
Enclosure



April 2, 2003

Dear Committee Member:

Please find enclosed the minutes from our second meeting held on March 11, 2003. If you have any comments or concerns please let me know or you can wait until our next meeting scheduled for April 16 in Snow Lake.

Also enclosed is a copy of the CSA slide presentation made at the committee meeting.

If you have any questions please call me at 204-623-8542.

Yours truly,

Doug Hunt  
Divisional Forester

DH:ed  
Enclosure



May 1, 2003

Nancy Buck  
Opaskwayak Cree Nation  
Chief and Council  
Box 1000  
The Pas, MB  
R9A 1L1  
By Fax: 623-3819

REQUEST FOR MEETING ON FOREST MANAGEMENT CERTIFICATION

Dear Chief and Council,

The Manitoba Division of Tolko Industries Limited is starting the next phase of Forest Certification. The Company has a goal to be certified under the Canadian Standards Association (CSA) by the end of 2004. As part of this process interested parties are encouraged to provide input into the development of a Sustainable Forest Management Plan.

Tolko would like to give your Chief and Council a brief presentation of the CSA certification process and identify how you would like to be involved. The Company would like to meet with you before we give a public presentation to the general community of OCN and The Pas.

I wish to confirm that I will be presenting at the May 5<sup>th</sup> meeting, which is scheduled to begin at 10:00 a.m. We have also scheduled a community open house meeting at the Kikiwak Inn on May 28 at 7:00 p.m. in the Bignell room. At this time a public discussion of the CSA process will be held as well as an open house meeting on Tolko's 2004 annual operating plan.

If you require any further information on this process please call me at 623-8574.

Yours truly,

Paul Chapman  
Silviculture Forester



April 23, 2003      Fax No. (204) 484-2211

Chief Jerry Primrose  
Nelson House Cree Nation  
P.O. Box 10  
Nelson House, Manitoba  
R0B 1A0

### **REQUEST FOR MEETING IN NELSON HOUSE**

Dear Chief Primrose,

Tolko Industries Ltd. (Manitoba Division) is starting its next phase of Forest Certification. The Company's goal is to be certified under the Canadian Standards Association (CSA) by the end of 2004. As part of this process, interested parties are invited to have input into the development of a Sustainable Forest Management Plan.

Tolko would like to give your Chief and Council a brief presentation of the CSA certification process and identify how you would like to be involved. The Company would like to meet with you before the end of May as our first CSA Public House Meeting is scheduled for early June.

Our suggested date is May 20<sup>th</sup> at 2 p.m., but if there is a more convenient date for the meeting, please give me a call at (204) 677-0123 to set up a date that would be mutually acceptable.

Yours truly,

Bruce Bodie  
Area Superintendent, North

BB:gb

cc      Doug Hunt, Tolko



April 28, 2003

Fax No. (204) 329-2017

Chief Clarence Easter  
Chemawawin Cree Nation  
General Delivery  
Easterville, Manitoba R0C 0V0

Dear Chief and Council,

**Re: Request for Meeting in Easterville**

Tolko Industries Ltd. is starting its next phase of Forest Certification. The Company's goal is to be certified under the Canadian Standards Association (CSA) by the end of 2004. As part of this process, interested parties are to be invited to have input into the development of a Sustainable Forest Management Plan.

Tolko would like to give you and your Council a brief presentation of the CSA certification process and identify how you would like to be involved. The Company would like to meet with you before the end of May as our first CSA Public Meeting is scheduled for early June.

Our suggested date is May 21<sup>st</sup> at 2:00 p.m. but if there is a more convenient date and time for the meeting, please call me at (204) 623-8415 to setup a date that would be mutually acceptable.

Yours truly,

Barry Geddes  
Area Supervisor

pc: Doug Hunt



May 12, 2003

Chief Frank Whitehead  
Opaskwayak Cree Nation  
Box 1000  
The Pas, MB  
R9A 1L1

Dear Chief Whitehead,

Thank you for allowing me to address the Council on Tolko's intention to develop a sustainable forest management plan to CSA standards as part of our forest certification process.

I clearly got the message that council is frustrated with past dealings on forestry issues. While I wish that this was not so I should point out that this is a new process that directs the company to give consideration to the special insights and knowledge derived from the traditional practices and experience of Aboriginal people. The public participation is designed to be consensus driven.

There is still opportunity to learn more about the process or to participate in developing values, objectives, indicators and targets for the company to meet. Tolko will be having a follow up meeting on June 4 to form our public advisory committee. Please let me know if you wish to have a participant or observer attend that meeting. If you would like to monitor the progress of the committee we would be happy to put you on the mailing list and keep you informed that way.

Sincerely,

Paul Chapman  
Silviculture Forester  
623-8574



May 20, 2003

**Re: Invitation to Participate in Public Process leading to CSA Certification**

On behalf of Tolko Industries Ltd., Manitoba Solid Wood Division, I would like to invite you to participate in the development of a Sustainable Forest Management Plan. The plan is a key requirement of Canada's national forest certification standard, set by the Canadian Standards Association (CSA).

This is an opportunity for you to assist us in defining the economic, social and environmental criteria that comprise sustainable forestry at a local level.

If you wish to participate on our CSA committee, the first meeting will be held in The Pas Woodlands Office on June 4, 2003 starting at 6:30 PM.

A general request for CSA public participation is also occurring in local newspapers/radio plus it was reviewed at our recent public Annual Operating Plan community meetings held in May.

If you have any questions please call me at 204-623-8542.

Yours truly,

Doug Hunt  
Divisional Forester



### **CSA Sustainable Forest Management Plan**

Tolko Industries Ltd is seeking public participation in the development of a Sustainable Forest Management Plan. This plan is a key requirement of Canada's national forest certification standard set by the Canadian Standards Association (CSA).

This is an opportunity for residents to play a role in further defining the economic, social and environmental criteria that comprise sustainable forestry at a local level.

The first meeting will be held at The Pas Woodlands office on June 4, 2003, starting at 6:30 PM.

For further information, please contact Doug Hunt at Tolko Industries, The Pas office (204-623-8542).

## **Appendix 6**

# **TABLE OF IMPLICATIONS OF ALTERNATE MANAGEMENT STRATEGIES FOR THE DFA**

Table of Implications of Alternative Management Strategies for the DFA

Revision Date: August 4, 2004

DFA SFM Performance Framework		Implications of Alternative Management Strategies	
Indicator	Target	Alternative Strategy 1: Current Practices	Alternative Strategy 2: SFM Practices
<b>CCFM SFM Criterion 1: Conservation of Biological Diversity</b>			
<b>CSA SFM Critical Element 1.1: Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally occur in the DFA</b>			
1.1.1.1.1 Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)	1.1.1.1.1 Monitor and report on patch size and distribution resulting from natural and timber harvesting disturbances for the DFA	Manage according to MC Cutblock size guideline of 100 hectare maximum size, unless prior approval received from MC with no additional specific forest patch characteristic assessment, future indicator development or research conducted.	Continue to manage within MC Cutblock size guideline, unless prior approval received from MC.  Also move forward to assess current forest disturbance patch characteristics and conduct research into NRV of patch disturbances for the DFA.  Look towards future establishment of disturbance patch characteristics target for the DFA for implementation with next FMP.  Long-term, anticipate disturbance patch characteristics will be managed within NRV as a possible within MC Cutblock size guideline requirements.

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
1.1.1.2.1 Forest cover composition of reforested cutover areas	1.1.1.2.1 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.
1.1.1.3.1 Harvest levels in cubic metres as compared to the AAC	1.1.1.3.1 Harvest levels to remain within Government approved AAC	Harvest levels will remain within the Government approved AAC levels.	Harvest levels will remain within the Government approved AAC levels.
<b>CSA SFM Critical Element 1.2: Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time</b>			
1.2.1.1.1 Woodland caribou habitat for the Kississing-Naosap Lakes Herd	1.2.1.1.1 Implement forest management strategy for the Kississin-Naosap woodland caribou range	The strategy for the Kississing-Naosap woodland caribou range will be implemented as jointly approved by MC and the Company.  All areas designated for protection in the jointly approved strategy will be excluded from harvest.	The strategy for the Kississing-Naosap woodland caribou range will be implemented as jointly approved by MC and the Company.  All areas designated for protection in the jointly approved strategy will be excluded from harvest.
1.2.1.2.1 Staff awareness of current COSEWIC & MESA lists for DFA	1.2.1.2.1 100% of Tolko Woodlands staff to undertake review of COSEWIC & MESA lists annually	Currently, Tolko Woodlands staff involved in field data collection are aware of current COSEWIC and MESA lists for consideration in management activities, however no documented process exists to document that such awareness is in place.	All Tolko Woodlands staff will be aware of current COSEWIC and MESA lists for consideration in management activities.  A clearly established and documented target has now been set.  A clear documentation process for tracking review and check-off of COSEWIC and MESA lists will be in place to ensure that the target is achieved.
1.2.1.3.1 Abundance of residual stand structure	1.2.1.3.1 At least 5 standing trees (alive and dead) per hectare retained across	Residual stand structure, in terms of leave trees, would generally be applied across the landscape	Residual stand structure, in terms of leave trees, will be applied with direction to contractors to meet the

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
	harvested areas on a forest section basis	(FMPOPs), but with no follow-up monitoring in place.	target. Monitoring and reporting is documented and compiled through Operations Inspections Reports and the Cutover (CO) Records.  Retention of stand structure would be expected to be achieved on a more consistent basis across cutblocks in order to achieve the target by forest section.
<b>CSA SFM Critical Element 1.3: Conserve genetic diversity by maintaining the variation of genes within species</b>			
1.3.1.1.1 Percentage of areas planted with stock from the same or approved government seed zone	1.3.1.1.1 100% of planted areas utilize stock from the same or approved government seed zone	Areas being reforested will be planted to stock derived from within the same or government approved seed zone.	Areas being reforested will be planted to stock derived from within the same or government approved seed zone.
<b>CSA SFM Critical Element 1.4: Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance</b>			
1.4.1.1.1 Percentage of proposed harvest blocks subject to pre-harvest surveys (PHFI)	1.4.1.1.1 100% of all proposed first year blocks in the AOP will be subject to a pre-harvest survey (PHFI)	All blocks proposed as first year plan blocks in each AOP will have received a PHFI (FMPOP).	All blocks proposed as first year plan blocks in each AOP will have received a PHFI (FMPOP).
1.4.2.1.1 Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	1.4.2.1.1 No harvesting proposed in recognized Protected Areas and ASIs	The Company has committed to not propose or harvest blocks within recognized Protected Areas or ASIs.	The Company has committed to not propose or harvest blocks within recognized Protected Areas or ASIs.
<b>CCFM SFM Criterion 2: Maintenance and Enhancement of Forest Ecosystem Condition and Productivity</b>			
<b>CSA SFM Critical Element 2.1: Conserve ecosystem resilience by maintaining both ecosystem processes and ecosystem conditions</b>			
2.1.1.1.1 Forest cover composition of reforested cutover areas	2.1.1.1.1 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
<b>CSA SFM Critical Element 2.2: Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species</b>			
2.2.1.1.1 Provision of information on insects and disease to MC for the DFA	2.2.1.1.1 Provide information annually to MC on insects and disease compiled from PHFI, Regeneration Surveys and Free-to-Grow Surveys	Information on insect and disease conditions obtained from PHFI, Regeneration surveys, and Free-to-Grow surveys is currently provided to MC annually.	Information on insect and disease conditions obtained from PHFI, Regeneration surveys, and Free-to-Grow surveys will continue to be provided to MC annually with a documented monitoring process in place to ensure transmission of data on a consistent basis.
2.2.2.1.1 Company caused forest fires	2.2.2.1.1 Limit individual accidental fire incidences to less than 2 hectares in size (productive forest land)	EMS SOP, Operations Modifications Guidelines, Fire Plan and Company Initial Attack mechanisms are currently in place to minimize fire outbreaks, but with no set established target.	EMS SOP, Operations Modifications Guidelines, Fire Plan and Company Initial Attack mechanisms are currently in place to minimize fire outbreaks. Increased focus on minimizing fire incidences and particularly limiting size of outbreaks will reduce potential for larger fire outbreaks and associated destruction of timber and non-timber values.
2.2.2.2.1 Re-curing mistletoe infections in regenerating stands	2.2.2.2.1 Prevent re-infection of regenerating jack pine stands to achieve Free-to-Grow certification status	Renewal and stand maintenance actions will be undertaken to achieve Free-to-Grow certification status.	Renewal and stand maintenance actions will be undertaken to achieve Free-to-Grow certification status.  Additional focus placed on follow-up and documentation to measure progress towards achieving this target.
<b>CCFM SFM Criterion 3: Conservation of Soil and Water Resources</b>			
<b>CSA SFM Critical Element 3.1: Conserve soil resources by maintaining soil quality and quantity</b>			
3.1.1.1.1 Extent and duration of in-block seasonal roads and landings	3.1.1.1.1 (A) Limit extent of in-block roads and bulldozed landings and campsites to less than 10% of total harvested area	Current FMPOP guidelines request operators to limit bulldozing within cutblocks, but with no established targets.	As part of the EMS processes, with newly added requirements for limiting bulldozing, operators will be directed to limit bulldozed landings

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
	each year		and campsites such that the target is achieved.
	3.1.1.1.1 (B) Reduce duration of in-block roads and bulldozed landings and campsites by addressing these areas within the renewal implementation program for each cutblock	Currently reforestation operations include all landings and some in-block roads within the renewal program. Other in-block roads are not necessarily included as a result of their use as boundaries for regeneration and FTG survey assessment.	All in-block roads and landings will be included within the regeneration and FTG survey assessments. Survey procedures will be modified to accommodate this change.
3.1.1.1.2 Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	3.1.1.1.2 No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC)	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process improvement action to address the concern and to put into place operational controls to prevent any future recurrences.	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process improvement action to address the concern and to put into place operational controls to prevent any future recurrences.  The requirements for continual improvement and adaptive management to meet the CSA SFM Z809-02 standard have been incorporated into the updated EMS (2004).
3.1.1.1.3 Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	3.1.1.1.3 Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase	Currently there is no established limitation on the amount of all-weather roadbed for the DFA.	The established target and mechanisms for its achievement will limit future extent of all-weather roadbed in place on the DFA at any time to not exceed the stated target. This will reduce the potential future impact of permanent all-weather roads in terms of effects on soil quality.

