

Certified by:



NEPCon OU
Filosoofi 31
50108 Tartu
Estonia

www.preferredbynature.org

Certification managed by:

Preferred by Nature
Tel: 1 (802) 829-3306
Contact person: Carolyn Loeb
Email:
cloeb@preferredbynature.org

SmartLogging 2021 Certification Reassessment

Report for:

The Trust to Conserve Northeast
Forestlands

in

Augusta, Maine, USA

| | |
|--------------------------------|--|
| Certificate code: | NC-SL-000001 |
| Auditors: | Randy Coots, Lead Auditor |
| Audit Dates: | Remote: December 6, 2021 Onsite: December 8-10, 2021 |
| Report Finalized: | January 31, 2022 |
| Certificate: issue/expiry: | March 31, 2022 March 30, 2027 |
| Operation Contact: Address: | Ted Wright 108 Sewall Street Augusta, Maine 04332 United States |

TABLE OF CONTENTS

| | |
|---|----|
| ACRONYMS | 3 |
| INTRODUCTION | 4 |
| 1. SCOPE OF THE CERTIFICATE | 5 |
| 1.1. SCOPE OF THE CERTIFICATE | 5 |
| 2. ASSESSMENT PROCESS..... | 6 |
| 2.1. CERTIFICATION STANDARD USED..... | 6 |
| 2.2. AUDIT TEAM AND ACCOMPANYING PERSONS..... | 6 |
| 2.3. ASSESSMENT SCHEDULE | 7 |
| 2.4. EVALUATION STRATEGY..... | 7 |
| 2.5. STAKEHOLDER CONSULTATION PROCESS | 8 |
| 3. ASSESSMENT FINDINGS AND OBSERVATIONS..... | 10 |
| 3.1. MAIN STRENGTHS AND WEAKNESSES | 10 |
| 3.2. IDENTIFIED NON-CONFORMANCES AND CORRECTIVE ACTIONS..... | 11 |
| 3.3. EVALUATION OF OPEN NON-CONFORMITY REPORTS (NCRs)..... | 16 |
| 3.4. ACTIONS TAKEN BY ORGANIZATION PRIOR TO REPORT FINALIZATION | 18 |
| 3.5. OBSERVATIONS..... | 18 |
| 3.6. CERTIFICATION RECOMMENDATION..... | 20 |
| 4. CLIENT SPECIFIC BACKGROUND INFORMATION | 21 |
| 4.1. DESCRIPTION OF HARVESTING COMPANIES AND GROUP MANAGER | 21 |
| 4.2. LEGISLATIVE AND GOVERNMENT REGULATORY CONTEXT | 21 |
| 4.3. ENVIRONMENTAL CONTEXT | 22 |
| 4.4. SOCIOECONOMIC CONTEXT | 22 |
| APPENDIX I: Public summary of the harvesting practices..... | 23 |
| APPENDIX II: Certification standard conformance checklist (confidential)..... | 25 |
| APPENDIX III: Chain of Custody Conformance (confidential) | 48 |
| APPENDIX IV: Group management conformance checklist (confidential) | 49 |
| APPENDIX V: Certified Group Membership List | 53 |
| APPENDIX VI: List of visited sites (confidential) | 54 |
| APPENDIX VII: List of stakeholders consulted (confidential)..... | 56 |

ACRONYMS

| | |
|-------|---|
| AAC | Annual Allowable Cut |
| ALC | American Logging Council |
| BMP | Best Management Practice |
| CBM | Cubic Meter |
| CITES | Convention on Trade in Endangered Species |
| CW | Controlled Wood |
| FMP | Forest Management Plan |
| FMU | Forest Management Unit |
| FPR | Forest Practices Regulations |
| GM | Group Manager |
| HP | Harvest Plan |
| H&S | Health and Safety |
| ILO | International Labour Organization |
| MBF | One thousand board feet |
| ML | Master Logger |
| NIPF | Non-Industrial Private Forest |
| RT&E | Rare, Threatened and Endangered Species |
| SFI | Sustainable Forestry Initiative |
| SL | SmartLogging |
| US | United States of America |

1. INTRODUCTION

This report presents the findings of an independent SmartLogging certification assessment conducted by specialists representing Preferred by Nature. The purpose of the assessment was to evaluate the conformance of **The Trust to Conserve Northeast Forestlands (TCNEF or TCNF)**, hereafter referred to as the SmartLogging Operation (SLO), according to the SmartLogging standards.

This report contains four main sections of information and findings and several appendixes. The main report, without confidential appendices or annexes, will become public information about the operation that may be distributed by Preferred by Nature to interested parties. The remainder of the appendixes are confidential, to be reviewed only by authorized Preferred by Nature staff and reviewers bound by confidentiality agreements. Confidential appendixes may be distributed by the SLO, or Preferred by Nature, but only upon mutual agreement.

The purpose of the SmartLogging Program is to recognize good harvesting practices through independent evaluation and certification. Logging operations that attain SmartLogging certification may use the SmartLogging name for public claims off-product (i.e., not on actual wood products), but such claims must be reviewed for accuracy and approved in writing by Preferred by Nature prior to publication or public dissemination. A SmartLogging certification code number (e.g., NC-SL-###) can be used on product according to defined Preferred by Nature procedures.

Dispute resolution: If Preferred by Nature clients encounter organisations or individuals having concerns or comments about Preferred by Nature and our services, these parties are strongly encouraged to contact relevant Preferred by Nature regional office. Formal complaints and concerns should be sent in writing.

Impartiality commitment: Preferred by Nature commits to using impartial auditors and our clients are encouraged to inform Preferred by Nature management if violations of this are noted. Please see our Impartiality Policy here: <http://www.preferredbynature.org/impartiality-policy>

1. SCOPE OF THE CERTIFICATE

1.1. Scope of the certificate

TCNEF currently holds a SmartLogging certificate and has overall responsibility for ensuring conformance with the SmartLogging certification requirements. The SLO currently has 114 group members under this certificate.

See more detailed information about the SLO and areas covered by the certificate in Section 4 and Appendices I and V.

During logger visits, upon arriving at a location for a scheduled interview with a logger, auditor was notified that this logger had just that morning been hospitalized with Covid-19. An attempt was made to interview an individual with this company, but a decision was made to drop this logger from the list of those being visited.

2. ASSESSMENT PROCESS

2.1 Certification Standard Used

| | |
|-----------------|---|
| Standards Used: | SmartLogging Generic Certification Standard, Version 6; SmartLogging Group Certification Standard, Version 1 |
|-----------------|---|

2.2 Audit Team and Accompanying Persons

| Name | Role and qualifications |
|-------------|---|
| Randy Coots | Forester B.S. in Forestry from West Virginia University. Thirty-seven years' experience in the field of forestry, including positions with 2 state forestry agencies (FL & WV), 4 forest products companies, U.S. Forest Service, a surveyor, self-employed forestry consultant, and now currently employed by Preferred by Nature as a Forestry Specialist. Member of the Society of American Foresters and a Certified Forester (#1547), and a WV Registered Professional Forester (#266). Completed FSC COC Lead Auditor training Aug. 2018, and FM Lead Auditor training in May 2018. Completed 27 Chain of Custody audits (2 of which were Controlled Wood), 29 Forest Management audits (16 as lead auditor, 5 reassessments/2 as lead), 4 SAP (Smallholders Access Program) audits, and 5 Smart Logging audits. |

2.3 Assessment Schedule

Note: The table below provides an overview of the audit scope and auditors. See standard checklist annex for specific details on people interviewed and audit findings per site audited.

| Site(s) | Date(s) | Main activities | Auditor(s) |
|---|------------|----------------------------------|------------|
| Off site | 12/6/21 | Preparatory call | Coots |
| Off site | 12/6/21 | Review of evidence | Coots |
| Bangor, Maine | 12/8/21 | Opening meeting | Coots |
| Maine | 12/8-10/21 | Field Visits | Coots |
| Maine | 12/8-10/21 | Staff and Stakeholder interviews | Coots |
| Bangor, Maine | 12/10/21 | Closing meeting | Coots |
| Total auditing time used (number in person days based on 8 hour working days): 6.5 days | | | |

2.4 Evaluation strategy

Harvesters were chosen based upon activity level and general location around Bangor, Maine. Eleven harvesters were chosen for this audit based upon sampling of 10% of the membership. The audit began with a short opening meeting at the hotel in Bangor, Maine. Over the next three days visits were made to all eleven of the harvesters. Due to some inclement weather conditions and harvest site locations the auditor was unable to visit every harvest site. Three of the audits took place at the harvesters office. A short closing meeting took place in the vehicle on the drive back to the hotel at Bangor, Maine, on the last day of the audit.