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
3.1.1.1.4 Forest cover composition of reforested cutover areas	3.1.1.1.4 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.
3.1.1.1.5 Amount and distribution of coarse woody debris	3.1.1.1.5 Implement a research project to assess and document levels of coarse woody debris retention for various covertypes and logging systems	Currently adhere to MC Forestry Branch Brush Disposal Policy and Letter of Variance to MC Forestry Branch Brush Disposal Policy with no additional specific brush disposal assessment, future indicator development or research conducted.	<p>Will continue to adhere to MC Forestry Branch Brush Disposal Policy and Letter of Variance to MC Forestry Branch Brush Disposal Policy.</p> <p>Assess current brush disposal and resulting dispersal of coarse woody debris across cutovers and conduct research into brush disposal practices for similar jurisdictions across Canada.</p> <p>Look towards future establishment of coarse woody debris target for the DFA for implementation with next FMP.</p> <p>Long-term, anticipate coarse woody debris will be managed to assist in protection of soil quality and quantity.</p>
<b>CSA SFM Critical Element 3.2: Conserve water resources by maintaining water quality and quantity</b>			
3.2.1.1.1 Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the	3.2.1.1.1 No major non-compliances with government work permit conditions for Tolko and contractor operations	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	(major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC)	improvement action to address the concern and to put into place operational controls to prevent any future recurrences.	improvement action to address the concern and to put into place operational controls to prevent any future recurrences.  The requirements for continual improvement and adaptive management to meet the CSA SFM Z809-02 standard have been incorporated into the updated EMS (2004).
3.2.1.1.2 Condition of stream crossings and roadways in terms of erosion control	3.2.1.1.2 Construct and maintain stream crossings and roadways in a condition that prevents siltation and blockage that results in serious impacts to water quality of rivers, streams and headwaters	Currently stream crossings and roadways are required to be maintained in a condition that prevents serious impacts to water quality of rivers, streams and headwaters, however there is no regular and documented inspection process in place to ensure that this occurs consistently across the DFA.	All stream crossings and roadways across the DFA will be required to be maintained in a condition that prevents serious impacts to water quality of rivers, streams and headwaters.  A clear permit documentation process for construction followed up with a regular and documented inspection process will be in place to ensure that the target is achieved.
3.2.1.2.1 Reporting on evolution of watersheds research specific to forestry planning and operations	3.2.1.2.1 Review and report annually	Manage according to MC defined forest section and forest management unit boundaries for all planning, implementation and monitoring and reporting of forest management activities on the DFA, with no additional specific watersheds application to forestry, future indicator development or research conducted.	Continue to manage according to MC defined forest section and forest management unit boundaries for the foreseeable future.  Undertake research into potential application of watershed units for forest management planning, implementation and monitoring and reporting. Also look into the watersheds definitions in Manitoba to

DFA SFM Performance Framework		Implications of Alternative Management Strategies	
Indicator	Target	Alternative Strategy 1: Current Practices	Alternative Strategy 2: SFM Practices
			<p>assess suitability for such applications for the DFA.</p> <p>Look towards future establishment of watersheds application to forestry target for the DFA for implementation with next FMP if found to be suitable and practical given MC administrative boundaries.</p> <p>Long-term, anticipate watersheds may have some suitable application to forest management on the DFA.</p>
<b>CCFM SFM Criterion 4: Forest Ecosystem Contributions to Global Ecological Cycles</b>			
<b>CSA SFM Critical Element 4.1: Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems</b>			
4.1.1.1.1 Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	4.1.1.1.1 (A) Over the next 5 years the company will decommission 150 kms of older logging roads no longer required to reduce backlog road area to allow re-vegetation	The Company has initiated a program to decommission older logging roads no longer required, but with no established target and with limited documentation processes in place.	<p>The Company will continue to implement the already initiated program to decommission older logging roads no longer required.</p> <p>A clearly established and documented target has now been set.</p> <p>A clear permit documentation process for tracking all-weather road status for the DFA (Road Ledger) along with a documented joint MC/Company inspection process will be in place to ensure that the target is achieved.</p>
	4.1.1.1.1 (B) Total amount of Company Category 1 & 2 all-weather roadbed across the DFA not to exceed half of one	Currently there is no established limitation on the amount of all-weather roadbed for the DFA.	The established target and mechanisms for its achievement will limit future extent of all-weather roadbed in place on the DFA at any

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
	percent (0.5%) of the total productive forest landbase		time to not exceed the stated target. This will reduce the potential future impact of permanent all-weather roads in terms of effects on soil quality.
4.1.1.1.2 Harvest blocks are regenerated as soon as possible	4.1.1.1.2 100% of harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest	Currently the Company intends to implement a forest renewal treatment for harvest blocks within 3 years of harvest. However, the actual timing is not stipulated, provided that the overall requirement is met for all harvest blocks to be regenerated to the government regeneration standards by 7 years after harvest.	The Company will implement a forest renewal treatment for harvest blocks within 3 years of harvest to ensure that the overall requirement is met for all harvest blocks to be regenerated to the government regeneration standards by 7 years after harvest.  A clearly established and documented target has now been set.  A clear documentation process for tracking renewal activity and timing for all cutblocks will occur through the Cutblock Status Report to ensure that the target is achieved.
4.1.1.1.3 Forest cover composition of reforested cutover areas	4.1.1.1.3 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.
4.1.2.1.1 Percentage of wood hauled by truck versus train	4.1.2.1.1 50% of the wood fibre required by The Pas mills from the DFA will be transported by train provided that rail opportunities are in place (averaged for the previous 2 year period)	Currently the Company will utilize rail transport for deliveries from areas based on the most effective combination of cost and operational efficiency. No particular consideration is given to the opportunity to reduce the use of fossil fuels.	The Company will utilize rail transport for deliveries from areas based on the most effective combination of cost and operational efficiency, with documentation of the opportunity to reduce the use of fossil fuels. Background research has allowed for assessment of the benefits

DFA SFM Performance Framework		Implications of Alternative Management Strategies	
Indicator	Target	Alternative Strategy 1: Current Practices	Alternative Strategy 2: SFM Practices
			<p>of rail delivery in terms of fossil fuel consumption.</p> <p>A clearly established and documented target has now been set.</p> <p>A clear documentation process for tracking rail versus truck deliveries will occur through Yard Scaling Reports to ensure that the target is achieved.</p>
<p>4.1.2.1.2 Level of awareness of Woodlands staff of effects on unnecessary vehicle idling</p>	<p>4.1.2.1.2 Increase level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling</p>	<p>Currently there is no particular focus upon reduction of unnecessary vehicle idling.</p>	<p>The Company will take steps to increase Woodlands staff awareness of the importance of reducing unnecessary vehicle idling.</p> <p>A clearly established and documented target has now been set.</p> <p>A clear documentation process for documenting steps taken to increase staff awareness will occur through memo's to staff on file and meeting minutes.</p>
<b>CSA SFM Critical Element 4.2: Protect forestlands from deforestation or conversion to non-forests</b>			
<p>4.2.1.1.1 Amount of area in all-weather roads (Categories 1 &amp; 2) in place at any given time</p>	<p>4.2.1.1.1 Total amount of Company Category 1 &amp; 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase</p>	<p>Currently there is no established limitation on the amount of all-weather roadbed for the DFA.</p>	<p>The established target and mechanisms for its achievement will limit future extent of all-weather roadbed in place on the DFA at any time to not exceed the stated target. This will reduce the potential future impact of permanent all-weather roads in terms of deforestation or conversion to non-forested area.</p>

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<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
4.2.1.1.2 Forest cover composition of reforested cutover areas	4.2.1.1.2 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.
<b>CCFM SFM Criterion 5: Multiple Benefits to Society</b>			
<b>CSA SFM Critical Element 5.1: Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits</b>			
5.1.1.1.1 Harvest levels in cubic metres as compared to the AAC	5.1.1.1.1 Harvest levels to remain within Government approved AAC	Harvest levels will remain within the Government approved AAC levels.	Harvest levels will remain within the Government approved AAC levels.
5.1.1.2.1 Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	5.1.1.2.1 No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of an enforcement notice by MC)	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process improvement action to address the concern and to put into place operational controls to prevent any future recurrences.	Through the EMS any major non-compliances would result in development of a corrective action plan which would result in a process improvement action to address the concern and to put into place operational controls to prevent any future recurrences.  The requirements for continual improvement and adaptive management to meet the CSA SFM Z809-02 standard have been incorporated into the updated EMS (2004).
5.1.2.1.1 Harvest blocks are regenerated as soon as possible	5.1.2.1.1 100% of harvest blocks receive a forest renewal treatment within 3 years of harvest	Currently the Company intends to implement a forest renewal treatment for harvest blocks within 3 years of harvest. However, the actual timing is not stipulated, provided that the overall requirement is met for all harvest blocks to be regenerated to the government regeneration standards by 7 years after harvest.	The Company will implement a forest renewal treatment for harvest blocks within 3 years of harvest to ensure that the overall requirement is met for all harvest blocks to be regenerated to the government regeneration standards by 7 years after harvest.  A clearly established and documented

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
			target has now been set.  A clear documentation process for tracking renewal activity and timing for all cutblocks will occur through the Cutblock Status Report to ensure that the target is achieved.
5.1.2.1.2 Forest cover composition of reforested cutover areas	5.1.2.1.2 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.	All harvested areas will be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements.
5.1.3.1.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	5.1.3.1.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	Public consultation is a requirement under the Environment Act License.  Currently public consultation focused on participation in planning process in response to plans initiated by the Company (FRAC, public AOP meetings, resource-user consultations). Public concerns incorporated through Company review and revisions along with IRMT review and approval.  No current regular documentation process for incorporation of public concerns in plans.	Public consultation continues to be a requirement under the Environment Act License.  Shift in focus to provide for public consultation input to the planning process upfront in the planning process through identification of values, objectives, indicators and targets within the SFM framework.  Public concerns will continue to be addressed in the planning process, now with a documented follow-up process to identify concerns and response of the Company.  Public consultation role expanded to a follow-up role in monitoring and adaptive management in terms of providing ongoing review and input on the implementation of the SFM

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<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
5.1.4.1.1 Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources	5.1.4.1.1 100% of new all-weather roads to be reviewed for the potential for presence of heritage resources	Currently as per the EMS, proposed all-weather roads may be reviewed for the occurrence of heritage resources utilizing the services of an archeologist.	Plan. All proposed all-weather roads will be reviewed for the occurrence of heritage resources utilizing the services of an archeologist.  A clearly established and documented target has now been set and is applicable to all proposed all-weather roads.  A clear documentation process for tracking archeological review of all proposed all-weather roads will occur to ensure that the target is achieved.
5.1.5.1.1 Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	5.1.5.1.1 No harvesting proposed in recognized Protected Areas and ASIs	The Company has committed to not propose or harvest blocks within recognized Protected Areas or ASIs.	The Company has committed to not propose or harvest blocks within recognized Protected Areas or ASIs.
<b>CSA SFM Critical Element 5.2: Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management</b>			
5.2.1.1.1 Extent of local involvement in forest operations in the DFA	5.2.1.1.1 To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors	Currently the Company operates with principally local contractors on the DFA, but with no established target in place or follow-up documentation of levels of participation.	The Company will operate with at least 75% of the financial value of signed contracts held by local contractors, with an established target and follow-up documentation in place.
5.2.1.2.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-	5.2.1.2.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	Public consultation is a requirement under the Environment Act License.  Currently public consultation focused on participation in planning process in response to plans initiated by the Company (FRAC, public AOP	Public consultation continues to be a requirement under the Environment Act License.  Shift in focus to provide for public consultation input to the planning process upfront in the planning

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)		meetings, resource-user consultations). Public concerns incorporated through Company review and revisions along with IRMT review and approval.  No current regular documentation process for incorporation of public concerns in plans.	process through identification of values, objectives, indicators and targets within the SFM framework.  Public concerns will continue to be addressed in the planning process, now with a documented follow-up process to identify concerns and response of the Company.  Public consultation role expanded to a follow-up role in monitoring and adaptive management in terms of providing ongoing review and input on the implementation of the SFM Plan.
5.2.2.1.1 Programs in place related to public safety during truck haul operations on DFA Company roads	5.2.2.1.1 Ensure the Haul Safety Program is in place annually for operators hauling on DFA Company roads	Currently the truck haul is conducted with haul safety program mechanisms in place to meet legal requirements with emphasis on operators meeting legislation and regulations, but with little documentation and follow-up.	The truck haul safety program will be enhanced through such actions as mileage markers, radio communication, and contractor meetings for operators hauling on DFA Company roads, with increased communication to operators of their requirements and further documentation of the mechanisms of the program.
<b>CSA SFM Critical Element 5.3: Promote the fair distribution of timber and non-timber benefits and costs</b>			
5.3.1.1.1 Extent of local involvement in forest operations in the DFA	5.3.1.1.1 To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors	Currently the Company operates with principally local contractors on the DFA, but with no established target in place or follow-up documentation of levels of participation.	The Company will operate with at least 75% of the financial value of signed contracts held by local contractors, with an established target and follow-up documentation in place.
5.3.2.1.1	5.3.2.1.1 (A)	Currently the Company works with	The Company will continue to work

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
Cost per cubic metre of delivered wood	Strive to achieve delivered wood costs that meet the average costs for regional forest industry of comparable operating circumstances	<p>contractors and interested parties to build the local contractor base in the DFA.</p> <p>Utilize the EMS and work with FERIC to enable continual improvement in cost reduction.</p> <p>Participate in the PriceWaterhouseCoopers Canadian Woodlands Benchmarking Survey across Canada to assess wood cost performance internally.</p>	<p>with contractors and interested parties to build the local contractor base in the DFA.</p> <p>Continue to utilize the EMS and work with FERIC to enable continual improvement in cost reduction.</p> <p>Continue to participate in the PriceWaterhouseCoopers Canadian Woodlands Benchmarking Survey across Canada to assess wood cost performance, and utilize a summary of these findings to document and report on achievement of the target.</p>
<b>CCFM SFM Criterion 6: Accepting Society's Responsibility for Sustainable Development</b>			
<b>CSA SFM Critical Element 6.1: Recognize and respect Aboriginal and treaty rights</b>			
6.1.1.1.1 Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and culture awareness sessions	6.1.1.1.1 100% of all Woodlands staff will receive Aboriginal, treaty rights and cultural awareness training	Though a number of Woodlands staff have participated in various workshops and conferences that have included a component of Aboriginal awareness, there has been no formal awareness and training of Woodlands staff conducted.	<p>All Woodlands staff will receive Aboriginal, treaty rights and cultural awareness training on an ongoing basis with documentation of participation of staff.</p> <p>All members of the FRAC and SFM Committees will be offered the opportunity to participate in the Aboriginal, treaty rights and cultural awareness training.</p>
6.1.1.2.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal	6.1.1.2.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs,	<p>Public consultation is a requirement under the Environment Act License.</p> <p>Currently public consultation focused on participation in planning process in response to plans initiated by the</p>	<p>Public consultation continues to be a requirement under the Environment Act License.</p> <p>Shift in focus to provide for public consultation input to the planning</p>

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Access Management Plans)	AOPs, Road Management Plans	<p>Company (FRAC, public AOP meetings, resource-user consultations). Public concerns incorporated through Company review and revisions along with IRMT review and approval.</p> <p>No current regular documentation process for incorporation of public concerns in plans.</p>	<p>process upfront in the planning process through identification of values, objectives, indicators and targets within the SFM framework.</p> <p>Public concerns will continue to be addressed in the planning process, now with a documented follow-up process to identify concerns and response of the Company.</p> <p>Public consultation role expanded to a follow-up role in monitoring and adaptive management in terms of providing ongoing review and input on the implementation of the SFM Plan.</p>
<b>CSA SFM Critical Element 6.2: Respect traditional Aboriginal forest values and uses identified through the Aboriginal input process</b>			
6.2.1.1.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	6.2.1.1.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	<p>Public consultation is a requirement under the Environment Act License.</p> <p>Currently public consultation focused on participation in planning process in response to plans initiated by the Company (FRAC, public AOP meetings, resource-user consultations). Public concerns incorporated through Company review and revisions along with IRMT review and approval.</p> <p>No current regular documentation process for incorporation of public concerns in plans.</p>	<p>Public consultation continues to be a requirement under the Environment Act License.</p> <p>Shift in focus to provide for public consultation input to the planning process upfront in the planning process through identification of values, objectives, indicators and targets within the SFM framework.</p> <p>Public concerns will continue to be addressed in the planning process, now with a documented follow-up process to identify concerns and response of the Company.</p>

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
			Public consultation role expanded to a follow-up role in monitoring and adaptive management in terms of providing ongoing review and input on the implementation of the SFM Plan.
<b>CSA SFM Critical Element 6.3: Demonstrate that the SFM public participation process is designed and functioning to the satisfaction of the participants</b>			
6.3.1.1.1 Degree of satisfaction with the public participation component of the planning process	6.3.1.1.1 The majority of the SFM Committee members responding to the survey indicate being satisfied (or better) with the public participation process of the SFM Committee	No formal process has been conducted to measure the level of satisfaction of the public in terms of their participation in the planning process.	A formal process would be in place to measure and record the level of satisfaction of the SFM Committee members in terms of their participation in the planning process.
<b>CSA SFM Critical Element 6.4: Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems</b>			
6.4.1.1.1 Training and awareness opportunities for contractors on the DFA	6.4.1.1.1 Provide annual information sessions to 100% of all contractors on the DFA	Woodlands Contractors Meetings have been held in the past, though not on a regular basis years. No follow-up distribution of minutes or presentation materials to the contractors was documented.	Annual Woodlands Contractors Meetings will be re-instituted and will be held regularly each year with documented agenda and minutes.  Minutes and presentation materials will also be circulated to all contractors, including any unable to attend the meeting.
6.4.1.1.2 Tolko understanding and practices based on current and emerging knowledge and recommended practices	6.4.1.1.2 Representatives of Woodlands staff will attend conferences, workshops and field trips related to current and emerging knowledge and recommended practices and bring	Representatives of Woodlands staff attend conferences, workshops and field trips with follow-up trip reports prepared, though on an irregular basis.	Representatives of Woodlands staff will continue to attend conferences, workshops and field trips, however, attendance at all such events will be followed up with documented trip reports to include relevant

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
	forward any relevant recommendations for process improvement		recommendations for process improvement from lessons learned at the event.
6.4.1.1.3 Training members of the Forest Resource Advisory Committees (FRAC) and the SFM Committee	6.4.1.1.3 (A) FRAC and SFM Committee members will receive forest management presentations and information updates from the Company at least 2 times per year and the opportunity to participate in at least 1 field tour per year	Currently FRAC and SFM Committee members receive forest management presentations and information updates from the Company, including presentation of the AOP, however, these presentations and field tours are not held with any specific target in mind in terms of frequency of occurrence.	FRAC and SFM Committee members will receive forest management presentations and information updates with a target frequency of at least 2 times per year and at least 1 field tour opportunity per year.  A clearly established and documented target has now been set.  A clear documentation process for tracking presentations, updates and field tour opportunities will occur through the recording and tracking of committee minutes to ensure that the target is achieved.
	6.4.1.1.3 (B) FRAC and SFM Committees will be provided with the opportunity to place a representative on SFM audits for the DFA	Currently there are no SFM audits held for the DFA, and hence, no opportunity for FRAC or SFM Committee member participation.	FRAC and SFM Committee members will be provided with the opportunity to place a representative on SFM audits for the DFA.  A clearly established and documented target has now been set.  A clear documentation process for tracking opportunities will occur through the recording and tracking of committee minutes to ensure that the target is achieved.
6.4.1.2.1 Access of the broad public to	6.4.1.2.1 Sufficient information sharing	Currently there are a number of information sharing mechanisms to	Already existing information sharing mechanisms will be continued and

<b>DFA SFM Performance Framework</b>		<b>Implications of Alternative Management Strategies</b>	
<b>Indicator</b>	<b>Target</b>	<b>Alternative Strategy 1: Current Practices</b>	<b>Alternative Strategy 2: SFM Practices</b>
information on SFM, FMP and AOP plans and related public participation processes	mechanisms so the broad public will have access to the recent SFM Plan, FMP, AOP and Annual SFM Report	provide the broad public with opportunities to have access to the FMP and to components of information included in the AOP. These have included the Manitoba Public Registries required under the Manitoba Environment Act (FMP and associated EIS), and public information meetings to present planned activities to be included in the AOP.	will be supplemented by the addition of the Company website to provide the broad public with access to the recent SFM Plan, AOP and Annual SFM Report.

# **APPENDIX 7**

## **SUMMARY TABLES OF THE PERFORMANCE FRAMEWORK FOR THE DFA**

## APPENDIX 7: Summary Tables of the Performance Framework for the DFA

Tolko Manitoba Solid Wood Division

Sustainable Forest Management Plan

### Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 1.0 – Conservation of Biological Diversity

Revision Date: August 4, 2004

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 1.1: Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally occur in the DFA</b>								
1.1.1 A resilient forest ecosystem that emulates natural disturbances and landscape patterns	1.1.1.1 Create a range of harvest disturbance patches across the landscape that is consistent with the size, frequency, distribution and shape of disturbance patches created under a natural fire regime	1.1.1.1.1 Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)	1.1.1.1.1 Monitor and report on patch size and distribution resulting from natural and timber harvesting disturbances for the DFA	Monitoring target to document trend of patch statistics to apply to future management objectives	Forest Act  MC Cutblock Size Guideline	Research to assess harvest and fire patch characteristics for DFA based upon available data  Assess harvest and fire patches annually going forward and plot trend  Undertake ongoing literature review and participation in workshops to	Initiate work on past patch sizes in 2004  Annual review of patch statistics to start in 2005  Report on the trend and on the progress of research program annually in SFM Report	No variance in measurement and reporting program  No targets are set for patch characteristics for the DFA at this time

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving	Monitoring & Measurement	Acceptable Variance
						maintain state of current knowledge		
	1.1.1.2 Reforest all harvested areas to meet government renewal standards	1.1.1.2.1 Forest cover composition of reforested cutover areas	1.1.1.2.1 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	FML Agreement requires renewal of all areas harvested for the mill  Basic premise that forest renewal is key to sustainability	FML Agreement  MC Renewal Standards	PHFI of blocks  Pre-harvest renewal plan in AOP  FMPOPs  Regeneration and FTG surveys  Follow-up renewal commitment	Government certified 7-year Regeneration surveys  Government certified 14-year FTG surveys  Block Status Report updated annually starting in 2005  Forest Management Annual Report to MC  Summarize in SFM Report annually	No variance in meeting MC renewal standards for all areas harvested to meet the Company's requirements
	1.1.1.3 Harvest within sustainable levels and harvest operating guidelines to promote the presence of a	1.1.1.3.1 Harvest levels in cubic metres as compared to the AAC	1.1.1.3.1 Harvest levels to remain within Government approved AAC	Manitoba Government approved AAC levels  MC produced forest inventory  FMP	Forest Act  FML Agreement  MC Harvest Control on FML Agreement Areas – Forestry Branch Circular Directive 19	AAC determined by MC  FMPs and AOPs developed within AACs  Wood Supply	Actual harvest as related to the Provincial AAC levels within 5-year cut control periods in Forest Management Annual Report  Report on PSP	No variance in 5-year harvest outside of MC approved AAC levels  Variation in any given year may

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving	Monitoring & Measurement	Acceptable Variance
	range of age classes on the DFA			sustainability analysis  Basic premise that control of harvest levels is key to sustainability	(1998)	Modeling to be utilized  Permanent Sample Plot (PSP) research to determine Growth & Yield	program annually in the SFM Report	occur and harvest of underutilized AAC from the previous period may occur with MC approval
<b>CSA SFM Critical Element 1.2: Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time</b>								
1.2.1 Continued existence of all animal and plant species native to the DFA within the historical natural range of variability	1.2.1.1 To maintain wildlife habitat for Woodland Caribou	1.2.1.1.1 Woodland caribou habitat for the Kississing-Naosap Lakes Herd	1.2.1.1.1 Implement forest management strategy for the Kississin-Naosap woodland caribou range	Recognized importance of the Kississing-Naosap woodland caribou herd in the DFA as well as the importance of the area for harvesting	SARA & MESA  Wildlife Act  Forest Management Guidelines for Wildlife in Manitoba  Woodland Caribou Conservation Strategy for Manitoba (May, 2000)  Environment Act License 2302-E	Joint MC/industry Committee developed a forest management /caribou strategy for implementation in AOP  Monitor caribou use of critical habitat	Cutover (CO) records to include comparison of actual harvest to designated critical habitat leave areas  Report on agreed no-harvest zones annually in SFM Report	No variance from agreed-to critical habitat area restrictions is acceptable
	1.2.1.2 Ensure species at risk are considered in	1.2.1.2.1 Staff awareness of current COSEWIC	1.2.1.2.1 100% of Tolko Woodlands staff to undertake	COSEWIC & MESA listings for the DFA  Species at risk	SARA  COSEWIC  MESA	Update COSEWIC & MESA lists annually and circulate lists	Compare sign-off to staff complement to ensure full staff review	No variance from 100% complete review by all staff is

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving	Monitoring & Measurement	Acceptable Variance
	planning and operations	& MESA lists for DFA	review of COSEWIC & MESA lists annually	values important to maintain species diversity		for staff review & sign-off  Annual Woodlands & Contractors Meeting	Report annually in the SFM Report	acceptable
	1.2.1.3 Plan and implement forest operations incorporating general wildlife habitat considerations	1.2.1.3.1 Abundance of residual stand structure	1.2.1.3.1 At least 5 standing trees (alive and dead) per hectare retained across harvested areas on a forest section basis	FMPOPs  Generally acknowledged value of retaining a component of standing trees across cutover areas as vertical stand structure	None	FMPOPs & Operators Guide  Ongoing training & awareness of contractors  Project Tailgate Meeting  Operations inspections follow-up	Supervisor estimate on Operations Inspections Report with verification using CO records & photos  Reported annually with CO records  Summarized in SFM Report	Some variance expected at the cutblock and operating area level
<b>CSA SFM Critical Element 1.3: Conserve genetic diversity by maintaining the variation of genes within species</b>								
1.3.1 Maintain native tree species	1.3.1.1 Sustain genetic diversity through naturally occurring species which are well adapted to local	1.3.1.1.1 Percentage of areas planted with stock from the same or approved government seed zone	1.3.1.1.1 100% of planted areas utilize stock from the same or approved government seed zone	Company approach is to comply fully with MC guidelines for seed zone application and utilize seedlings as approved by MC	FML Agreement	Comply with government seed transfer guidelines for collection & planting of resulting stock  All seedling orders include identification	Track seed from source to planting location  Plant records to identify seed source  Summarize in Tree Planting Report and	No areas planted shall be from stock not collected from the same seed zone or pre-approved by MC