Note: The table below provides an overview of the audit scope and auditors. See standard checklist annex for specific details on people interviewed and audit findings per site audited.

| Description of Subset | Minimum # members to sample | Actual # members sampled | Notes/Comments |
|-----------------------|-----------------------------|--------------------------|---|
| 114 | 11 | 10 | Harvesters ranging in size from just a few employees to one company with over 100 employees. One sample dropped at the last minute due to unforeseen hospitalization. |

List of harvest practice aspects reviewed by assessment team:

| Type of site | Sites visited | Type of site | Sites visited |
|----------------------|---------------|-------------------------|---------------|
| Road construction | 1 | Commercial thinning | 4 |
| Erosion control | 5 | Logging camp | 0 |
| Planned Harvest site | 8 | Bridges/stream crossing | 2 |
| Ongoing Harvest site | 7 | Chemical/Fuel storage | 7 |
| Completed logging | 2 | Wetland | 2 |
| Site Preparation | 1 | Stream management zones | 4 |

| | | | |
|-------------------------|---|---------------------------------|---|
| Machine felling | 7 | Riparian zone | 4 |
| Worker felling | 0 | Steep slopes | 1 |
| Skidding/Forwarding | 7 | Endangered species | 0 |
| Skid trails | 9 | Wildlife habitat | 2 |
| Worker safety | 7 | Historical sites | 0 |
| Clearfelling | 1 | Cultural or archeological sites | 1 |
| Shelterwood | 3 | Unique environments | 0 |
| Selective felling | 4 | Special management area | 1 |
| Sanitary cutting | 3 | Recreational site | 0 |
| Pre-commercial thinning | 0 | Local community | 2 |
| Log concentration yard | 1 | Processing facility | 0 |

2.5 Stakeholder consultation process

Stakeholder consultation is carried out during a SmartLogging assessment in order to gather evidence from different parties on the harvester's conformance with the SL standard. During the certification process stakeholders consulted may include, landowners, government agencies and regulatory personnel, log purchasers, workers, mills neighbors, community members, local businesses, and logger associations.

| Stakeholder Type Interviewed (Government, Landowner, worker, etc.) | Number Interviewed |
|---|---------------------------|
| Contractors | 10 |
| Contractor employees | 16 |
| Landowner | 2 |
| Environmental NGO | 0 |
| Forest Industry | 3 |
| Forestry & Forest Products NGOs | 2 |
| Government | 1 |
| Other | 0 |

| Principle/Subject Area | Stakeholder comment | Preferred by Nature response |
|--|---|-------------------------------------|
| Subject Area 1: Legal Requirements | None received. | No response required. |
| Subject Area 2: Harvest Planning and Monitoring | None received. | No response required. |
| Subject Area 3: Harvesting Practices | BMPs are always followed. | No response required. |
| Subject Area 4: Community Values | None received. | No response required. |
| Subject Area 5: Occupational Health and Safety | Some of the larger contractors have been contracting 3 rd party companies to handle safety training. It seems that this has added efficiencies in training | No response required. |

| | | |
|--|---------------------|-----------------------|
| | and record keeping. | |
| Subject Area 6: Business Viability | None received. | No response required. |
| Subject Area 7: Continuous Improvement and Innovation | None received. | No response required. |
| Subject Area 8: Silviculture and Reforestation | None received. | No response required. |

3 ASSESSMENT FINDINGS AND OBSERVATIONS

3.1. Main strengths and weaknesses

| Subject Area | Strengths | Weaknesses |
|---|--|--|
| 1. Legal Requirements | Group members were generally aware of and followed state and local regulations. | One group member stated that at times agreements are still made with a handshake. While commendable for developing such trust in the community, legal documentation is there to protect both the seller and purchaser. |
| 2. Harvest Planning and Monitoring | All operations had harvest plans that addressed the financial, environmental, liability and legal aspects of operations. | None noted. |
| 3. Harvest Practices | All harvest operations were well planned and conducted to minimize environmental impacts. Best Management Practices (BMPs) to protect soils and water quality are being used. Minimal impact strategies such as portable skidder bridge panels rather than temporary culverts are being routinely implemented by most group members. | At some locations it was found that the BMP manual was not kept onsite for reference in case of difficult situations. |
| 4. Community Values | Group members are aware of historic cultural features such as stone walls and take steps to avoid damage. Loggers and foresters modify operations to address visual impacts. | None noted. |
| 5. Occupational Health and Safety | All group members indicated that they had health and safety plans, trained workers, and required health and safety equipment. | While it was observed that all contractors were operating in safe manners, some did not have available during the audit their written safety plans for review. See NCR 04/21. |
| 6. Business Viability | All group members sampled demonstrated a long-term, viable approach to business. | While each group member knows their business, having a written plan may aid them for future planning. See NCR 01/21. |
| 7. Continuous Improvement and Innovation | Ongoing training is part of all operations audited. Group members had a variety of equipment to address different situations and developed creative | None noted. |

| | | |
|---|--|-------------|
| | ways to solve problems. The demonstration of new technology of having maps and documentation on iPads in the field that are GPS capable to show harvesting locations and progress was very innovative. | |
| Group Certification Requirements | TCNEF's group member system meets the SmartLogging requirements for membership commitments and monitoring of member activities. | None noted. |

3.2. Identified non-conformances and corrective actions

A non-conformity is a discrepancy or gap identified during the assessment audit between some aspect of the SLO operation and one or more of the requirements of the SmartLogging standard. Depending on the severity of the non-compliance the audit team differentiates between major and minor non-conformities.

- **Major non-conformances** results where there is a fundamental failure to achieve the objective of the relevant criterion. A number of minor non-conformities against one requirement may be considered to have a cumulative effect, and therefore be considered a major non-conformance.
- **Minor non-conformances** are a temporary, unusual or non-systematic, for which the effects are limited.

Major non-conformances must be corrected **before** the certificate can be issued. While minor non-conformances do not prohibit issuing the certificate, they must be addressed within the given timeframe to maintain the certificate.

Each non-conformance is addressed by the audit team by issuing a corrective action request (CAR). NCRs are requirements that candidate operations must agree to, and which must be addressed, within the given timeframe.

| | |
|--|---|
| NCR: 01/20 | NC Classification: MAJOR |
| Standard & Requirement: | 6.1.1 - SL-02 SmartLogging Generic Standard |
| Report Section: | Appendix III |
| Description of Non-conformance and Related Evidence: | |
| <u>Requirement:</u> "6.1.1 – Harvester has a written business plan." | |
| <u>Finding:</u> None of the group members interviewed had a current written business plan. However, it was obvious during the interviews that each had detailed knowledge of their businesses and has adapted to rapidly changing circumstances, (losses or changes to markets, changes to laws and regulations, changes to work forces, etc.) to ensure survival. Furthermore, most group members have a formal business structure, LLC, LLP, or Corporation; this requires an intimate understanding of their operations. While this is a technical nonconformity, given the nature of logging businesses in changing markets, group members' demonstrated adaptability outstrips the utility of a written plan. Nevertheless, a written plan is a requirement under this indicator. | |

| | |
|---|--|
| Corrective action request: | <p>Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p> |
| Timeline for Conformance: | NCR due prior to recertification (3/31/2022) |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | Written business plans for all visited sites. Verbal verification with the Group Manager of a change to internal monitoring to check for written business plans. |
| Findings for Evaluation of Evidence: | <p>As stated in last year's audit and NCR related to this indicator, all harvesters interviewed know their business and costs inside and out. However, as stated, this indicator requires a written business plan. Last year's NCR was for some of those harvesters visited not having a written business plan. To close last year's NCR, at the time of this year's field visits no one had a copy of their written business plan with them in the field. Some were unsure if their plans were up to date. Given that this was a known issue, and this document should have been onsite for the reassessment, this NCR was upgraded to a major.</p> <p>Within a week and prior to this writing, all were able to produce written business plans. Interview with Group Manager confirmed that changes will be made to internal monitoring to check for written business plans in the future. Given that prior to report completion all were able to produce their written business plans, this NCR is now considered closed.</p> |
| NCR Status: | CLOSED |
| Comments (optional): | This NCR was upgraded from minor NCR 01/20. |

| | |
|---|---|
| NCR: 01/21 | NC Classification: minor |
| Standard & Requirement: | SmartLogging Generic Certification Standard, Version 6; Indicator 1.2.6 |
| Report Section: | Appendix II |
| Description of Non-conformance and Related Evidence: | |
| <p><u>Requirement:</u> 1.2.6 Harvester has insurance in accordance with local legal requirements, which may include:</p> <ul style="list-style-type: none"> • General liability; • Worker's comp; and • Automotive liability. | |

| | |
|---|---|
| <u>Finding:</u> Only 9 of the 11 companies visited provided proof of carrying required insurances. As the auditor has no doubt from interviews that all do carry all required insurance, there is still the need for documentation to prove such is the case. One of those missing this proof was in the hospital with Covid-19 at the time of the audit, (which as such is now overlooked), and another stated they are self-insured. Being that required insurance is such an important part of this business and the need for such proof as a minimum, an NCR is here issued. Due to the number of those missing documentation and the importance of this issue, this NCR is issued as a minor non-conformance. | |
| Corrective action request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | PENDING |
| Findings for Evaluation of Evidence: | PENDING |
| NCR Status: | OPEN |
| Comments (optional): | |

| | |
|---|---|
| NCR: 02/21 | NC Classification: minor |
| Standard & Requirement: | SmartLogging Generic Certification Standard, Version 6; Indicator 2.4.1 |
| Report Section: | Appendix II |
| Description of Non-conformance and Related Evidence: | |
| <u>Requirement:</u> A post-harvest evaluation (i.e., checklist or close-out document) is completed by the harvester, preferably with the landowner or land manager, and follow-up actions are identified and conducted as necessary. Post-harvest inspection by jurisdiction agency is required where the service is available. | |
| <u>Finding:</u> There may have been some confusion in how the question was asked of the contractors as some stated that they were on an active site and a close out inspection would be completed at the time of close out. However, it is of note that of the 11 harvesters visited, only 2 were able to provide evidence of previous harvest close out forms being completed. Four of the harvesters stated that they are contracting to large landowners and the management companies they contract to do all of the post-harvest inspections. And some stated that while they do close out inspections, they do not document these inspections. Considering that this indicator does require a documented post-harvest inspection, a non-conformance is here issued. | |