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving	Monitoring & Measurement	Acceptable Variance
	conditions					of seed zone origin and shipping location	annually in the SFM Report	
<b>CSA SFM Critical Element 1.4: Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance</b>								
1.4.1 Protect unique and important (for biological diversity) features	1.4.1.1 Plan and implement forestry operations to ensure the protection of unique and important (for biological diversity) features	1.4.1.1.1 Percentage of proposed harvest blocks subject to pre-harvest surveys (PHFI)	1.4.1.1.1 100% of all proposed first year blocks in the AOP will be subject to a pre-harvest survey (PHFI)	Already established Company practice to conduct PHFI for all planned blocks  FMPOPs	Environment Act License 2302-E  Manitoba Forest Practices Guidelines – Pre-harvest Surveys	PHFI for 1 <sup>st</sup> Year AOP blocks  PHFI doc Include Vulnerable, Threatened, Endangered (VTE) and rare species presence and crew training includes VTE & rare species & information on regional and local sensitivities	PHFI results on AOP Block Information Sheet and report how information was used in the plan  AOP plan author works with planners to ensure PHFI & Cutblock Information Sheet completed and included for all submitted first year blocks	No variance in all 1 <sup>st</sup> Yr AOP Blocks receiving a PHFI survey  Contingency Blocks may require PHFI survey be submitted with work permit application
1.4.2 Large areas of forest minimally impacted by humans	1.4.2.1 Company to participate in the Manitoba Protected Areas Initiative led by the Government and respect	1.4.2.1.1 Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	1.4.2.1.1 No harvesting proposed in recognized Protected Areas and ASIs	Continuation of Company's commitment to participate in the protected areas and ASIs initiative led by the government	None	Protected Areas and ASI established by the government as interim units for review  Maintain practice of indicating ASIs	CO Records as compared to approved AOP including incorporation of Protected Areas and ASIs  Summarize in the SFM Report	No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas and

<b>DFA Value</b>	<b>Objective</b>	<b>Indicator</b>	<b>Target</b>	<b>Basis for Target</b>	<b>Legal Requirements</b>	<b>Means of Achieving</b>	<b>Monitoring &amp; Measurement</b>	<b>Acceptable Variance</b>
	identified Protected Areas and Areas of Special Interest (ASIs) in the DFA					on AOP maps, with no harvest plans proposed for these areas		ASIs is acceptable

Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 2.0 – Maintenance and Enhancement of Forest Ecosystem Condition and Productivity

Revision Date: August 4, 2004

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 2.1: Conserve ecosystem resilience by maintaining both ecosystem processes and ecosystem conditions</b>								
2.1.1 Renewal of harvested areas	2.1.1.1 Renewal of harvested areas that result in similar stand conditions expected from natural disturbance	2.1.1.1.1 Forest cover composition of reforested cutover areas	2.1.1.1.1 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	FML Agreement requires renewal of all areas harvested for the mill  Basic premise that forest renewal is key to sustainability	FML Agreement  MC Renewal Standards	PHFI of blocks  Pre-harvest renewal plan in AOP  FMPOPs  Regeneration and FTG surveys  Follow-up renewal commitment	Government certified 7-year Regeneration surveys  Government certified 14-year FTG surveys  Block Status Report updated annually starting in 2005  Forest Management Annual Report to MC  Summarize in SFM Report	No variance in meeting MC renewal standards for all areas harvested to meet the Company's requirements

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
							annually	
<b>CSA SFM Critical Element 2.2: Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species</b>								
2.2.1 Maintain forest ecosystem productivity and productive capacity	2.2.1.1 Reduce effects of insect and disease	2.2.1.1.1 Provision of information on insects and disease to MC for the DFA	2.2.1.1.1 Provide information annually to MC on insects and disease compiled from PHFI, Regeneration Surveys and Free-to-Grow Surveys	FMPOPs  Continuing practice of the Company to work cooperatively with MC in identification of insect and disease concerns	FML Agreement  Manitoba Conservation Guidebook for Pre-harvest Surveys	PHFI, Regeneration Surveys and Free-to-Grow Surveys include insect & disease identification	Summarize PHFI data and report to MC annually  Supply Regeneration & FTG survey data to MC annually including insect and disease data  Summarize in Forest Management Annual Report and SFM Report	No variance from undertaking the insect/disease information compilation and communication to MC annually
2.2.2 Protect current ecosystem conditions	2.2.2.1 Reduce forest productivity losses due to forest fires	2.2.2.1.1 Company caused forest fires	2.2.2.1.1 Limit individual accidental fire incidences to less than 2 hectares in size (productive forest land)	EMS  FMPOPs  Basic premise of the importance of protecting the forest resource for both timber & non-timber	The Fires Protection Act  FML Agreement	EMS SOP, COR & Tailgate Checklist  Fire Protection and Suppression Plan	EMS Environmental Incident Reports  Summarize in the Forest Management Annual Report and SFM	Some variance in individual fires may occur with no more than 50 hectares of productive forest land burned over a 5 year period

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
				values		Annual fire meeting with MC Regional staff  Forest Operations Modification Guidelines  Awareness & training of staff & contractors	Report	(measured on a rolling 5-year basis)
	2.2.2.2 Reduce forest productivity losses due to dwarf mistletoe infestations	2.2.2.2.1 Re-curing mistletoe infections in regenerating stands	2.2.2.2.1 (A) Prevent re-infection of regenerating jack pine stands to achieve Free-to-Grow certification status	FMPOPs  Basic premise of the importance of protecting the forest resource for both timber & non-timber values by reducing the spread of mistletoe infections  Protect investment made in renewal of previously infected areas	FML Agreement  Manitoba Conservation Guidebook for Pre-harvest Surveys  MC Forest Regeneration Survey Manual  MC Free-to-Grow Survey Manual	Identification of infected stands through PHFI  Modified harvesting practices for infected stands  Post-harvest sanitation  Follow-up silviculture treatment to eradicate the infection	Monitor with Regeneration & Free-to-Grow surveys  Report in the Forest Management Annual Report  Summarize in the SFM Report	No variance from all regenerating jack pine stands achieving Free-to-Grow certification status

Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 3.0 – Conservation of Soil and Water Resources

Revision Date: August 4, 2004

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 3.1: Conserve soil resources by maintaining soil quality and quantity</b>								
3.1.1 Healthy soils that will sustain forest-related ecosystems	3.1.1.1 Maintain soil productive ability, extent and variety	3.1.1.1.1 Extent and duration of in-block seasonal roads and landings	3.1.1.1.1 (A) Limit extent of in-block roads and bulldozed landings and campsites to less than 10% of total harvested area each year	To minimize the effects of soil disturbance associated with harvesting	None	Awareness & training (FMPOP Operators Guide)  Direction of contractors  EMS Project Tailgate Checklist & Operations Inspection Form	Harvest Cutover Records analysis of in-block roads and landings and camps  Summarize in SFM Report	No variance from target on a forest section and DFA basis  Variation for individual blocks is expected to occur
			3.1.1.1.1 (B) Reduce duration of in-block roads and bulldozed landings and campsites by addressing these areas within the renewal implementation program for	To minimize the effects of soil disturbance associated with harvesting	Environment Act License 2302-E  FML Agreement	PHFI data for renewal prescription  Incorporate all in-block roads & landings in renewal plans & activities  Include these areas within Regeneration &	Monitoring of regeneration success for in-block roads and landings will be incorporated with the assessment of the surrounding cutblock	No variance from inclusion of landings and seasonal in-block roads for renewal activities and regeneration success assessment within cutblock.

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			each cutblock			FTG surveys		Regeneration of any given in-block road may vary, however all such areas will be included within applicable cutblocks for determination of block renewal success
		3.1.1.1.2 Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber	3.1.1.1.2 No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a "Summary Procedure" or an "Indictment Notification" by MC)	To minimize the effects of soil disturbance associated with harvesting	FML Agreement Environment Act License 2302-E Forest Act Crown Lands Act Manitoba Environment Act Fisheries Act Fires	AOP planning includes application of MC and other government guidelines for timber & non-timber values Public consultation provides input on local values AOP & Work Permit Approval Conditions Contractor &	EMS Environmental Incidence Reports & Process Improvement Forms Meeting minutes from Annual Woodlands Contractors Meeting and Annual Soil Disturbance Workshop Summarize any major non-	No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
		values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides			Prevention Act Heritage Resources Act Endangered Species Act	operator awareness & training (Annual Woodlands Contractors Meeting, Annual Soil Disturbance Workshop & FMPOP Operators Guide) EMS SOPs, COR, Project Tailgate Checklist & Operations Inspections Forms MC Timber Harvest Inspections copied to Company Modifications to operations including scheduling and shutdown	compliances related to Work Permit conditions (resulting in issue of MC Summary Procedure or Indictment Notification) annually in the SFM Report including follow-up action taken	the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.
		3.1.1.1.3 Amount of area in all-weather roads	3.1.1.1.3 Total amount of Company Category 1 and 2 all-weather	To minimize the effects of long-term soil disturbance associated with	None	FMP to project road requirements relative to wood supply	Maintain Road Ledger to track active and decommissioned roads	No variance is acceptable in limiting Company all-weather

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
		(Categories 1 & 2) in place at any given time	roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase	all-weather road development and maintenance		AOP to adjust and maximize use of existing roads  Decommissioning of roads no longer required	Decommissioned roads result in letters to MC, and re-classification as decommissioned status in the ledger  Assess active roads listed on ledger annually as compared to productive forest landbase in GIS  Report annually for the DFA in the SFM Report	roadbed to not exceed half of one percent (0.5%)
		3.1.1.1.4 Forest cover composition of reforested cutover areas	3.1.1.1.4 (A) 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	FML Agreement requires renewal of all areas harvested for the mill  Basic premise that forest renewal is key to sustainability	FML Agreement  MC Renewal Standards	PHFI of blocks  Pre-harvest renewal plan in AOP  FMPOPs  Regeneration and FTG surveys  Follow-up renewal	Government certified 7-year Regeneration surveys  Government certified 14-year FTG surveys  Block Status Report updated annually starting in 2005	No variance in meeting MC renewal standards for all areas harvested to meet the Company's requirements

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						commitment	Forest Management Annual Report to MC  Summarize in SFM Report annually	
		3.1.1.1.5 Amount and distribution of coarse woody debris	3.1.1.1.5 Implement a research project to assess and document levels of coarse woody debris retention for various covertypes and logging systems	Determine appropriate woody debris retention levels for DFA sites & results of current practices in order to set an appropriate long-term indicator and target	Forest Act	Develop and implement a research project for coarse woody debris for the DFA  Review current practices across boreal forest conditions similar to DFA  Review research on impacts on soil productivity  Develop & implement manual and conduct surveys  Report on DFA findings relative	A summary report on the Coarse Woody Debris Research Project will be prepared annually  Summarize progress towards establishment of a suitable indicator and target for the DFA in the SFM Report annually	No variance in conducting research project for the DFA  No targets are set for wood debris levels for the DFA at this time and as such, no variances for coarse woody debris levels are applicable at present

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						to research findings and other jurisdictions  Develop and implement future long-term indicator and target for the DFA by 2008 for application to next FMP preparation		
<b>CSA SFM Critical Element 3.2: Conserve water resources by maintaining water quality and quantity</b>								
3.2.1 Healthy watersheds	3.2.1.1 Maintain water quality and quantity as a result of woodlands operations	3.2.1.1.1 Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber	3.2.1.1.1 No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a "Summary Procedure" or an "Indictment Notification" by MC)	To minimize the effects on water quality and quantity associated with forestry operations	FML Agreement  Environment Act License 2302-E  Forest Act  Crown Lands Act  Manitoba Environment Act  Fisheries Act  Fires	AOP planning includes application of MC and other government guidelines for timber & non-timber values  Public consultation provides input on local values  AOP & Work Permit Approval Conditions  Contractor &	EMS Environmental Incidence Reports & Process Improvement Forms  Summarize any major non-compliances related to Work Permit conditions (resulting in issue of MC Summary Procedure or Indictment	No variance from the target of no major non-compliances related to work permit conditions is acceptable.  There may be some instances where minor non-compliances may occur and be documented for follow-up action within

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
		values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides			Prevention Act Heritage Resources Act Endangered Species Act	operator awareness & training (FMPOP Operators Guide) EMS SOPs, COR, Project Tailgate Checklist & Operations Inspections Forms MC Timber Harvest Inspections copied to Company Modifications to operations including scheduling and shutdown	Notification) annually in the SFM Report including follow-up action taken	the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.
		3.2.1.1.2 Condition of stream crossings and roadways in terms of erosion control	3.2.1.1.2 Construct and maintain stream crossings and roadways in a condition that prevents siltation and blockage that results in	To minimize the effects on water quality and quantity associated with roads and stream crossings	Work permit conditions DFO Crossing Permit conditions Navigable Waters Protection	Construction to follow FMPOPs, EMS SOPs & conditions set out in MC work permit & permits obtained from DFO Develop by 2004, FMPOP	Annual Inspections (June - August) Action Plan to address any concerns Review Road File System log of Road	No variance in maintenance of crossings or roadways to prevent siltation and blockage that results in serious impacts to commercial or recreational

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			serious impacts to water quality of rivers, streams and headwaters		Act  Fisheries Act (Federal & Provincial)	Guideline for inspection, follow-up action plans & post-inspections for all Company all-weather Category 1 & 2 roads and crossings to occur annually  Implement FMPOP Guideline in 2005	Checklists & Action Plans to ensure compliance  Summarize and report annually in SFM Report	fish-bearing watercourses
	3.2.1.2 Work towards an understanding of watershed health impacts/influences of forest operations	3.2.1.2.1 Reporting on evolution of watersheds research specific to forestry planning and operations	3.2.1.2.1 Review and report annually	Determine appropriate application of watershed level for planning and implementation of forest management activities for the DFA in order to set an appropriate long-term indicator and target if found to be suitable	None	Develop and implement a research project for forest management related to watersheds for the DFA  Consider the role of forest fire and other natural disturbance activities occurring in watersheds  Review current practices across	A summary report on the Forestry and Watersheds Research Project will be prepared annually  Summarize progress towards establishment of a suitable indicator and target for the DFA in the SFM Report annually	No variance in conducting research project for the DFA  No targets are set for forest management at the watershed level for the DFA at this time and as such, no variances for watersheds are applicable at present