| | |
|---|---|
| Corrective action request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | PENDING |
| Findings for Evaluation of Evidence: | PENDING |
| NCR Status: | OPEN |
| Comments (optional): | |

| | |
|---|---|
| NCR: 03/21 | NC Classification: minor |
| Standard & Requirement: | SmartLogging Generic Certification Standard, Version 6; Indicator 3.1.3 |
| Report Section: | Appendix II |
| Description of Non-conformance and Related Evidence: | |
| <u>Requirement:</u> BMP manuals are accessible to employees, contactors and employees. | |
| <u>Finding:</u> Interviews confirm that all have a good working knowledge of state BMPs. However, at 6 of the 11 harvester sites visited, a BMP manual was not onsite available to employees or contractors. As such a non-conformance is here issued. | |
| Corrective action request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input checked="" type="checkbox"/> Desk Review <input type="checkbox"/> |
| Evidence Provided by Organization: | PENDING |
| Findings for Evaluation of Evidence: | PENDING |

| | |
|-----------------------------|-------------|
| NCR Status: | OPEN |
| Comments (optional): | |

| | |
|---|--|
| NCR: 04/21 | NC Classification: minor |
| Standard & Requirement: | SmartLogging Generic Certification Standard, Version 6; Indicator 5.1.1 |
| Report Section: | Appendix II |
| Description of Non-conformance and Related Evidence: | |
| <p><u>Requirement:</u> 5.1.1: A written safety & health plan that includes:</p> <ul style="list-style-type: none"> • An emergency response plan; • Requirements for personal safety equipment; • Policies for forest workers when working alone, including strategies for making their whereabouts known to others at prescribed times each day, which is verified as a daily procedure when in the forest; and, • Periodic safety inspection of equipment. <p><u>Finding:</u> During interviews all harvesters stated that they had written safety plans and policies meeting the requirements of this indicator. Some use the Master Logger template and others use a custom plan tailored to their operation. However, for document review, 3 of the 10 were unable to produce their written documentation of a written safety & health plan. For this reason, a nonconformance is here issued. This NCR is considered to be a minor issue as observations of field operations showed a very high regard for safety.</p> | |
| Corrective action request: | <p>Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p> |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | PENDING |
| Findings for Evaluation of Evidence: | PENDING |
| NCR Status: | OPEN |
| Comments (optional): | |

| | |
|------------------------------------|---|
| NCR: 05/21 | NC Classification: minor |
| Standard & Requirement: | SmartLogging Generic Certification Standard, Version 6; Indicator 5.2.3 |

| | |
|--|---|
| Report Section: | Appendix II |
| Description of Non-conformance and Related Evidence: | |
| <u>Requirement:</u> 5.2.3: Harvester evaluates and documents employee and sub-contractor safety performance. | |
| <u>Finding:</u> Interviews confirmed that all harvesters do some form of employee and sub-contractor safety performance evaluations. Three of the ten have the 3 rd party safety trainer handle this documentation. However, several of the others did not produce any written documentation of safety performance, and one stated that he does not document his evaluations. As documentation is specifically mentioned as being a part of this indicator, and that this documentation was not presented, a nonconformance is here issued. This NCR is issued as a minor as this is just a documentation issue. | |
| Corrective action request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | PENDING |
| Findings for Evaluation of Evidence: | PENDING |
| NCR Status: | OPEN |
| Comments (optional): | |

3.3. Evaluation of Open Non-conformity Reports (NCRs)

Note: this section indicates the Organisation's actions to comply with NCRs that have been issued during or since the last audit. Failure to comply with a minor NCR results in the NCR being upgraded to major; the specified follow-up action is required by the Organization or involuntary suspension will take place.

| Status Categories | Explanation |
|-------------------|---|
| CLOSED | Operation has successfully met the NCR |
| OPEN | Operation has either not met or has partially met the NCR |

Check if N/A (there are no open NCRs to review)

| | |
|--|---|
| NCR: 01/20 | NC Classification: Minor |
| Standard & Requirement: | 6.1.1 - SL-02 SmartLogging Generic Standard |
| Report Section: | Appendix III |
| Description of Non-conformance and Related Evidence: | |
| <u>Requirement:</u> "6.1.1 – Harvester has a written business plan." | |
| <u>Finding:</u> None of the group members interviewed had a current written business plan. However, it was obvious during the interviews that each had detailed knowledge of their businesses and has adapted to rapidly changing circumstances, (losses or changes to markets, changes to laws and regulations, changes to work forces, etc.) to ensure survival. Furthermore, most group members have a formal business structure, LLC, LLP, or Corporation; this requires an intimate understanding of their operations. While this is a technical nonconformity, given the nature of logging businesses in changing markets, group members' demonstrated adaptability outstrips the utility of a written plan. Nevertheless, a written plan is a requirement under this indicator. | |
| Corrective action request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organization: | Pending |
| Findings for Evaluation of Evidence: | Pending |
| NCR Status: | Upgraded to a MAJOR NCR from last year's minor. See major NCR 01/20 above for closure. |
| Comments (optional): | |

| | |
|---|--|
| NCR: 02/20 | NC Classification: Minor |
| Standard & Requirement: | SL-03 SmartLogging Group Certification Standard 03Mar09 |
| Report Section: | APPENDIX V: Group Management Conformance Checklist |
| Description of Non-conformance and Related Evidence: | |
| <u>4.1.vi – Requirement:</u> "An annual summary of production, sales and forest product purchasers of all members." | |
| <u>Finding:</u> The summary provided by TCNEF includes the group annual production and amount of product sold. The summary does not include a list of purchasers (mills) of the harvested volume. | |
| Corrective action request: | Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. |

| | |
|---|--|
| | Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | Within 12 months from report finalization |
| NCR Evaluation Type | On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/> |
| Evidence Provided by Organisation: | 2020 MLC Annual Data |
| Findings for Evaluation of Evidence: | This document does give an annual summary of volumes harvested and has a listing of forest product purchasers for all members showing a percentage breakdown by purchasers. As such this information provided satisfies this non-conformance from last year it is now considered closed. |
| NCR Status: | CLOSED |
| Comments (optional): | |

3.4. Actions taken by Organization Prior to Report Finalization

Prior to report completion, additional documentation was provided to close both of last year's NCRs.

3.5. Observations

Observations are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into an NCR in the future.

| | | |
|--|---|--|
| OBS: 01/21 | Standard & Requirement: | 6.1.1 - SL-02 SmartLogging Generic Standard; 2.1.1 |
| | Report Section | Appendix II |
| Description of findings leading to observation: | <p><u>Requirement:</u> 2.1.1: If the landowner has a forest management plan and/or management and harvesting objectives, as described in or related to the written harvest plan, they are discussed with the landowner prior to harvest.</p> <p><u>Finding:</u> During one interview it was stated that at times no contracts or plans were created for the harvesting and that everything was done on a handshake deal. While this is commendable to the trust this harvester has developed with the landowners he deals with, it is not in conformance to this standard. Since this was mentioned as not having been done recently it is only mentioned here as an issue to</p> | |

| | |
|---------------------|---|
| | be aware of. As such, it is here considered to be an observation. |
| Observation: | FME should ensure continued conformance with Indicator 2.1.1. |

| | | |
|--|---|--|
| OBS: 02/21 | Standard & Requirement: | 6.1.1 - SL-02 SmartLogging Generic Standard; 2.3.1 |
| | Report Section | Appendix II |
| Description of findings leading to observation: | <p><u>Requirement:</u> 2.3.1: The pre-harvest inspections are done by the harvester, preferably with the landowner or land manager.</p> <p><u>Finding:</u> Interview with harvesters confirm that all sites audited were inspected prior to harvest by the harvester with the landowner or landowner's representative. However, four of the 11 sites visited did not have any form of pre-harvest inspection documentation. Those that did not have a documented pre-harvest inspection were working as service contractors to large landowners management firms. It was stated that they depended on the management firms to take care of these documents.</p> <p>An observation is here issued. As this indicator does not require a documentation of the pre-harvest inspection, it is a good opportunity, even for contractors, to document potential issues that may arise and head off those issues before they cause any problems.</p> | |
| Observation: | FME should ensure continued conformance with Indicator 2.3.1. | |

| | | |
|--|---|--|
| OBS: 03/21 | Standard & Requirement: | 6.1.1 - SL-02 SmartLogging Generic Standard; 6.1.5 |
| | Report Section | Appendix II |
| Description of findings leading to observation: | <p><u>Requirement:</u> 6.1.5: Equipment is well maintained:</p> <ul style="list-style-type: none"> • No oil or hydraulic leaks; • ROPS of machinery is in good condition; • Regular maintenance is performed and documented. <p><u>Finding:</u> Ongoing maintenance was observed. No leaks were observed, ROPS appeared to be in good condition. Most harvesters perform</p> | |

| | |
|---------------------|--|
| | their own regular maintenance and repairs or hire experts as needed. Most of the harvesters keep maintenance logs according to the manufacturer's recommendations. However, one harvester interviewed stated that while he does regular maintenance to his equipment, he does not document it. As this was a single event and not a systemic failure, an observation is being issued here. |
| Observation: | FME should ensure continued conformance with Indicator 6.1.5. |

3.6. Certification Recommendation

Based on Organisation's conformance with certification requirements, the following recommendation is made:

- Certification approved:
Upon acceptance of NCR(s) issued below
-
- Certification not approved:
Conformance with MAJOR NCR(s) required

Additional comments, including issues identified as controversial or hard to evaluate and explanation of the conclusion reached:

Based on a thorough field review, analysis and compilation of findings by this Preferred by Nature auditor, TCNEF has demonstrated that their described system of management is being implemented consistently over the whole forest areas covered by the scope of the evaluation. Preferred by Nature concludes that TCNEF's harvesting practices, if implemented as described, is capable of ensuring that all the requirements of the certification standards are met across the scope of the certificate. A Preferred by Nature SmartLogging Certificate will be issued based upon agreement to the stipulated corrective action requests.

In order to maintain certification, TCNEF will be audited annually on-site and required to remain in compliance with the SmartLogging Standard as further defined by regional guidelines developed by Preferred by Nature. TCNEF will also be required to fulfil the corrective actions as described below. Experts from Preferred by Nature will review continued harvest practice performance and compliance with the corrective action requests described in this report, annually during scheduled and random audits.

4 CLIENT SPECIFIC BACKGROUND INFORMATION

4.1. Description of Harvesting Companies and Group Manager

The group manager, Trust to Conserve Northeast Forestlands (TCNEF), is a 501.c.3 non-profit organization that oversees all Master Logger certifications for New England. A subset of Master Loggers volunteered to enter into the SmartLogging Program. Currently there are 114 members. In addition to a SL Certificate, TCNEF also holds the following certificates through the Forest Stewardship Council (FSC):

FSC Forest Management: NC-FM/CoC-001881

FSC Chain of Custody: NC-CoC-001677

The group manager is well acquainted with Preferred by Nature procedures and well equipped to manage a SmartLogging Group.

The group members range from small hand-felling operations to large cut to length (CTL) operations with multiple crews from Maine to New York, which encompasses a variety of ecosystems and wood products companies, which purchase roundwood, chips and biomass. Each group member has adapted to their individual set of circumstances, markets and legislative requirements.

4.2. Legislative and government regulatory context

There are logging companies from six states included under the certificate; Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, and New York. Each state has some degree of forest management regulation pertaining to harvesting as summarized below.

- Maine has clearcut laws, regulations that affect harvesting near wetland and water bodies, near some important wildlife habitats, and at elevations over 2,700 feet. Harvest notifications must be posted, and the Maine Forest Service inspects harvested areas.
- Massachusetts requires licensing for logging companies a state-approved cutting plan in most cases. Regulations apply to harvesting near streams, wetlands, and important wildlife habitats.
- New Hampshire has regulations that restrict cutting near water bodies and roads and requires notification of harvesting activities near streams and wetlands.
- New York regulates stream crossings and has rules related to lopping of softwood slash for fire control. There are additional regulations within the Adirondack Park related to clearcutting, wetland crossings, and harvesting near rivers and lakes.
- Rhode Island requires that woods operators be licensed and that an Intent to Cut form be filed with the Department of Environmental Management.
- Vermont regulates harvesting near water bodies and wetlands and also regulates cutting over 2,500 ft. in elevation and “heavy harvests” over 40 acres in size.

Throughout the region, the group members have adapted well to their state forest management laws and conscientiously adhere to all requirements, although in some states this is becoming increasingly onerous.

4.3. Environmental Context

The region covered by the SL Certificate contains a variety of ecosystems and forest types. These include Spruce-Fir and Beech-Birch Maple forests in the north to Oak-Pine and mixed hardwoods in central and southern New England/New York. The broad physiographic regions included are Hudson Valley, Appalachian Plateau, New England Province and Adirondack Province. There are regional harvesting considerations. The northern most areas are harvested most efficiently when the ground is frozen, further south, the periodic freezes are not as critical to environmentally sound harvesting practices. Most areas within the scope of the certificate will have a significant mud season each spring which, for all intents and purposes, halts harvesting operations for 4 to 8 weeks.

Exotic Insects of note include Emerald Ash Borer, Hemlock Woolly Adelgid, Gypsy Moth, and Winter Moth. Periodic outbreaks of Spruce Budworm and other native insects also impact forests. Exotic and native insects may result in more sanitation or salvage cuts, regardless of market conditions. Some invasive plant species are noted in the southern and central areas, especially on former agricultural lands.

4.4. Socioeconomic Context

Logging in New England has proven economically viable for many generations. Recently, however, the economic conditions in the US have altered the markets available to the group members. Papermaking has taken serious hits in the past leading to loss of mill capacity, and overall wood products markets declining. However, more recently, markets for pulpwood have begun to rebound. While not yet considered strong, the markets have shown some improvement. The dynamic nature of wood markets is nothing new, and with projects on the horizon for biomass and biofuels, small increases in some markets could be realized.

APPENDIX I: Public summary of the harvesting practices

| Harvesting Technique | % using this harvesting technique |
|---|--|
| Mechanical | 85% |
| Feller buncher | % |
| Cut to length | % |
| Ground skidding | 15% |
| Yarder | % |
| Whole tree skidding | % |
| Cut log skidding | % |
| Silvicultural System | % of forests harvested under this management |
| Even aged management | 15% |
| Clearcutting | 5% of even aged mgt |
| Shelterwood/Seed tree | 10% of even aged mgt |
| Uneven aged management | 85% |
| Individual tree selection | 25% of uneven aged mgt |
| Group selection (group harvested of less than 1 ha in size) | 60% of uneven aged mgt |

| Species and Log Production | | |
|------------------------------|-------------------------|--|
| Latin Name | Common trade name | Actual harvest in last year (specify unit of measurement below) |
| <i>Pinus strobus</i> | Eastern White Pine | 6 MMMBF |
| <i>Picea rubens</i> | Red Spruce | 3 MMBF |
| <i>Abies balsamea</i> | Balsam Fir | 3 MMBF |
| <i>Tsuga canadensis</i> | Eastern Hemlock | 6 MMMBF |
| <i>Acer saccharum</i> | Sugar Maple | 1.5 MMMBF |
| <i>Acer rubrum</i> | Red Maple | |
| <i>Betula papyrifera</i> | White Birch | |
| <i>Betula alleghaniensis</i> | Yellow Birch | 1.5 MMMBF |
| <i>Populus tremuloides</i> | Aspen (Popple) | |
| <i>Fagus grandifolia</i> | American Beech | 1.5 MMMBF |
| <i>Quercus rubra</i> | Northern Red Oak | 1.5 MMMBF |
| <i>Quercus alba</i> | White Oak | |
| <i>Prunus serotina</i> | Black Cherry | |
| | Pulpwood/biomass - tons | 3,397,304 tons |
| | Total | 24 MMMBF |
| | | 3,397,304 tons |

| FOREST AREA CLASSIFICATION | | acres |
|----------------------------|---------------|-------|
| Total area | | |
| Forest area that is: | | |
| Privately managed | 140,000 acres | |
| State managed | 0 acres | |
| Community managed | 0 acres | |

| | |
|--|---------------|
| Area classified as natural or mixed forest | 140,000 acres |
| Area classified as plantations | 0 acres |

APPENDIX II: Certification standard conformance checklist (confidential)

The following checklist must be completed separately for each contractor evaluated. For group certification assessments, checklists completed for each group member sampled shall demonstrate full compliance with all the requirements of the SmartLogging Standard, except those already complied with at the group level. Based on the evaluation of compliance with each indicator, a conformance determination has been assigned. Conformance with indicators is determined by the entire assessment team through a consensus process. Where noncompliance with the standard is documented by the team, corrective action requests (NCRs) are outlined. The following definitions apply, and are the basis for all certification assessments:

| | |
|---------------------|--|
| Precondition | Requirements that harvester must meet <u>before</u> certification by Preferred by Nature can take place. |
| Minor CAR | Requirements that harvester must meet, within a defined time period (usually within one year), during the period of the certification, |
| Observation | Non mandatory actions or recommendations suggested by the audit team to address harvester performance. |

For each indicator presented below, the audit team’s determination of conformance and relevant findings are presented. Where applicable, NCRs or observations are referenced and detailed in the note section of the applicable criterion.