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						<p>boreal forest conditions similar to DFA</p> <p>Review research on impacts on watersheds and water quality</p> <p>Report on research findings from Manitoba and other jurisdictions</p> <p>Develop and implement future long-term indicator and target for the DFA by 2008 for application to next FMP preparation if found to be suitable for forest management applications</p>		

**Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 4.0 – Forest Ecosystem Contributions to Global Ecological Cycles**

**Revision Date: August 4, 2004**

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 4.1: Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems</b>								
4.1.1 Healthy forest making a positive contribution to global carbon balance	4.1.1.1 Increase carbon storage	4.1.1.1.1 Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	4.1.1.1.1 (A) Over the next 5 years the company will decommission 150 kms of older logging roads no longer required to reduce backlog road area to allow re-vegetation	Intent to reduce outstanding unused road inventory to increase opportunity for re-vegetation	Environment Act License 2302-E  AOP Approval Conditions	Complete inventory of Company backlog all-weather roads  Compile a Road Ledger for all Company Category 1 & 2 Roads  List roads for decommissioning in AOP  Public consultation in conjunction with AOP  Finalize decommissioning plan for each road	Establish baseline from inventory of backlog roads compiled on Roads Ledger  Company letters to MC placed on file advising of decommissioning status  2 year monitoring of decommissioning actions  Research of revegetation through 7 year assessments to provide trend data for potential future use in	Variance from the target of 150 kilometres over a 5 year period may occur dependant upon availability of old roads for decommissioning once other resource and public uses are considered and MC approval is obtained

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						<p>for MC approval</p> <p>Conduct decommissioning under work permit</p> <p>Advise MC of completed decommissioning work for interim decommissioned status</p> <p>Monitor decommission actions for 2 years and advise MC for final decommissioning</p> <p>Change of road status from active to decommissioned in Road Ledger</p>	revising targets	
			4.1.1.1.1 (B) Total amount of Company Category 1 & 2 all-weather roadbed across the DFA not to	Intent to limit permanent road development in the long-term to limit conversion of	None	<p>FMP to project road requirements relative to wood supply</p> <p>AOP to adjust and maximize use</p>	<p>Maintain Road Ledger to track active and decommissioned roads</p> <p>Decommissioned</p>	No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			exceed half of one percent (0.5%) of the total productive forest landbase	forested land to non-forested status		of existing roads  Decommissioning of roads no longer required	roads result in letters to MC, and re-classification as decommissioned status in the ledger  Assess active roads listed on ledger annually as compared to productive forest landbase in GIS  Report annually for the DFA in the SFM Report	percent (0.5%)
		4.1.1.1.2 Harvest blocks are regenerated as soon as possible	4.1.1.1.2 100% of harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest	FML Agreement requires renewal of all areas harvested for the mill  Premise that prompt forest renewal will result in higher success rates in meeting	None	PHFI data collection enables pre-planning and prompt renewal actions  Coordination with operations enables immediate follow-up to utilize access as needed  Renewal	Update the Cutblock Status Report annually  Compile and report on status of all areas harvested 3 years previously  Summarize in the SFM Report	Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
				renewal requirements		treatments as per FMPOPs		treatment.
		4.1.1.1.3 Forest cover composition of reforested cutover areas	4.1.1.1.3 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	FML Agreement requires renewal of all areas harvested for the mill  Basic premise that forest renewal is key to sustainability	FML Agreement  MC Renewal Standards	PHFI of blocks  Pre-harvest renewal plan in AOP  FMPOPs  Regeneration and FTG surveys  Follow-up renewal commitment	Government certified 7-year Regeneration surveys  Government certified 14-year FTG surveys  Block Status Report updated annually starting in 2005  Forest Management Annual Report to MC  Summarize in SFM Report annually	No variance in meeting MC renewal standards for all areas harvested to meet the Company's requirements
4.1.2 Reduce the use of fossil fuels	4.1.2.1 Minimize the amount of greenhouse gases produced to transport wood to the mills	4.1.2.1.1 Percentage of wood hauled by truck versus train	4.1.2.1.1 50% of the sawlogs required by The Pas mills will be transported by train provided that rail	Train transport of wood considered to be more fuel efficient than truck transport	None	Track rail versus truck delivery by forest section of sawlogs delivered to mill yard  Scale reports summarized for Forest	Wood yard scaling deliveries reports summarized for input to the Forest Management Annual Report based upon	No variance in the percentage of sawlogs to be delivered by train is acceptable provided that sufficient rail opportunities are retained in place

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			opportunities are in place (averaged for the previous 2 year period)			Management Annual Report	average of previous 2 year period  Summarize in the SFM Report	across the DFA to offer this haul option from areas being operated in the DFA (averaged for the previous 2 year period)
		4.1.2.1.2 Level of awareness of Woodlands staff of effects on unnecessary vehicle idling	4.1.2.1.2 Increase level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling	Improving awareness of Woodlands staff should lead to reduced unnecessary vehicle idling times	None	Annual reminder memo to staff at start of winter season  Reminder in conjunction with Annual Woodlands & Contractors Meeting review of SFM progress	Memo on file each year  Documentation of minutes of Annual Woodlands & Contractors Meeting relating to SFM progress	No variance in undertaking steps to increase the level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling
<b>CSA SFM Critical Element 4.2: Protect forestlands from deforestation or conversion to non-forests</b>								
4.2.1 Maintain the forested area of the DFA	4.2.1.1 Minimize the conversion of Crown forested to non-forested land	4.2.1.1.1 Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	4.2.1.1.1 Total amount of Company Category 1 & 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase	Intent to limit permanent road development in the long-term to limit conversion of forested land to non-forested status	None	FMP to project road requirements relative to wood supply  AOP to adjust and maximize use of existing roads  Decommissioning of roads no longer required	Maintain Road Ledger to track active and decommissioned roads  Decommissioned roads result in letters to MC, and re-classification as decommissioned	No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
							<p>status in the ledger</p> <p>Assess active roads listed on ledger annually as compared to productive forest landbase in GIS</p> <p>Report annually for the DFA in the SFM Report</p>	
		4.2.1.1.2 Forest cover composition of reforested cutover areas	4.2.1.1.2 100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements	<p>FML Agreement requires renewal of all areas harvested for the mill</p> <p>Basic premise that forest renewal is key to sustainability</p>	<p>FML Agreement</p> <p>MC Renewal Standards</p>	<p>PHFI of blocks</p> <p>Pre-harvest renewal plan in AOP</p> <p>FMPOPs</p> <p>Regeneration and FTG surveys</p> <p>Follow-up renewal commitment</p>	<p>Government certified 7-year Regeneration surveys</p> <p>Government certified 14-year FTG surveys</p> <p>Block Status Report updated annually starting in 2005</p> <p>Forest Management Annual Report to MC</p> <p>Summarize in</p>	No variance in meeting MC renewal standards for all areas harvested to meet the Company's requirements

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
							SFM Report annually	

Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 5.0 – Multiple Benefits to Society

Revision Date: August 4, 2004

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 5.1: Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits</b>								
5.1.1 To supply industrial wood needs, while maintaining forest ecosystems sustainability	5.1.1.1 to provide a continuous, predictable and sustainable supply of timber consistent with existing wood supply commitments	5.1.1.1.1 Harvest levels in cubic metres as compared to the AAC	5.1.1.1.1 Harvest levels to remain within Government approved AAC	Manitoba Government approved AAC levels  MC produced forest inventory  FMP sustainability analysis  Basic premise that control of harvest levels is key to sustainability	Forest Act  FML Agreement  MC Harvest Control on FML Agreement Areas – Forestry Branch Circular Directive 19 (1998)	AAC determined by MC  FMPs and AOPs developed within AACs  Wood Supply Modeling to be utilized  Permanent Sample Plot (PSP) research to determine Growth & Yield	Actual harvest as related to the Provincial AAC levels within 5-year cut control periods in Forest Management Annual Report  Report on PSP program annually in the SFM Report	No variance in 5-year harvest outside of MC approved AAC levels  Variation in any given year may occur and harvest of underutilized AAC from the previous period may occur with MC approval
	5.1.1.2 Minimize impacts upon non-	5.1.1.2.1 Adherence to Work Permit conditions and	5.1.1.2.1 No major non-compliances with government work	To minimize the effects on non-timber	FML Agreement  Environment	AOP planning includes application of MC and other	EMS Environmental Incidence Reports & Process Improvement Forms	No variance from the target of no major non-

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
	timber ecosystem values	Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of an enforcement notice by MC)	ecosystem values associated with forestry operations	Act License 2302-E Forest Act Crown Lands Act Manitoba Environment Act Fisheries Act Fires Prevention Act Heritage Resources Act Endangered Species Act	government guidelines for timber & non-timber values Public consultation provides input on local values AOP & Work Permit Approval Conditions Contractor & operator awareness & training (FMPOP Operators Guide) EMS SOPs, COR, Project Tailgate Checklist & Operations Inspections Forms MC Timber Harvest	Summarize any major non-compliances related to Work Permit conditions (resulting in issue of MC Summary Procedure or Indictment Notification) annually in the SFM Report including follow-up action taken	compliances related to work permit conditions is acceptable.  There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						Inspections copied to Company  Modifications to operations including scheduling and shutdown		
5.1.2 Balance of economic, social and environmental benefits of the forest without compromising sustainability	5.1.2.1 To replace the area just harvested with composition similar to pre-harvest	5.1.2.1.1 Harvest blocks are regenerated as soon as possible	5.1.2.1.1 100% of harvest blocks receive a forest renewal treatment within 3 years of harvest	FML Agreement requires renewal of all areas harvested for the mill  Premise that prompt forest renewal will result in higher success rates in meeting renewal requirements	None	PHFI data collection enables pre-planning and prompt renewal actions  Coordination with operations enables immediate follow-up to utilize access as needed  Renewal treatments as per FMPOPs	Update the Cutblock Status Report annually  Compile and report on status of all areas harvested 3 years previously  Summarize in the SFM Report	Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed treatment.
		5.1.2.1.2 Forest cover composition of reforested cutover areas	5.1.2.1.2 100% of all harvested areas to be reforested to the standards set in the MC	FML Agreement requires renewal of all areas harvested for	FML Agreement  MC Renewal Standards	PHFI of blocks  Pre-harvest renewal plan in AOP	Government certified 7-year Regeneration surveys  Government	No variance in meeting MC renewal standards for all areas harvested to

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			Regeneration and Free-to-Grow requirements	the mill  Basic premise that forest renewal is key to sustainability		FMPOPs  Regeneration and FTG surveys  Follow-up renewal commitment	certified 14-year FTG surveys  Block Status Report updated annually starting in 2005  Forest Management Annual Report to MC  Summarize in SFM Report annually	meet the Company's requirements
5.1.3 Multiple use of the forest, including the consideration of cultural values, recreational uses, tourism, and other non-timber resources	5.1.3.1 Forestry operations will be planned and implemented in a manner that considers the diversity of social, economic, cultural and environmental values on the forest and use of localized knowledge of local	5.1.3.1.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management	5.1.3.1.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	FMPOPs  Premise that public consultation is a key and critical component of SFM for the DFA	Environment Act License 2302-E  MC Forest Road Management Guidelines	Review draft FMP, AOP and Road Management Plans with local communities and stakeholders  Concerted effort to meet with all DFA Aboriginal communities  Documentation of concerns and suggested mitigation opportunities, including	Document public consultation activities for each FMP, AOP and Road Management Plan  Public Concerns Table to document concerns brought forward, response and action plan of the Company to address each concern, including situations where a difference in view may prevail  All public	No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process.  Although differences in view may occur, all concerns

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
	species	plans for the DFA (FMP, AOP, Road Management Plans)				<p>minutes, one-on-one enquiries, phone calls, emails &amp; letters</p> <p>Address concerns, or document response, in the Public Concerns Table &amp; within cutblock mitigation for AOP, or in the Road Management Plan as applicable</p> <p>Public consultation component of each FMP, AOP &amp; Road Management Plan describes consultation program conducted</p> <p>Appropriate Woodlands staff</p>	<p>consultation programs will be summarized in the SFM Report, including compilation of all concerns brought forward to the Company</p> <p>Report number of instances where plans were changed or jointly developed with other stakeholders</p>	brought forward, and the response of the Company, will be documented.