| Subject Area 1: Legal Requirements | |
|---|--|
| <i>Harvesters shall respect all applicable laws.</i> | |
| <u>Criteria and Indicators</u> | <u>Findings</u> |
| 1.1: Harvester has a legal right to harvest the forest areas under consideration. | |
| Criterion Level Remarks: | |
| 1.1.1: Harvester has documents that demonstrate that legal permits from the applicable government agency, where needed, are in place to harvest. These may be obtained by a dealer, landowner, and landowner’s agent, whichever is appropriate. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Observed required Forest Operations Notices (FON) were posted at all audit sites. Interviews confirmed that FONs are always posted. Evidence: FON posted numbers: 2100196, 2101060, 544153, 521564, 2101000, 542831, 2101142, 544133, 502615 |
| 1.1.2: A timber sale contract is signed by the landowner, or the landowner’s agent (e.g., forester, land manager, etc.) and wood purchaser. Timber sale boundaries and landowner’s commitment/permission are defined in the | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All operations audited provided copies of signed timber sale contracts with timber sale boundaries either describe in the text or shown on a map. |

| | |
|---|---|
| <p>timber sale contract.</p> | <p>Some of the harvest sites visited did not have a timber sale contract as the harvesting was on ground owned by the harvesting company. Also, at other sites the harvesters were contract logging to large landowners and had harvesting contracts with said landowners.</p> <p>Evidence: Gray Realty Development LLC SAPPI Weyerhaeuser AFM</p> |
| <p>NOTES: (NCRs/Observations)</p> | |
| <p>1.2: Harvester obeys legal/regulatory requirements, and obtains necessary permits in accordance with laws.</p> | |
| <p>Criterion Level Remarks:</p> | |
| <p>1.2.1: Legal requirements are met, including, but not limited to those related to:</p> <ul style="list-style-type: none"> • Environmental quality (BMP manual, harvesting regulations); • Water or water quality (BMP manual, Water Quality Regulations); • Rare, threatened or endangered species (Endangered Species Act, CITES); and, • Non-timber forest products: hunting, fishing and other NTFPs meet applicable regulations. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>The field audit was limited to Maine sites and observations and interviews indicated that all legal requirements were met. Specific legal requirement applicable at the sites visited included FON posting. Interviews with loggers indicated knowledge of other legal requirements (e.g., clearcutting rules, RTE species limits) and that regulations would be followed as needed.</p> <p>While the “Best Management Practices for Forestry: Protecting Maine’s Water Quality – Third Edition” are not regulations, the recommendations in this book are guidelines that help to prevent damage to the waterways from harvesting activities. Interviews and observations confirm that the recommendations in this manual are strictly followed.</p> <p>Interview confirmed that loggers that are not contracting take the time to check by internet for any RTE species of concern in locations they are moving into.</p> <p>Based on observations and interviews, auditor found that the group members audited are meeting the SmartLogging standard requirements. There were no reports of any issues with any RTE species. Neither were</p> |

| | |
|--|---|
| | there any NTFPs. |
| <p>1.2.2 Worker and harvester occupational health and safety and labor laws are met.</p> <ul style="list-style-type: none"> • Including government and ILO labor laws, and workers compensation laws. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All loggers interviewed demonstrated knowledge of health and safety and labor laws and stated that they carried workman's compensation insurance. Auditor observations of equipment and documentation supported these statements.</p> |
| <p>1.2.3 Where applicable, harvester is a legally licensed professional, with required permits and license kept current.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Harvesters are not required to be licensed in Maine. Interview and document review however, confirmed that all companies visited are members in good standing of the Master Loggers program.</p> <p>Evidence: Master Loggers #'s: 23-07-01-0014, 23-07-01-0020, 23-11-15-0096, 23-07-01-0015, 23-15-14-0206, 23-07-01-0010, 23-04-02-0047, 23-04-02-0045. Other numbers observed but failed to record.</p> |
| <p>1.2.4 Logging equipment used by the harvester meets government safety requirements.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Examination of logging equipment indicated that the principle safety requirements appear to be met. The auditor specifically checked for fire extinguishers, doors where there were part of original equipment, seat belts, and general condition of the equipment (e.g., cracked windows, frayed cable, loose metal, etc.).</p> |
| <p>1.2.5 Trucks meet government regulations.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Logging contractors interviewed confirmed that trucks are inspected regularly by the logging company and repaired as needed. In addition, trucks are subject to random highway checks and annual state inspections. State inspection stickers were observed on equipment trucks and log trucks.</p> |
| <p>1.2.6 Harvester has insurance in accordance with local legal requirements, which may include:</p> <ul style="list-style-type: none"> • General liability; • Worker's comp; | <p>Conformance with Indicator: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p> <p>All loggers audited stated that they carry general liability (\$1 million minimum, generally \$2 million aggregate), workman's compensation, and</p> |

| | |
|---|--|
| <ul style="list-style-type: none"> • And Automotive liability. | <p>vehicle insurance.</p> <p>However, only 9 of the 11 companies visited provided proof of carrying required insurances. As this auditor has no doubt from interviews that all do carry all required insurance, there is still the need for documentation to prove such is the case. One of those missing this proof was in the hospital with Covid-19 at the time of the audit, (which as such is now overlooked), and the other stated they are self-insured. Being that required insurance is such an important part of this business and the need for such proof as a minimum, an NCR is here issued. Due to the number of those missing documentation and the importance of this issue, this NCR is issued as a minor non-conformance. See NCR 01/21.</p> <p>Evidence: Proof of WC insurance for 9 of 11 companies</p> |
| <p>1.2.7 Containment and disposal of hazardous materials (e.g., pesticides, petroleum, lubricants and chemicals) is in accordance with jurisdiction laws and regulations.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All loggers had spill containment, cleanup procedures, and disposal procedures in place.</p> <p>Loggers interviewed were implementing best management practices for cleanup. All group members have spill cleanup pads on all equipment and full cleanup kits at the landing and cleanup procedures follow the intent of the law and Best Management Practices.</p> <p>Observed that most loggers had fuel tanks in the back of the equipment/crew trucks, while a few others had fuel tanks onsite. Several mentioned that they have waist oil burners that are used to heat their shops.</p> |
| <p>NOTES: (NCRs/Observations) See NCR 01/21.</p> | |
| <p>1.3 Any legal outcomes from dispute resolution processes are respected.</p> | |
| <p>Criterion Level Remarks: No disputes were reported by loggers or landowners interviewed.</p> | |

Subject Area 2: Harvest Planning and Monitoring

Harvester completes adequate planning prior to harvest to assure an understanding of landowner harvest objectives and site-specific environmental concerns. Harvester monitors progress of harvest to see that environmental and landowner harvest objectives are met,

| <i>and does a post-harvest assessment to determine if follow-up actions are necessary.</i> | |
|---|--|
| Criteria and Indicators | Findings |
| 2.1: A written harvest plan or service/logging contract (see 1.1.3) is in place prior to harvest, based on site-specific conditions, and in agreement with the landowner's land use and harvest objectives. | |
| Criterion Level Remarks: | |
| 2.1.1: If the landowner has a forest management plan and/or management and harvesting objectives, as described in or related to the written harvest plan, they are discussed with the landowner prior to harvest. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Five harvesters had forest management plans/harvesting plans with landowner objectives. The other six harvesters were working as contract loggers to the landowners management firms. Contracts for these harvester were reviewed on site. With the advances of technology, one of the contracts was reviewed on an iPad along with maps.</p> <p>During one interview it was stated that at times no contracts or plans were created for the harvesting and that everything was done on a handshake deal. While this is commendable to the trust this harvester has developed with the landowners he deals with, it is not in conformance to this standard. Since this was mentioned as not having been done recently it is only mentioned here as an issue to be aware of. As such, it is here considered to be an observation. See OBS 01/21.</p> <p>Evidence: 5 harvesting plans/FMPs as part of the harvesting contracts. 6 service work contractors agreements.</p> |
| 2.1.2: Any major changes to the harvest plan or service/logging contract are approved prior to implementation by the landowner or the landowner's agent. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>No major changes were noted, but in all cases, loggers maintain close communication with landowners throughout the harvesting process so any needed changes would be readily communicated.</p> <p>One harvester noted minor changes that added additional area for harvesting to their contract and the auditor observed addendum to the contract.</p> |
| NOTES: (NCRs/Observations) OBS 01/21 | |
| 2.2: Harvest plan and/or logging contract has been approved by landowner, landowner's agent or authorized state or other jurisdictional institution where applicable. (Note: Harvest plan/service/logging contract can be prepared by landowner, purchaser or harvester who buys timber, and then signed by landowner). | |
| Criterion Level Remarks: | |

| | |
|--|---|
| <p>2.2.1: Harvest plan or service/logging contract includes:</p> <ul style="list-style-type: none"> • Landowner's harvest prescriptions; • Silviculture; • Harvesting restrictions; • Protection of wildlife habitat, rare plant communities, stream zones, historical or personal sites and other critical environmental or cultural features; • Penalty clauses for unauthorized cutting, excessive damage to residual stand, roads, bridges or other infrastructure; • Infrastructure improvements/construction (e.g., roads, skid trails, landings); • Harvesting close-out measures (e.g., waterbars, stream crossing rehabilitation, soil preparation and regeneration, etc.); and, • A clause to allow sale area to be audited for conformance with SmartLogging standards. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Review of documents and interviews reveal a good understanding of the need for the required elements of this criteria. Harvest plans contained all pertinent information for the tracts being harvested, including a prescription for the tract, protection of riparian areas, penalty clauses, liability clauses, and close out measures. Field observation also showed a good application of written prescriptions.</p> |
| <p>2.2.2 Harvest maps, or aerial photos, identify:</p> <ul style="list-style-type: none"> • Property boundaries; • Harvest area; • Streamside management zones and other riparian zones; • Unique historic, religious or cultural sites; • Rare, threatened or endangered species habitat; and, Other unique biological or geological features. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All required elements that were present were shown on maps,</p> |
| <p>NOTES: (NCRs/Observations)</p> | |
| <p>2.3: A documented on-site pre-harvest inspection is conducted within one year of harvest.</p> | |
| <p>Criterion Level Remarks:</p> | |
| <p>2.3.1: The pre-harvest inspections are done by the harvester, preferably with the landowner or land manager.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interview with harvesters confirm that all sites audited were inspected prior to harvest by the harvester with the landowner or landowner's representative. However, four of the 11 sites visited did not have any form of pre-harvest inspection documentation. Those that did not have a documented pre-harvest inspection were working as service contractors to large landowners management firms. It was stated that they depended on the management firms to take care of these documents.</p> |

| | |
|--|--|
| | An observation is here issued. As this indicator does not require a documentation of the pre-harvest inspection, it is a good opportunity, even for contractors, to document potential issues that may arise and head off those issues before they cause any problems. See OBS 02/21 . |
| 2.3.2: Pre-harvest inspections review property boundaries, harvest area boundaries, streamside management zones (SMZ) and harvesting restrictions in SMZs, special considerations for protection of special sites, and harvest “close out” procedures. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interviews and documents reviewed confirm that all applicable pre-harvest issues are addressed. These are also referenced in the contracts signed by both parties. Close-out responsibility is discussed on site and included in contract language. |
| 2.3.3: Property boundaries and limits of the harvest area are clearly marked on the ground. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> It was observed at all harvest sites audited that boundaries were clearly marked with either paint, flagging, or both. Maps were provided at each site also showing boundary locations. Some of the harvesters demonstrated new technology of tracking GPS of harvesting equipment in relation to harvest boundaries. |
| 2.3.4: Harvesting infrastructure (e.g., existing roads, landings, skid trails, stream crossings) is reviewed and necessary improvements are included in the sale/service agreement. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Review of harvest agreements indicated logger responsibility for all infrastructure work. |
| NOTES: (NCRs/Observations) OBS 02/21 | |
| 2.4: A documented post-harvest assessment of harvest site is conducted at completion of harvest. | |
| Criterion Level Remarks: | |
| 2.4.1: A post-harvest evaluation (i.e., checklist or close-out document) is completed by the harvester, preferably with the landowner or land manager, and follow-up actions are identified and conducted as necessary. Post-harvest inspection by jurisdiction agency is required where the service is available. | Conformance with Indicator: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/> The Master Logger “Post-Harvest Checks” template is provided to all group members. Full closeout was documented and completed for only 2 of the harvest sites visited. All loggers reported that a post-harvest closeout walk is conducted with each landowner. There may have been some confusion in how the question was asked of the contractors as some stated that they were on an active site and a close out inspection would be completed at the time of close out. However, it is of note that of the 11 harvesters visited, only 2 were able to |

| | |
|---|--|
| | provided evidence of previous harvest close out forms being completed. Four of the harvesters stated that they are contracting to large landowners and the management companies they contract to do all of the post-harvest inspections. And some stated that while they do close out inspections, they do not document these inspections. Considering that this indicator does require a documented post-harvest inspection, a non-conformance is here issued. See NCR 02/21 . |
| 2.4.2: Post-harvest inspections review condition of streamside management zones, harvest infrastructure, sites identified for special protection, residual stand, "closeout" features, such as water bars, and other features identified in pre-harvest inspection. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interviews with harvesters indicate that all the required inspection elements are completed. Review of the post-harvest inspection forms provided showed a checklist of all elements of this indicator. Full closeout BMPs including stream crossings, skid trails and landings were observed at the one completed harvest site visited. |
| NOTES: (NCRs/Observations) NCR 02/21 | |

Subject Area 3: Harvesting Practices

Harvesting practices, including equipment used, are chosen and employed based on specific site conditions and landowner harvest prescriptions for the stands and site. Protection of water quality is an increasingly important consideration in management of forest resources. Harvesters can have a significant impact in protecting water quality and soils. Harvesters follow state, provincial or regional BMPs and other recognized practices in all harvesting activities such as road construction, location of logging trails and landings, stream crossings, and protection of SMZs. In addition, harvesters work to conserve the timber resource and all forest resource values within the context of the landowners' harvest prescriptions and they protect worker health and safety and promote community economic well-being.

| Criteria and Indicators | Findings |
|--|---|
| 3.1: Harvesting practices meet or exceed applicable jurisdictional best management practices (BMPs), even if BMPs are voluntary. | |
| Criterion Level Remarks: | |
| 3.1.1: Applicable state harvesting BMPs are being implemented. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> During field audit visits, all BMPs were observed being consistently implemented. |
| 3.1.2: Logger, supervisor, or person responsible for implementing BMPs is required to have BMP training and training on the SL Standard. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All harvesters visited have completed the Master Logger training and, in most cases, retraining in implementation of state BMPs. Reviewed Master Logger certificates of those visited. In addition, all harvesters interviewed confirmed training on the SL standard at the time of joining |

| | |
|---|--|
| | the group. |
| 3.1.3: BMP manuals are accessible to employees, contactors and employees. | Conformance with Indicator: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Interviews confirm that all have a good working knowledge of state BMPs. However, at 6 of the 11 harvester sites visited, a BMP manual was not onsite available to employees or contactors. As such a non-conformance is here issued. See NCR 03/21 . |
| NOTES: (NCRs/Observations) NCR 03/21 . | |
| 3.2: Harvesting practices are conducted when risk of impacts are low. | |
| Criterion Level Remarks: | |
| 3.2.1: Harvesting, especially of identified sensitive areas, is conducted when risk is low (i.e., on dry or frozen ground). | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> The audit occurred at the beginning of winter, just as everything was beginning to freeze up. Contractors were modifying harvest and skid trail locations, adding brush to wetter areas, trucking only in early morning with gravel roads were still frozen. Harvesters were in the process of moving to winter jobs and getting truck roads on frozen ground ready. Logger interviews indicated that there are wet-weather shutdowns in the spring and summer months as well due to wet weather conditions. |
| 3.2.2: Harvesting systems are appropriate for the site. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> A variety of harvesting systems were observed, and all were suitable to the site conditions. |
| 3.2.3: Appropriate equipment (e.g., low impact tires, mats) is used in wet (swamp) areas. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Timber mats were used by many contractors for stream crossings and wet trail sections, others use brush in wet trail sections. Many contractors used forwarders to minimize impacts. Temporary bridges were also observed in use. |
| NOTES: (NCRs/Observations) | |
| 3.3: Harvest prescriptions are followed and damage to residual vegetation is minimized. | |
| Criterion Level Remarks: | |
| 3.3.1: Silvicultural prescriptions are followed. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All of the harvest sites visited had silvicultural prescriptions prepared by a forester. In all cases the prescriptions were followed. For logger-prepared |

| | |
|--|---|
| | harvest plans, two loggers are licensed foresters, and another two loggers have foresters on staff, recommended harvesting in the plan was followed on the ground. |
| 3.3.2: Damage to residual trees and other resources is minimized by the harvest and extraction process. <ul style="list-style-type: none"> • Scarring on boles of residual trees is minimized; • Damage to residual tree leaders and limbs is minimized; • Coarse woody debris is left on site; and, • Damage to understory vegetation is minimized. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Minimal damage to trees and other residual vegetation was observed. Loggers routinely use bumper trees to minimize damage. Interview and observation confirmed that many harvesters now top the logs in the woods, and many are using forwarders to also reduce residual stand damages. |
| 3.3.3: Harvest closeout activities are undertaken and occur as per the harvest plan. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> One site was fully closed out and met all appropriate closeout procedures. Interviews with loggers at the remaining active jobs indicated they are knowledgeable about closeout procedures. |
| NOTES: (NCRs/Observations) | |
| 3.4: Streams, lakes and wetlands are protected during harvest operations. | |
| Criterion Level Remarks: | |
| 3.4.1: Riparian buffer zones and streamside management zones (SMZ) are protected as outlined in BMPs or this standard. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All stream SMZs were flagged and met state and/or local requirements and BMP recommendations. |
| 3.4.2: Equipment use in SMZs and wetlands is minimized. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> No wetland impacts or SMZ soil impacts were observed. Operators either reach in to SMZs with harvesting booms or only enter with equipment where soils will not be damaged. |
| 3.4.3: Additional buffer zone management practices outlined by the landowner are respected. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All buffer zones are identified by the contractors with the landowner prior to harvest. The field audit and interviews found no issues with buffers. |
| NOTES: (NCRs/Observations) | |
| 3.5: Road and landing construction is implemented in a manner that minimizes soil erosion and does not impede water flow. | |
| Criterion Level Remarks: Conformance | |
| 3.5.1: The number of, and forest area affected by, roads, landings and concentration yards is based on site | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> |

| | |
|--|---|
| conditions. The total area affected by the harvesting network should be kept to a minimum. | The observed transportation networks were suitable to the harvest sites and kept to a minimum. |
| 3.5.2: Roads and landings are constructed outside of SMZs unless the reuse of a preexisting facility is the less damaging alternative. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Except for unavoidable stream crossings there were no roads or skid trails, in an SMZ. Landings were kept to the minimum size possible and away from the limits of the SMZ. No resource concerns were noted by the auditor. |
| 3.5.3: Layout of roads, skid trails and landings consider soil, slope stability, gradient, and weather conditions. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Trails and roads are kept on dry soils whenever possible. Loggers were adapting to early-winter conditions by brushing trails while waiting for the ground to freeze. Interview and observation confirmed that trails are walked and flagged ahead of construction or use. Overall attention to trail conditions was high. |
| 3.5.4: Erosion control structures such as waterbars and rolling (broad-based) dips are properly constructed to effectively divert water from roads and skid trails. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Waterbars were constructed as needed. In some cases, contractors plan to return after mud season to install water bars where ground had been frozen at the time of closeout. Most all contractors had excavators and/or bulldozers to install waterbars. Several of the contractors sub contract out the BMP closeout work to companies that specialize in closeout work. |
| 3.5.5: Erosion control structures (e.g., waterbars, rolling dips) are constructed prior to stream crossings to divert direct water flow into buffers or filter strips. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Trail layout and BMPs were constructed to minimize water quality impacts at stream crossings. No potential areas of concern were noted. However, as noted above, interviews revealed that contractors install waterbars and/or dips after mud season if needed. |
| 3.5.6: Road surfaces are designed to drain water effectively: <ul style="list-style-type: none"> • Rock and gravel is used on roads if feasible; and, • Roads are out-sloped, in-sloped or crowned as appropriate. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Most road surfaces observed were well placed with adequate stone and culvert placements. Many of the roads observed were on large landownerships and in many cases better maintained than public roads. The other sites had landings at roadside or a short distance from the road. No potential issues were noted. |
| 3.5.7: Permanent culverts are adequately sized and | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> |