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						will be available to the media as requested, providing forestry information on the DFA to the broad public		
5.1.4 Respect for the diverse aspirations, interests and plans of other users of the forests	5.1.4.1 Include heritage and cultural resource values in the planning process	5.1.4.1.1 Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources	5.1.4.1.1 100% of new all-weather roads to be reviewed for the potential for presence of heritage resources	FMPOPs  EMS SOP WL032  Premise that road development is the most likely activity to lead to the discovery of heritage resources	Heritage Resources Act  Environment Act License 2302-E	IRMT review of FMP, AOP, Road Management Plans  Public consultation processes assist to identify values  Archeologist review all new planned all-weather roads  Revision of FMPOPs to include use of archeologist services for all-weather road review	Road Management Plan prepared for every new all-weather road  Includes summary of archeologist findings  Reference archeologist findings in describing mitigation measures for each all-weather road in Road Management Plan  Summarize in SFM Report	No variance in ensuring that all new all-weather roads be screened for the presence of heritage resources is acceptable

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						Develop & apply mitigation to protect heritage resources for all-weather roads		
5.1.5 Large areas of forest minimally impacted by humans	5.1.5.1 Company to participate in the Manitoba Protected Areas Initiative led by the Government and respect identified Protected Areas and Areas of Special Significance (ASIs) in the DFA	5.1.5.1.1 Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	5.1.5.1.1 No harvesting proposed in recognized Protected Areas and ASIs	Continuation of Company's commitment to participate in the protected areas and ASIs initiative led by the government	None	Protected Areas and Areas of Special Interest (ASI) have been established by the government as interim units for review  Maintain practice of indicating ASIs on AOP maps  No harvest plans proposed for these areas	CO Records as compared to approved AOP including incorporation of Protected Areas and ASIs  Summarize in the SFM Report	No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas and ASIs is acceptable
<b>CSA SFM Critical Element 5.2: Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management</b>								
5.2.1 The long-term viability of local forest-	5.2.1.1 To continue to provide opportunities for local	5.2.1.1.1 Extent of local involvement in forest operations in the DFA	5.2.1.1.1 To have at least 75% of the financial value of signed contracts	Basic premise that a strong local contractor	None	Encouraging local contractors in planning support,	Summarize value & number of all Woodlands activity contracts signed in the proceeding year	No variance in having 75% of the value of annual operations

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
based communities and businesses	employment in resource sectors that are dependent on the use of forest resources		to be conducted on the DFA, held by local contractors	base is of benefit to the communities and people of the DFA and to the Company in terms of a reliable and local source of services and materials.		harvesting, road construction, hauling and forest renewal  Develop new & maintain existing Aboriginal contractor operations  Renewal of contracts encouraged with successful operators	Identify values by contractors based within the DFA as opposed to those based outside the DFA  Document initiatives taken to encourage local contractors.  Summarize annually in the SFM Report	carried out by local contractors provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work
	5.2.1.2 Endeavor to understand and take into account implications of forest planning on other users of the forest	5.2.1.2.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and	5.2.1.2.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	FMPOPs  Premise that public consultation is a key and critical component of SFM for the DFA	Environment Act License 2302-E  MC Forest Road Management Guidelines	Review draft FMP, AOP and Road Management Plans with local communities and stakeholders  Concerted effort to meet with all DFA Aboriginal communities  Documentation of concerns and	Document public consultation activities for each FMP, AOP and Road Management Plan  Public Concerns Table to document concerns brought forward, response and action plan of the Company to address each concern, including situations where a	No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process.  Although

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
		non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)				<p>suggested mitigation opportunities, including minutes, one-on-one enquiries, phone calls, emails &amp; letters</p> <p>Address concerns, or document response, in the Public Concerns Table &amp; within cutblock mitigation for AOP, or in the Road Management Plan as applicable</p> <p>Public consultation component of each FMP, AOP &amp; Road Access Management Plan describes consultation program</p>	<p>difference in view may prevail</p> <p>All public consultation programs will be summarized in the SFM Report, including compilation of all concerns brought forward to the Company</p> <p>Report number of instances where plans were changed or jointly developed with other stakeholders</p>	<p>differences in view may occur, all concerns brought forward, and the response of the Company, will be documented.</p>

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						conducted  Appropriate Woodlands staff will be available to the media as requested, providing forestry information on the DFA to the broad public		
5.2.2 Public safety	5.2.2.1 Increase public safety	5.2.2.1.1 Programs in place related to public safety during truck haul operations on DFA Company roads	5.2.2.1.1 Ensure the Haul Safety Program is in place annually for operators hauling on DFA Company roads	Company Safety Program	Workplace Safety & Health  Highway Traffic Act	Develop a Haul Safety Program  Project Tailgate Checklist for all haul contractors includes all haul safety requirements  Company radio guideline for inbound & outbound trucks  Mileage markers and public awareness signs on designated	EMS documentation of the Haul Safety Program  Minutes of Annual Contractor's Meetings  Summarize in SFM Report	No variance in ensuring the Haul Safety Program is in place annually for wood delivery to the Company on DFA Company roads

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						roads  Reminder at Annual Contractors Meeting  EMS to address public safety concerns brought forward		
<b>CSA SFM Critical Element 5.3: Promote the fair distribution of timber and non-timber benefits and costs</b>								
5.3.1  Local sense of ownership and sharing in the benefits of the forest industry	5.3.1.1 To continue to have local presence in the forest industry through the ongoing participation of local contractors in the DFA	5.3.1.1.1 Extent of local involvement in forest operations in the DFA	5.3.1.1.1 To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors	Basic premise that a strong local contractor base is of benefit to the communities and people of the DFA and to the Company in terms of a reliable and local source of services and materials.	None	Encouraging local contractors in planning support, harvesting, road construction, hauling and forest renewal  Develop new and maintain existing Aboriginal contractor operations  Renewal of contracts encouraged with successful	Summarize value & number of all Woodlands activity contracts signed in the proceeding year  Identify values by contractors based within the DFA as opposed to those based outside the DFA  Document initiatives to encourage local contractors.  Summarize annually in the SFM Report	No variance in having 75% of the value of annual operations carried out by local contractors provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						operators		
5.3.2 Successful sustained forestry operations on the DFA	5.3.2.1 Maintain competitive stable short-term and long-term wood costs	5.3.2.1.1 Cost per cubic metre of delivered wood	5.3.2.1.1 Strive to achieve delivered wood costs that meet the average costs for regional forest industry of comparable operating circumstances	Basic premise that a strong competitive operation will continue to provide ongoing employment and associated benefits to the people of the DFA	None	Work with existing local contractors and interested parties to encourage and build local contractor base  Participate in FERIC  EMS mechanisms for continuous improvement	Participate in PriceWaterhouseCoopers Forest Industry study of wood costs  Report annually in SFM Report	The Company will strive to achieve delivered wood costs within 10% of the average costs for comparable regional forest industry benchmarks

**Summary Table of Performance Framework for the Defined Forest Area: CCFM Criterion 6.0 – Accepting Society’s Responsibility for Sustainable Development**

**Revision Date: August 4, 2004**

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
<b>CSA SFM Critical Element 6.1: Recognize and respect Aboriginal and treaty rights</b>								
6.1.1 Respect Aboriginal and treaty rights	6.1.1.1 Raise awareness of Aboriginal and treaty rights	6.1.1.1.1 Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and culture awareness sessions	6.1.1.1.1 100% of all Woodlands staff will receive Aboriginal, treaty rights and cultural awareness training	Intent of the Company to improve and maintain the level of Aboriginal, treaty rights and cultural awareness among staff	None	Organize and conduct Aboriginal Awareness Workshops to be attended by all available Woodlands staff  Workshop presentations will be video taped to provide opportunity for other staff not in attendance to view  Organize first workshop to capture current staff complement  Repeat every 3	EMS training records  Attendance sheets  Comparison to overall staff complement	No variance is acceptable

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						years to ensure that newly hired staff receive live training		
	6.1.1.2 Seek Aboriginal input to FMP and AOP plans	6.1.1.2.1 Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Access Management Plans)	6.1.1.2.1 Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	FMPOPs  Premise that public consultation is a key and critical component of SFM for the DFA	Environment Act License 2302-E  MC Forest Road Management Guidelines	Review draft FMP, AOP and Road Management Plans with local communities and stakeholders  Concerted effort to meet with all DFA Aboriginal communities  Documentation of concerns and suggested mitigation opportunities, including minutes, one-on-one enquiries, phone calls, emails & letters  Address concerns, or document response, in the Public Concerns	Document public consultation activities for each FMP, AOP and Road Management Plan  Public Concerns Table to document concerns brought forward, response and action plan of the Company to address each concern, including situations where a difference in view may prevail	No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process.  Although differences in view may occur, all concerns brought forward, and the response of the Company, will be documented.

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						Table & within cutblock mitigation for AOP, or in the Road Management Plan as applicable  Public consultation component of each FMP, AOP & Road Access Management Plan describes consultation program conducted  Appropriate Woodlands staff will be available to the media as requested, providing forestry information on the DFA to the broad public	All public consultation programs will be summarized in the SFM Report, including compilation of all concerns brought forward to the Company  Report number of instances where plans were changed or jointly developed with other stakeholders	
<b>CSA SFM Critical Element 6.2: Respect traditional Aboriginal forest values and uses identified through the Aboriginal input process</b>								
6.2.1 Respect	6.2.1.1 Incorporating	6.2.1.1.1 Documentation	6.2.1.1.1 Forest	FMPOPs	Environment Act License	Review draft FMP, AOP and	Document public	No variance is acceptable in

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
Aboriginal traditional knowledge	traditional knowledge into the development of forest operating plans	of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs, Road Management Plans	Premise that public consultation is a key and critical component of SFM for the DFA	2302-E  MC Forest Road Management Guidelines	Road Management Plans with local communities and stakeholders  Concerted effort to meet with all DFA Aboriginal communities  Documentation of concerns and suggested mitigation opportunities, including minutes, one-on-one enquiries, phone calls, emails & letters  Address concerns, or document response, in the Public Concerns Table & within cutblock mitigation for AOP, or in the Road Management	consultation activities for each FMP, AOP and Road Management Plan  Public Concerns Table to document concerns brought forward, response and action plan of the Company to address each concern, including situations where a difference in view may prevail  All public consultation programs will be summarized in the SFM	making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process.  Although differences in view may occur, all concerns brought forward, and the response of the Company, will be documented.

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						<p>Plan as applicable</p> <p>Public consultation component of each FMP, AOP &amp; Road Access Management Plan describes consultation program conducted</p> <p>Appropriate Woodlands staff will be available to the media as requested, providing forestry information on the DFA to the broad public</p>	<p>Report, including compilation of all concerns brought forward to the Company</p> <p>Report number of instances where plans were changed or jointly developed with other stakeholders</p>	
<b>CSA SFM Critical Element 6.3: Demonstrate that the SFM public participation process is designed and functioning to the satisfaction of the participants</b>								
6.3.1 Local public satisfaction with the planning process	6.3.1.1 To obtain local broad public satisfaction with the planning process	6.3.1.1.1 Degree of satisfaction with the public participation component of the planning process	6.3.1.1.1 The majority of the SFM Committee members responding to the survey indicate being satisfied	Premise that by maintaining interest in the public participation process, participants will maintain	None	Company continue to provide support for the continuing operation of the SFM and FRAC Committees	Surveys will be initially developed by an independent third party  Conduct this	No variance is acceptable

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			(or better) with the public participation process of the SFM Committee	involvement leading to improved planning		Company provides ongoing evidence to the Committees that their input is being utilized and considered in development of forest management plans and the SFM Plan	public opinion survey of planning process satisfaction with the SFM Committee at conclusion of SFM Plan and annually thereafter  Report results to the SFM Committee and in the SFM Report annually	
<b>CSA SFM Critical Element 6.4: Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems</b>								
6.4.1 Continuous improvement of sustainable forest management practices on the DFA	6.4.1.1 Continual increase in the knowledge of ecosystem processes and impacts of management practices	6.4.1.1.1 Training and awareness opportunities for contractors on the DFA	6.4.1.1.1 Provide annual information sessions to 100% of all contractors on the DFA	Providing annual opportunity for contractors to obtain information related to SFM key to their understanding of their role in the SFM process for the DFA	None	Schedule to maximize contractor attendance  All contractors contacted to attend  Summary Report prepared to document meeting, topics	Meeting arrangements documented and filed  Annual Contractor's Meeting Summary Report documented  Meeting	It is recognized that for a number of circumstances some contractors may be unable to attend a given meeting, however there shall be no variance in ensuring that

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						covered, minutes taken, issues to address  Follow-up briefing & provision of summary to all contractors unable to attend meeting	attendance & follow-up briefings documented  Summarized in SFM Report annually	all contractors will either attend the meeting or will be briefed by a Tolko Woodlands representative and provided with a Summary Report on the meeting including minutes and all handout materials.
		6.4.1.1.2 Tolko understanding and practices based on current and emerging knowledge and recommended practices	6.4.1.1.2 Representatives of Woodlands staff will attend conferences, workshops and field trips related to current and emerging knowledge and recommended practices and bring forward any relevant recommendations for process	Providing staff the opportunity to obtain information related to SFM key to their understanding of their role in the SFM process for the DFA	None	EMS training matrix identifies overall training requirements  Performance review and 90-day goal setting identifies potential training opportunities and reviews training that has occurred  Sending staff to conferences	Document events attended, topics covered and findings relayed to the Company for consideration and improvement opportunities as part of EMS training records  File trip	No variance in providing the opportunity for all Woodlands staff to attend conferences, workshops and field trips to enable continual learning is acceptable. Annual evaluation of staff will include the

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
			improvement			<p>Supporting conferences</p> <p>Papers/research contributed or supported</p> <p>Trip reports by all staff attending events will convey any relevant recommendations for process improvement</p> <p>EMS PIF process to Initiate suggested improvements and continual improvement to EMS or SMP.</p>	<p>reports within EMS</p> <p>Summarize areas of research and processes and practices reviewed and identify suggested changes to DFA practices in the SFM Report annually</p>	<p>opportunity for staff to bring forward suggestions for attending functions. Attendance to any given function is dependent upon scheduling related to staff work responsibilities, budgets and other factors.</p>
		6.4.1.1.3 Training members of the Forest Resource Advisory Committees (FRAC) and the SFM	6.4.1.1.3 (A) FRAC and SFM Committee members will receive forest management presentations and information updates from the	Providing committee members the opportunity to obtain information related to SFM on the DFA is key to supporting	Environment Act License 2302-E	<p>Presentation of information minimum of 2 times per year</p> <p>Includes presentation of AOP, Forest Management</p>	<p>Agenda and minutes of committee meetings document presentations and feedback</p> <p>Summarize in</p>	No variance is acceptable

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
		Committee	Company at least 2 times per year and the opportunity to participate in at least 1 field tour per year	their role in making informed recommendations for SFM		Annual Report & SFM Report, Audit report & responses.  Scheduling of field tour at least 1 time per year  Opportunity will be provided for FRAC and SFM Committee members to attend the Aboriginal Awareness Workshops	SFM Report	
			6.4.1.1.3 (B) FRAC and SFM Committees will be provided with the opportunity to place a representative on SFM audits for the DFA	Providing committee members the opportunity to tour the DFA and/or participate in an audit is key to supporting their role in making informed recommendations for SFM	None	Provide opportunity to a committee representative to act as an observer in all SFM audits	Minutes of committee meetings document arrangements made and tours or audits conducted  Summarize in SFM Report	No variance is acceptable
	6.4.1.2 Increase broad public	6.4.1.2.1 Access of the broad public to	6.4.1.2.1 Sufficient information	Need to make information on SFM for the	Environment Act License 2302-E	Provide maps & associated information at	Information sharing mechanisms	No variance is acceptable

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
	access to information pertaining to SFM for the DFA	information on SFM, FMP and AOP plans and related public participation processes	sharing mechanisms so the broad public will have access to the recent SFM Plan, FMP, AOP and Annual SFM Report	DFA available to support public involvement in public participation component of planning		<p>FMP, AOP &amp; Road Management Plan Public Meetings</p> <p>Use future AOP information meetings to provide updates on SFM progress for the DFA</p> <p>Provide ongoing presentations of plans to FRAC &amp; SFM Committees to share with their constituents</p> <p>FMP documents available on Manitoba Public Registries</p> <p>Company website provides SFM Plan, ongoing AOP plans &amp; SFM Report</p> <p>Individual</p>	<p>for each plan process are described within the public consultation description in the plan document</p> <p>Summarize information sharing processes annually in the SFM Report</p>	

DFA Value	Objective	Indicator	Target	Basis for Target	Legal Requirements	Means of Achieving Objective & Target	Monitoring & Measurement	Acceptable Variance
						correspondence will respond to individual requests for information  Production of yearly newsletter  Preparation of new FMPOP Guideline on public consultation including presentation of information to the broad public		

# **Appendix 8**

## **Issues and Concerns Identified During Public Development of CSA-SFM Plan**

## Appendix 8: Issues and Concerns Identified During Public Development of CSA-SFM Plan

Issue	Venue	Strategy
<p><b>#1</b> Concern raised that participation on the CSA SFM public advisory committee may imply that the group represents endorses one forest certification system over another</p>	<p>June 24/25 2003 CSA SFM public advisory committee meeting</p>	<p>The operating ground rules for the CSA SFM public advisory committee were amended to indicate it is not implied that the organization a committee member represents endorses one forest certification system over another.</p>
<p><b>#2</b> What if the feelings of the committee at the end of the process run counter to provincial legislation</p>	<p>June 24/25 2003 CSA SFM public advisory committee meeting</p>	<p>Ground rules for CSA SFM advisory committee indicate the Company must comply with all existing legislation and policy. At the end of process the committee will discuss how inconsistencies can be taken back to government for review. On May 27, 2004 a letter was sent to Minister of Manitoba Conservation outlining some government issues identified during the development of the CSA SFM plan.</p>
<p><b>#3</b> Stumpage revenues should stay in the north.</p>	<p>August 26/27, 2003 CSA SFM public advisory committee meeting</p>	<p>At the May 2004 CSA SFM committee meeting a Manitoba government official presented an overview of the provincial stumpage system and noted the current process will undergo a major change. A copy of this presentation was forwarded to all members of the committee and interested parties.</p>

Issue	Venue	Strategy
<p><b>#4</b> Some of the roads built by Tolko and no longer required by the company should be maintained by government</p>	<p>August 26/27, 2003 CSA SFM public advisory committee meeting</p>	<p>At the March CSA SFM committee meeting a Manitoba government official spoke on forestry roads and current government policy. After the May 2004 CSA SFM committee meeting a letter was sent to the Minister of Manitoba Conservation requesting government to develop mechanism for assuming responsibility for forestry road retention.</p>
<p><b>#5</b> How does AAC relate to sustaining forest ecosystem and policy underpinnings?</p>	<p>August 26/27, 2003 CSA SFM public advisory committee meeting</p>	<p>At the August 2003 CSA SFM committee meeting Manitoba government official spoke on how the AAC is determined in Manitoba. A letter was sent to Minister of Manitoba Conservation requesting the government to modernize the forest inventory for the north.</p>
<p><b>#6</b> Ideally would like to see no net gain in road kilometres – new roads constructed would equal old road retired.</p>	<p>August 26/27, 2003 CSA SFM public advisory committee meeting</p>	<p>CSA SFM committee member presented group with paper on no net gain in road kilometres. Member would like to see roads retired at the same rate as roads are built. Indicators 3.1.1.1.1, 3.1.1.1.3, 4.1.1.1.1, and 4.2.1.1.1. will address some concerns on new roads.</p>

<b>Issue</b>	<b>Venue</b>	<b>Strategy</b>
#7 A glossary of forestry terms would be helpful.	August 26/27, 2003 CSA SFM public advisory committee meeting	List of acronyms set up in the CSA-SFM plan.
#8 Would like to see large tracts of forest minimally disturbed by humans.	August 26/27, 2003 CSA SFM public advisory committee meeting	The Company is supportive of Manitoba's Protective Areas Initiative. Indicators 1.4.2.1.1 & 5.1.5.1.1 support ASI program. Also CSA SFM committee sent letter to MC Minister requesting the government of Manitoba to expedite the Protective Areas Initiative.
#9 The committee would like to see a government presentation on forest renewal standards.	September 23/24, 2003 CSA SFM public advisory committee meeting	Manitoba Conservation official presented overview of provincial renewal standards to committee members at the Oct 2003 CSA SFM committee meeting. Indicators 1.1.1.2.1, 2.1.1.1.1, 3.1.1.1.4, 4.1.1.1.2, 4.1.1.1.3, 4.2.1.1.2, 5.1.2.1.1, 5.1.2.1.2 support Company's forest renewal commitment.
#10 Process for community consultation – mutually effective for communities	September 23/24, 2003 CSA SFM public advisory committee meeting	Indicators 5.1.3.1.1, 5.2.1.2.1, 6.1.1.2.1, 6.2.1.1.1 will take into account community interest and concerns.
#11 Could permanent sample plots be placed in areas to be herbicided?	September 23/24, 2003 CSA SFM public advisory committee meeting	Company has committed to establishing PSP's in herbicided areas. Commitment to PSP program is noted within Indicators 1.1.1.3.1 & 5.1.1.1.1

<b>Issue</b>	<b>Venue</b>	<b>Strategy</b>
<p><b>#12</b> Quicker response to contractors re: ability to work next day (e.g. fire hazard)</p>	<p>September 23/24, 2003 CSA SFM public advisory committee meeting</p>	<p>Company has developed a fairly extensive fire prevention program and works very closely with contractors to ensure they understand government regulations. Indicator 2.2.2.1.1 was developed to limit fire incidences.</p>
<p><b>#13</b> Manitoba Hydro – difficult for private industry to sell power in to the grid for distribution.</p>	<p>September 23/24, 2003 CSA SFM public advisory committee meeting</p>	<p>This element was discussed under the carbon uptake and storage element. For economic reasons this item was dropped at the March 2004 CSA SFM committee meeting.</p>
<p><b>#14</b> Forest conversion – other provincial decisions – hydro transmission lines.</p>	<p>September 23/24, 2003 CSA SFM public advisory committee meeting</p>	<p>Requested a discussion paper from committee member. Issue still outstanding.</p>
<p><b>#15</b> See zones – difference between federal and provincial</p>	<p>October 21/22 2003 CSA SFM public advisory committee meeting</p>	<p>Addressed with Indicator 1.3.1.1.1</p>
<p><b>#16</b> Furbearing species as indicators of forest health</p>	<p>January 21/22, 2004 CSA SFM public advisory committee meeting</p>	<p>Subcommittee formed to gather facts – some issues with government records. Letter sent to Minister of Manitoba Conservation requesting government commitment to the maintenance of records for furbearing species.</p>

<b>Issue</b>	<b>Venue</b>	<b>Strategy</b>
<p><b>#17</b> Cumulative effects from all activities</p>	<p>October 21/22 2003 CSA SFM public advisory committee meeting</p>	<p>At the January 2004 CSA SFM committee meeting a University of Manitoba Professor spoke to the group on cumulative environmental assessment in Canada.</p>
<p><b>#18</b> Collaborative effort in advancing Protected Areas program on Tolko's FML Area</p>	<p>October 21/22 2003 CSA SFM public advisory committee meeting</p>	<p>The Company is supportive of Manitoba's Protective Areas Initiative. Indicators 1.4.2.1.1 &amp; 5.1.5.1.1 support ASI program. Also CSA SFM committee sent letter to MC Minister requesting the government of Manitoba to expedite the Protective Areas Initiative</p>
<p><b>#19</b> 70% of regenerated blocks have 2 or more species identified in surveys.</p>	<p>September 23/24 2003 CSA SFM public advisory committee meeting</p>	<p>Manitoba Conservation official presented overview of provincial renewal standards to committee members at the Oct 2003 CSA committee meeting. Indicators 1.1.1.2.1, 2.1.1.1.1, 3.1.1.1.4, 4.1.1.1.2, 4.1.1.1.3, 4.2.1.1.2, 5.1.2.1.1, 5.1.2.1.2 support Company's forest renewal commitment.</p>

<b>Issue</b>	<b>Venue</b>	<b>Strategy</b>
<p><b>#20</b> Proposed indicator “composition of the forest as a percentage of area by forest type and age class”.</p>	<p>October 21/22 2003 CSA SFM public advisory committee meeting</p>	<p>Company explained why this indicator was dropped from SFM Plan – issue with forest fires and how they will dictate forest types and age on the DFA. Also concerns with current forest inventory and lack of stand origin data.</p>
<p><b>#21</b> Some committee members raised concern with Indicator 3.1.1.1.1 that percentage set for amount of in-block roads is too high and should be lowered.</p>	<p>March 24/25 2003 CSA SFM public advisory committee meeting</p>	<p>Company explained that no records in the past were maintained on the percentage of in-block roads. After records have been compiled the Company will review the percentage number and adjust lower.</p>
<p><b>#22</b> Initial request from committee to look at moving towards watershed consideration in forest planning and monitoring.</p>	<p>June 24/25 2003 CSA SFM public advisory committee meeting</p>	<p>Company agreed to implement a research indicator that will review on going watershed research activities in Canada and determine if watersheds can be used in future forestry planning on the DFA.</p>
<p><b>#23</b> Committee wanted to use natural range of variability (NRV) within indicator 1.1.1.1.1 to set patch size and distribution</p>	<p>October 21/22 2003 CSA SFM public advisory committee meeting</p>	<p>Lots of unknowns around NRV especially if fire suppression is expected to be removed. Company committed to reviewing research of natural disturbance in forest planning and to assess size and distribution of disturbances in the past over the DFA.</p>

# **APPENDIX 9**

## **SUMMARY OF THE REQUIREMENTS OF THE CSA SFM Z809-02 STANDARD**

## **APPENDIX 9: Summary of the Requirements of the CSA SFM Z809-02 Standard**

### **Summary of Requirements of Z809**

#### **4. Sustainable Forest Management Requirements**

##### **4.1 General Requirements**

The organization shall meet the SFM requirements of this Standard, which include but are not limited to

- a) compliance with relevant legislation on the DFA;
- b) appropriate values, objectives, indicators, and targets that clearly address the CCFM SFM criteria and CSA SFM elements in this Standard;
- c) ongoing and meaningful public participation;
- d) progress towards or achievement of performance targets; and
- e) continual improvement in performance.

##### **4.2 Required Activities**

To meet all the SFM requirements of this Standard, the organization shall meet the

- a) public participation requirements described in Clause 5;
- b) performance requirements described in Clause 6; and
- c) system requirements described in Clause 7.

#### **5. Public Participation Requirements**

##### **5.1 Basic Requirements**

The organization shall establish and implement a public participation process by either

- a) starting a new process;
- b) building on an existing process; or
- c) reviving a previous process.

##### **5.2 Interested Parties**

The organization shall

- a) openly seek representation from a broad range of interested parties, including DFA-related workers, and invite them to participate in developing the public participation process;
- b) provide interested parties with relevant background information;
- c) demonstrate through documentation that efforts were made to contact Aboriginal forest users and communities affected by or interested in forest management in the DFA;
- d) demonstrate through documentation that efforts were made to encourage Aboriginal forest users and communities to become involved in identifying and addressing SFM values;

- e) recognize Aboriginal and treaty rights and agree that Aboriginal participation in the public participation process will not prejudice those rights; and
- f) establish and maintain a list of interested parties, including those that chose to participate, those that decided not to participate, and those that were unable to participate. The list shall contain names and contact information, as well as any links to the organization.

### **5.3 Process**

#### **5.3.1 Basic Operating Rules**

The organization shall demonstrate that

- a) the public participation process works according to clearly defined operating rules that contain provisions on
  - i) content;
  - ii) goals;
  - iii) timelines;
  - iv) internal and external communication;
  - v) resources (including human, physical, financial, information, and technological, as necessary and reasonable);
  - vi) roles, responsibilities, and obligations of participants and their organizations;
  - vii) conflict of interest;
  - viii) decision-making methods;
  - ix) authority for decisions;
  - x) mechanisms to adjust the process as needed;
  - xi) access to information (including this Standard);
  - xii) the participation of experts, other interests, and government; and
  - xiii) a dispute-resolution mechanism; and
- b) the participants have agreed to the public participation process operating rules.

### **5.4 Content**

- a) In the public participation process, interested parties shall have opportunities to work with the organization and interact to
  - i) identify and select values, objectives, indicators, and targets, based on the CSA SFM elements and any other elements of relevance to the DFA;
  - ii) develop alternative strategies to be assessed;
  - iii) assess alternative strategies and select the preferred one;
  - iv) review the SFM plan;
  - v) design monitoring programs, evaluate results, and recommend improvements, and
  - vi) discuss and resolve any issues relevant to SFM on the DFA; and
- b) The organization and the public participation process shall ensure that the values, objectives, indicators, and targets are consistent with the relevant government legislation, regulations, and policies.