| | |
|---|--|
| <p>properly situated:</p> <ul style="list-style-type: none"> Placed to effectively manage water flow; Installed so that subsequent road maintenance does not result in damage to culverts; and, Sized adequately for periods of high volume water flow. | <p>No new permanent culverts had been installed on any of the sites. Pre-existing permanent culverts were evaluated. Most of the loggers use temporary bridge panels or, in a minority of cases temporary culverts, rather than permanent culverts. One location was shown to this auditor where the stream culvert had been damned by beaver creating a backwater situation that overflowed the road. The contractor stated that plans were in the works to remove the culverts and replace them with a bridge allowing for more clearance and more difficult for the beavers to damn up.</p> |
| <p>3.5.8: Disturbed soil is stabilized to prevent soil erosion or sediment flow, including:</p> <ul style="list-style-type: none"> Road cut banks; Sidecast banks; and, Landing sites. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Brush in trails, straw mulch and/or chips at landings and stream crossings were observed in all cases necessary.</p> |
| <p>3.5.9: Non-invasive species are used for soil stabilization and re-vegetation of disturbed sites.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interview and observation confirmed that no invasive plants are used.</p> |
| <p>NOTES: (NCRs/Observations)</p> | |
| <p>3.6: Skid trails are designed and managed in a manner that protects and conserves soil and water resources.</p> | |
| <p>Criterion Level Remarks:</p> | |
| <p>3.6.1: Skid trails should be located and flagged before harvesting commences.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interview and observation confirmed that trails are walked and flagged ahead of construction or use. Harvester operators are trained to cut side trails without flagging. Observed trail spacing was excellent (up to 100 feet between trails) and appropriate to the site conditions and harvest objectives.</p> |
| <p>3.6.2: A reasonable effort is made to minimize disruption of soil organic layers during harvest operations including:</p> <ul style="list-style-type: none"> Minimal skidder rutting; Minimal blading of slash; and, Minimal machinery use off skid trails. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Winter conditions resulted in virtually no off-trail soil disruption. Nearly all trails observed were well matted with tree tops for stabilization.</p> |
| <p>3.6.3: Skid trails are stabilized during and following harvesting activities, including:</p> <ul style="list-style-type: none"> Using slash; | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Slash was applied to trails as needed. In the Northeast trail revegetation</p> |

| | |
|--|---|
| <ul style="list-style-type: none"> • Seeding; • Mulching; or • Other erosion control methods | from the forest seed bank is rapid and additional seeding is seldom necessary. |
| 3.6.4: Skid trails avoid sensitive sites, such as wet areas and unstable soils. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>No damage to sensitive soils was observed. The larger wet areas are shown on harvest maps. Unmapped areas are identified during harvest layout and avoided whenever possible.</p> |
| NOTES: (NCRs/Observations) | |
| 3.7: Stream crossings are managed to minimize negative environmental impacts during road building and harvest. | |
| Criterion Level Remarks: | |
| 3.7.1: The number of road or skid trail stream crossings for all categories of streams is minimized. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Stream crossings were avoided whenever possible. However, 2 bridges and 2 culverts were observed.</p> |
| 3.7.2: Log landings are placed on either side of the stream where practical to reduce multiple crossing of intermittent streams. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All sites had log landings near or on a main road and well out of SMZs. Stream crossings were minimized.</p> |
| 3.7.3: Portable bridges, mats, or logs are used to cross streams when necessary. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Portable timber mats were used as temporary bridge in one case, and another permanent bridge was constructed by the harvester. No temporary culverts were observed in use. Nearly all locations it was observed where logs and slash were used to cross small intermittent streams. Little to no bank damage was observed.</p> |
| 3.7.4: Stream crossings are placed at right angles to the stream where appropriate. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All stream crossings were at or close to right angles to the stream.</p> |
| 3.7.5: Culverts are installed properly in a manner not to inhibit migration of aquatic organisms. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Old existing permanent culverts were observed on some of the audit sites. Permanent road systems had permanent culverts installed. All culverts inspected had been placed properly for road drainage purposes. Those culverts installed were done so as to not inhibit movement of aquatic organisms.</p> |

| | |
|---|---|
| 3.7.6: Integrity of stream channel and stream banks is maintained during installation and removal of stream crossing devices. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> One site with closed-out stream crossing was observed. Nearly all locations it was observed where logs and slash were used to cross small intermittent streams. Little to no bank damage was observed. |
| NOTES: (NCRs/Observations) | |
| 3.8: Chemicals and petroleum products are contained as to not cause environmental damage. | |
| Criterion Level Remarks: | |
| a) 3.8.1: Spills are dealt with according to state regulations and BMPs. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All group members have spill cleanup pads on all equipment and full cleanup kits at the landing and cleanup procedures follow the intent of the law and Best Management Practices. |
| b) 3.8.2: Spill kits are available at the worksite and operators are familiar with their use. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All operators had full spill kits at the landings and spill pads in woods equipment. Operators were familiar with their use. |
| 3.8.3: Chemical and petroleum product waste from equipment maintenance procedures are captured and not allowed to flow on the ground or in watercourses. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interviews with operators indicated that spills are cleaned up immediately per recommended practices. Observed a forwarder operator in the woods that had blown a hydraulic hose that had placed spill pads under the machine while he was working on repairing the machine and no movement of petroleum products was observed. |
| 3.8.4: Equipment is properly maintained to avoid hydraulic fluid, motor oil and gear oil leaks. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All operators had well maintained equipment. Annual overhauls are common and in-woods leaks are addressed as needed. No leaking equipment was observed. |
| NOTES: (NCRs/Observations) | |
| 3.9: Important habitats to wildlife, rare, threatened or endangered species, and other special or unique natural sites are conserved. If available, natural heritage programs are consulted to determine if RTE species and rare natural communities are present. | |
| Criterion Level Remarks: Conformance | |
| 3.9.1: Specific wildlife habitat is protected as marked or designated in the harvest plan. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> The only wildlife habitats mentioned in the FMPs reviewed was that of |

| | |
|--|--|
| | deer yards. These locations are designated by the state of Maine and to be protected from harvesting activities. These deer yards are wintering habitats for whitetail deer. |
| 3.9.2: Harvesting avoids time periods and sites that are known to be important to species that are sensitive to human activity (e.g., nesting and breeding sites, etc.). | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> No harvest sites had specific wildlife areas, but operators are familiar with state-identified habitat information that may occur on some sites. |
| 3.9.3: Wildlife trees, snags, and other special situations are retained in a creative and safe manner in compliance with hazardous tree regulations or procedures. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Wildlife trees and other sensitive sites were retained as indicated in management or harvest plans and in consultation with landowner. Most wildlife trees observed were also located inside of the SMZs. |
| 3.9.4: Areas designated for strict conservation by the landowner (i.e., no harvesting or other activities) are protected. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> No such sites occurred in the sample, but interviews with loggers indicated that the landowner's objectives are paramount and followed during harvesting. |
| 3.9.5: Rare, threatened or endangered species, or their habitats, that are discovered during harvest operations are protected and reported to the landowner. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> None of the group members audited have discovered any RTE species or habitats. However, the members are sensitive to wildlife issues and would report important sites identified (e.g., an eagle nest tree). |
| 3.9.6: Unique features are protected during the harvest. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interview, observations, and review of FMPs/harvest plans confirms that wetlands, cultural features, and other sensitive or special sites are protected. |
| NOTES: (NCRs/Observations) | |

Subject Area 4: Community Values

Efforts are made to conduct harvesting operations in such a way that respects local community values so that loggers maintain a “social license to operate”. This means that loggers are mindful of working hours and avoid excess noise beyond working hours; limit the use of compression brakes in populated areas if safe to do so; take precautions to keep children and adults out of work area, such as putting up signs to mark off the work area; use extra precautions when operating near property lines, houses and power lines to avoid accidental damage to neighboring property and ensure that the protection of unique features is acceptable to the property owner, surrounding landowners, and the public.

| <u>Criteria and Indicators</u> | <u>Findings</u> |
|--|--|
| 4.1: Harvest planning and operations consider potential impacts to local community. | |
| Criterion Level Remarks: | |
| 4.1.1: Cultural features of historic and/or archaeological value are protected in the field as identified in the harvest prescription. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Cultural features were limited to stone walls and cemeteries. All were protected. Group members are observant and will protect areas not previously identified. |
| 4.1.2: Aesthetic prescriptions as defined in the harvest prescriptions are implemented during harvest and close-out operations. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All operators were sensitive to aesthetic considerations and modified harvests accordingly. This included views of harvested hillsides and harvesting near roads and trails, and/or as desired by the landowner. |
| 4.1.3: Chemical containers, solid non-organic wastes and other refuse produced during harvesting are disposed of in an environmentally sound manner at off-site locations. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All operators place any waste or cleanup materials in leak-proof bags and use on-premises dumpsters or transport the waste to local transfer facilities. One contractor with a waste-oil burner burns oil-contaminated cleanup pads. |
| 4.1.4: Harvester actively works to resolve conflicts with neighbors when they arise. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> No conflicts with any neighbors were reported for this past year. All harvesters interviewed stated that they strive to get along with neighbors and resolve conflicts by talking through the issue first. |
| NOTES: (NCRs/Observations) | |