## **6. SFM Performance Requirements: CCFM SFM Criteria and CSA SFM Elements**

The organization in conformance with the public participation process requirements set out in Clause 5, shall identify DFA-specific values, objectives, indicators, and targets for each of the CSA SFM elements described in Clause 6, as well as any other values associated with DFA.

### **CCFM Criterion 1 – Conservation of Biological Diversity**

Conserve biological diversity by maintaining integrity, function, and diversity of living organisms and the complexes of which they are part.

#### **CSA SFM Element 1.1 Ecosystem Diversity**

Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally occur in the DFA.

#### **CSA SFM Element 1.2 Species Diversity**

Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time.

#### **CSA SFM Element 1.3 Genetic Diversity**

Conserve genetic diversity by maintaining the variation of genes within species.

#### **CSA SFM Element 1.4 Protected Areas and Sites of Special Biological Significance**

Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance.

### **CCFM Criterion 2 – Maintenance and Enhancement of Forest Ecosystem Condition and Productivity**

Conserve forest ecosystem condition and productivity by maintaining the health, vitality, and rates of biological production.

#### **CSA SFM Element 2.1 Forest Ecosystem Resilience**

Conserve ecosystem resilience by maintaining both ecosystem processes and ecosystem conditions.

#### **CSA SFM Element 2.2 Forest Ecosystem Productivity**

Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species.

### **CCFM Criterion 3 – Conservation of Soil and Water Resources**

Conserve soil and water resources by maintaining their quantity and quality in forest ecosystems.

### **CSA SFM Element 3.1 Soil Quality and Quantity**

Conserve soil resources by maintaining soil quality and quantity.

### **CSA SFM Element 3.2 Water Quality and Quantity**

Conserve water resources by maintaining water quality and quantity.

### **CCFM Criterion 4 – Forest Ecosystem Contributions to Global Ecological Cycles**

Maintain forest conditions and management activities that contribute to the health of global ecological cycles.

### **CSA SFM Element 4.1 Carbon Uptake and Storage**

Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems.

### **CSA SFM Element 4.2 Forest Land Conversion**

Protect forestlands from deforestation or conversion to non-forests.

### **CCFM Criterion 5 – Multiple Benefits to Society**

Sustain flows of forest benefits for current and future generations by providing multiple goods and services.

### **CSA SFM Element 5.1 Timber and Non-Timber Benefits**

Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits.

### **CSA SFM Element 5.2 Communities and Sustainability**

Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management.

### **CSA SFM Element 5.3 Fair Distribution of Benefits and Costs**

Promote the fair distribution of timber and non-timber benefits and costs.

### **CCFM Criterion 6 – Accepting Society’s Responsibility for Sustainable Development**

Society’s responsibility for sustainable forest management requires that fair, equitable, and effective forest management decisions are made.

### **CSA SFM Element 6.1 Aboriginal and Treaty Rights**

Recognize and respect Aboriginal and treaty rights.

### **CSA SFM Element 6.2 Respect for Aboriginal Forest Values, Knowledge, and Uses**

Respect traditional Aboriginal forest values and uses identified through the Aboriginal input process.

## **CSA SFM Element 6.3 Public Participation**

Demonstrate that the SFM public participation process is designed and functioning to the satisfaction of the participants.

## **CSA SFM Element 6.4 Information for Decision-Making**

Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems.

# **7. SFM System Requirements: The Continual Improvement Loop**

## **7.1 General**

The organization shall establish and maintain an SFM system, as described in Clause 7.

## **7.2 SFM Policy**

The top management shall define and maintain the organization's SFM commitment through policy statements and/or other documented public statements.

The statement(s) shall contain a commitment to

- a) achieve and maintain SFM;
- b) meet or exceed all relevant legislation, regulations, policies, and other requirements to which the organization subscribes;
- c) respect Aboriginal and treaty rights;
- d) provide for public participation;
- e) provide participation opportunities for Aboriginal peoples with respect to their rights and interests in SFM;
- f) provide conditions and safeguards for the health and safety of DFA-related workers and the public;
- g) improve knowledge about the forest and SFM and to monitor advances in SFM science and technology and incorporate them where applicable; and
- h) demonstrate continual improvement in SFM.

The statement(s) shall be documented, communicated, and made readily available.

## **7.3 Planning**

### **7.3.1 Defined Forest Area (DFA)**

The organization shall designate a clearly defined forest area to which this Standard applies. The organization shall define the geographic extent and the respective ownership and management responsibilities for the DFA.

### **7.3.2 Ownership Rights and Responsibilities**

The organization shall respect the legal rights and responsibilities of other parties in the DFA that are not part of the registration applicant.

### **7.3.3. Shared Responsibilities**

### **7.3.3.1 General**

The organization shall ensure that all parties necessary to address the CSA SFM elements for the DFA are involved in the process. The organization shall clearly describe the respective roles and responsibilities of the parties involved.

### **7.3.4 Rights and Regulations**

The organization shall

- a) demonstrate that relevant legislation and regulatory requirements that relate to ownership, tenures, and rights and responsibilities in the DFA have been identified and complied with;
- b) demonstrate that Aboriginal and treaty rights have been identified and respected;
- c) demonstrate that the legal and constitutional rights, and the health and safety of DFA-related workers, are respected and their contributions to SFM are encouraged;
- d) demonstrate that the acquired and legal rights of private woodlot owners to set their own values, objectives, indicators, and targets relating to their properties are respected; and
- e) establish and maintain procedures to identify and have access to all legal and other requirements to which the organization subscribes that are applicable to the DFA. This includes requirements that relate to ownership tenures, rights, and responsibilities in the DFA.

### **7.3.5 Incorporation of Public Participation Requirements**

The public participation requirements set out in Clause 5 of this Standard shall be incorporated into the SFM system.

### **7.3.6 Setting DFA-Specific Performance Requirements**

#### **7.3.6.1 General**

The organization, working with interested parties in the public participation process at each stage, shall establish DFA-specific performance requirements that address all the CSA SFM elements in Clause 6. The work shall be recorded in the SFM plan and shall be summarized in accordance with the example in Annex C.

For each element, one or more DFA-specific values shall be identified.

For each value, one or more objectives shall be set.

For each value, one or more indicators shall be identified. Indicators shall be quantitative where feasible.

For each indicator, data on the current status shall be provided, and one target shall be set. Each target shall specify acceptable levels of variance for the indicator and clear time frames for achievement.

Alternative strategies shall be identified and elaborated.

Forecasts shall be prepared for the expected responses for each indicator to each alternative strategy.

Assumptions and analytical methods used for making each forecast shall be described.

During plan implementation, measurements shall be taken for each indicator at appropriate times and places. Measurement results shall be interpreted in the context of the forecasts in the SFM plan. See Clauses 7.5.1 and 7.6 for the continuation of the adaptive management process.

### **7.3.7 SFM Plan**

The organization shall document, maintain, and make publicly available an SFM plan for the DFA. The SFM plan for each DFA shall include

- a) a comprehensive description of the DFA;
- b) a summary of the most recent forest management plan and the management outcomes, including the conclusions drawn in the management review;
- c) a statement of values, objectives, indicators, and targets;
- d) current status and forecasts for each indicator, including a description of the assumptions and analytical methods used for forecasting;
- e) a description of the chosen strategy, including all significant actions to be undertaken and their associated implementation schedule;
- f) a description of the monitoring program;
- g) a comparative analysis of the actual and expected outcomes; and
- h) a demonstration of the links between short-term operational plans and the SFM plan.

## **7.4 Implementation and Operation**

### **7.4.1 Structure and Responsibility**

Roles, responsibilities, and authorities required to implement and maintain conformance with the SFM requirements shall be defined, documented, and communicated within the organization.

The organization shall provide resources essential to the implementation and control of the SFM requirements. Resources include human resources and specialized skills, technology, and financial resources.

The organization shall appoint a specific management representative(s) who shall have defined roles, responsibilities, and authority for

- a) ensuring that the SFM requirements are established and maintained in accordance with this Standard; and
- b) reporting on the SFM requirements to top management for review and as a basis for continual improvement.

### **7.4.2 Training, Awareness, Qualifications, and Knowledge**

The organization shall identify training needs, it shall also ensure that personnel receive training related to the impact of their work upon the DFA and to their ability to ensure that the SFM requirements are met.

The organization shall establish and maintain procedures to make its personnel at each relevant function and level aware of

- a) the importance of conformance with the SFM policy and with the SFM requirements;
- b) the environmental impacts, actual or potential, of their work and the benefits of achieving the SFM requirements;
- c) their roles and responsibilities in achieving conformance with the SFM policy and with the SFM requirements, including emergency preparedness and response requirements; and
- d) the potential consequences of deviations from specified operating procedures.

The organization shall ensure that its personnel are qualified on the basis of appropriate training and/or work experience and have opportunities to gain new knowledge. The organization shall also require contractors working on its behalf to demonstrate that their personnel have the requisite training and awareness levels.

The organization shall improve knowledge about the DFA and SFM and shall monitor advances in SFM science and technology and incorporate them where and when applicable.

### **7.4.3 Communication**

#### **7.4.3.1 General**

The organization shall

- a) establish and maintain procedures for internal communication between its various levels and functions;
- b) establish and maintain procedures for receiving, documenting, and responding to relevant communication from external interested parties;
- c) make the SFM plan publicly available;
- d) make an annual report on its performance in meeting and maintaining the SFM requirements publicly available; and
- e) make the results of independent certification and surveillance audit reports publicly available.

### **7.4.4 SFM Documentation**

#### **7.4.4.1 General**

The organization shall establish and maintain information, in paper or electronic form, to

- a) describe the SFM requirements and their interaction; and
- b) provide direction to related documentation.

Organizations shall ensure that DFA-related workers and contractors have access to documentation relevant to their responsibilities and tasks.

#### **7.4.5 Document Control**

The organization shall establish and maintain procedures for controlling all documents (paper or electronic) required by this Standard to ensure that

- a) they can be readily located;
- b) they are periodically reviewed, revised as necessary, and approved for adequacy by authorized personnel;
- c) the current versions of relevant documents are available at all locations where operations essential to the fulfillment of the SFM requirements and the SFM plan are performed;
- d) obsolete documents are promptly removed from all points of issue and use, or otherwise assured against unintended use;
- e) any obsolete documents retained for legal and/or knowledge preservation purposes are suitably identified.

Documentation shall be legible, dated (with dates of revision), readily identifiable, maintained in an orderly manner, and retained for a specified period.

Procedures and responsibilities for the creation and modification of the various types of documents shall be established and maintained.

#### **7.4.6 Operational Procedures and Control**

The organization shall

- a) identify the operational procedures and controls needed to meet the SFM requirements;
- b) establish and maintain documented procedures to cover situations where the absence of such procedures could lead to deviations from the SFM requirements;
- c) stipulate operating criteria, including maintenance and calibration requirements;
- d) communicate relevant procedures, controls, and requirements to suppliers and contractors; and procedures and controls.

#### **7.4.7 Emergency Preparedness and Response**

The organization shall

- a) establish and maintain procedures to identify the potential for and to respond to accidents and emergencies on the DFA;
- b) establish and maintain procedures to prevent and mitigate the impacts that may be associated with accidents and emergencies;
- c) review and revise, where necessary, its emergency preparedness and response procedures, in particular, after the occurrence of accidents or emergencies; and
- d) where practicable, periodically test procedures.

### **7.5 Checking and Corrective Action**

#### **7.5.1 Monitoring and Measurement**

### **7.5.1.1 General**

The organization shall

- a) establish and maintain documented procedures to monitor, on a regular basis, the key characteristics of its operations and activities that demonstrate progress towards SFM in the DFA. This shall include the recording of performance levels, relevant operational controls, and conformance with the SFM requirements;
- b) monitor the indicators for comparison against the forecasts; and
- c) establish and maintain a documented procedure for periodically evaluating compliance with relevant legislation and regulations, and conformance with relevant policies applying to the DFA. If non-compliances or non-conformances are found, the organization shall address these through the corrective action process.

### **7.5.2 Corrective and Preventive Action**

The organization shall establish and maintain procedures for

- a) defining responsibility and authority for identifying and investigating nonconformance;
- b) taking action to mitigate any impacts caused; and
- c) initiating and completing corrective and preventive action.

Any corrective or preventative action taken to eliminate the causes of actual and potential non-conformances shall be appropriate to the magnitude of the problem and commensurate with the impact encountered.

### **7.5.3 Records**

The organization shall establish and maintain procedures for the identification, maintenance, and disposition of SFM requirement records. These records shall include training records and the results of audits and reviews.

SFM requirement records shall be legible, identifiable, and traceable to the activity involved. SFM requirement records shall be stored and maintained in such a way that they are readily retrievable and protected against damage, deterioration, or loss. The retention times shall be established and recorded.

Records shall be maintained, in a manner appropriate to the system and to the organization to demonstrate conformance to the requirements of this Standard.

### **7.5.4 Internal Audits to the SFM Requirements**

The organization shall

- a) establish and maintain procedures for annual internal audits to ensure that it conforms to the SFM requirements set out in this Standard; and
- b) provide information on the results of these internal audits to top management.

The organization's internal audit program, including any schedules, shall be based on the importance of the specific SFM activity and the results of previous audits.

To be comprehensive, the audit procedures shall cover the audit scope, frequency, and methods, as well as the responsibilities and requirements for conducting audits, auditor qualifications, and reporting results.

#### **7.6 Management Review**

The organization's top management shall, at least annually, review the SFM requirements to ensure that progress towards SFM continues to be suitable, adequate, and effective. The management review process shall ensure that the information necessary to allow top management to carry out this evaluation is collected. This review shall be documented.

In order to be adaptive, the management review shall address the possible need for changes to policy, targets, and other SFM requirements, in light of audit results, changing circumstances, and the commitment to continual improvement.