Subject Area 5: Occupational Health and Safety

Recognizing that logging is a dangerous occupation, protecting the health and safety of workers is of utmost importance. Loggers should maintain constant vigilance to recognize and minimize occupational health and safety risks.

| <u>Criteria and Indicators</u> | <u>Findings</u> |
|--|--|
| 5.1: Harvester has an occupational health and safety plan. | |
| Criterion Level Remarks: | |
| 5.1.1: A written safety & health plan that includes: <ul style="list-style-type: none"> • An emergency response plan; • Requirements for personal safety equipment; • Policies for forest workers when working alone, including | Conformance with Indicator: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/> During interviews all harvesters stated that they had written safety plans and policies meeting the requirements of this indicator. Some use the |

| | |
|---|---|
| <p>strategies for making their whereabouts known to others at prescribed times each day, which is verified as a daily procedure when in the forest; and,</p> <ul style="list-style-type: none"> • Periodic safety inspection of equipment. | <p>Master Logger template and others use a custom plan tailored to their operation. However, for document review, 3 of the 10 were unable to produce their written documentation of a written safety & health plan at the time of the onsite audit. For this reason, a nonconformance is here issued. This NCR is considered to be a minor issue as observations of field operations showed a very high regard for safety. See NCR 04/21.</p> |
| <p>5.1.2: Harvester participates in insurance or government compensation programs.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interviews with all harvesters confirmed that workers compensation is carried by all. However, as referenced in NCR 01/21, not everyone was able to produce their documentation of proof of such workers compensation insurance. One harvester stated that they are self-insured, but documentation was not provided.</p> |
| <p>NOTES: (NCRs/Observations) NCR 04/21.</p> | |
| <p>5.2: Harvester ensures compliance with safety plan and related requirements in terms of protective equipment (e.g., hardhats, hearing protection, etc.), machine/tool operation, maintenance of harvesting and felling equipment, and handling of dangerous materials.</p> | |
| <p>Criterion Level Remarks:</p> | |
| <p>5.2.1: Harvesters, employees or sub-contractors have received occupational safety and health orientation/training.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interview, document review, and observation confirmed that all contractor's and employees have health and safety training at least once annually. Additionally, 5 of the 11 stated that they use a 3rd party safety training expert to give monthly safety trainings to all crew members. Observed one such training during audit visits.</p> |
| <p>5.2.2: Harvesters, employees and sub-contractors demonstrate safe harvesting techniques in the field, such as:</p> <ul style="list-style-type: none"> • Maintaining good communication with other workers; • Maintaining safe distance from operating machinery or felling; • Wearing personal protective equipment at all times. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All operators had the proper PPE for the job, had communication tools applicable to the site (radio or cell phone) and demonstrated safe practices near machinery.</p> |
| <p>5.2.3: Harvester evaluates and documents employee and sub-contractor safety performance.</p> | <p>Conformance with Indicator: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p> <p>Interviews confirmed that all harvesters do some form of employee and sub-contractor safety performance evaluations. Three of the ten have the 3rd party safety trainer handle this documentation. However, several of the</p> |

| | |
|--|--|
| | others did not produce any written documentation of safety performance, and one stated that he does not document his evaluations. As documentation is specifically mentioned as being a part of this indicator, and that this documentation was not presented, a nonconformance is here issued. This NCR is issued as a minor as this is just a documentation issue. See NCR 05/21 . |
| 5.2.4: Harvester's written safety plan is accessible to sub-contractors and employees. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interviews confirmed that all contractors understand the importance of having a written safety plan, and all stated that they have a written safety plan. However, at the time of the visit, as noted above at 5.1.1 NCR 04/21, 3 of the harvesters were unable to produce their written safety plan or emergency response plan. Refer to NCR 04/21 . |
| 5.2.5: CPR, first aid training (e.g., blood lost stoppage, stabilizing broken bones, immobilization of injured worker, etc.) and transport of injured workers, is provided by the harvester. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All workers were CPR/First Aid trained and first aid kits were in all equipment and at the landing. Group members had their own transport in the form of crew trucks. |
| 5.2.6: Where available, communications equipment for emergencies is on-site. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Radios and/or cell phones were available at all sites. Contractors working outside of cell phone coverage used radios. |
| NOTES: (NCRs/Observations) NCR 05/21 . | |

Subject Area 6: Business Viability

Logging is a difficult business and equipment is costly. Loggers must be able to understand the true costs of doing business to have an economically sustainable business. A logger should demonstrate awareness of the need for sustainable business practices.

Criteria and Indicators

Findings

6.1: Harvester demonstrates business viability.

Criterion Level Remarks:

6.1.1: Harvester has a written business plan.

Conformance with Indicator: Yes No N/A

As stated in last year's audit and **NCR 01/20**, related to this indicator, all harvesters interviewed know their business and costs inside and out. However, as stated, this indicator requires a written business plan. Last year's NCR was for some of those harvesters visited not having a written

| | |
|---|--|
| | <p>business plan.</p> <p>To close last year's NCR, at the time of this year's field visits no one had a copy of their written business plan with them in the field. Some were unsure if their plans were up to date. Given that this was a known issue, and this document should have been onsite for the reassessment, this NCR was up graded to a major.</p> <p>Within a week and prior to this writing, all were able to produce written business plans. Interview with Group Manager confirmed that changes will be made to internal monitoring to check for written business plans in the future. Given that prior to report completion all were able to produce their written business plans, this NCR is now considered closed.</p> |
| <p>6.1.2: Harvester consults business support professionals as necessary, such as accountants and insurance professionals.</p> | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All harvesters consult with, or have on staff, professionals appropriate to the scope of their business. Five of the harvesters interviewed hire outside safety auditors for monthly training and inspections. One harvester noted that his accountant is also his wife.</p> |
| <p>6.1.3: Harvester maintains records of harvesting activities, including:</p> <ul style="list-style-type: none"> • Contracts with landowners, mills, dealers and subcontractors; and, • Load reports, and scale records and summaries. • Calculating equipment, personnel and overhead costs; and, • Calculating daily cost per production unit (e.g., ton, board foot). | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>All harvesters applicable records are kept for business records and to pay landowners per contract requirements. All keep paper copies in offices and now some also keep all records digitally as well. One harvester, while in the field, demonstrated a program developed internally for keeping his records digitally.</p> |
| <p>6.1.4: Equipment is well maintained:</p> <ul style="list-style-type: none"> • No oil or hydraulic leaks; • ROPS of machinery is in good condition; • Regular maintenance is performed and documented. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Ongoing maintenance was observed. No leaks were observed, ROPS appeared to be in good condition. Most harvesters perform their own regular maintenance and repairs or hire experts as needed. Most of the harvesters keep maintenance logs according to the manufacturers recommendations. However, one harvester interviewed stated that while he does regular maintenance to his equipment, he does not document it. As this was a single event and not a systemic failure, an observation is being issued here. See OBS 03/21.</p> |

| | |
|--|---|
| NOTES: (NCRs/Observations) NCR 02/20, OBS 03/21. | |
| 6.2: Harvester provides working conditions (e.g., wages, benefits and opportunities) that enhance workforce stability. | |
| Criterion Level Remarks: | |
| 6.2.1: Harvester provides equal opportunities for employment and advancement. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> A variety of jobs applicable to the operation size was observed. In regard to equal employment opportunities, one company is co-owned and operated by a husband and wife. The wife is also a forester. |
| 6.2.2: Employee job training is provided. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All employees receive basic health and safety training and additional training, with in a classroom setting or on-the-job, as needed. Reviewed training sign in documents. |
| NOTES: (NCRs/Observations) | |
| 6.3: Harvester maximizes utilization of harvested products. | |
| Criterion Level Remarks: | |
| 6.3.1: Grading and sorting of harvested products is conducted to add or maintain commercial value where appropriate. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All grades of wood ranging from veneer to biomass are sorted and utilized whenever possible. In addition to common market products, group members were cutting and sorting logs for specialized products. Interview and observations confirm for those harvesters visited, sorts ranged from 2 to 17, with an average of 7-8. |
| 6.3.2: Harvested products are transported from harvest site to markets on a timely basis to minimize product degrade and loss. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Trucking of logs happens frequently and no large inventories of logs were observed at landings. |
| 6.3.3: All merchantable materials as prescribed in the harvest contract are shipped. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All products listed in contracts were being sorted and shipped. |
| NOTES: (NCRs/Observations) | |
| 6.4: Harvester maintains ethical business practices. | |
| Criterion Level Remarks: | |
| 6.4.1: Contracts are honored. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Visual inspections indicated that field performance was consistent with |

| | |
|---|--|
| | contract language. Landowner management firms interviewed indicated full satisfaction with contractor performances. |
| 6.4.2: Fair market value is provided for services rendered. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Five of the eleven harvesters interviewed are working on a service contract basis. These harvesters have robust businesses and have been working for the same operations for many years, indicating that both parties are satisfied with the services and payment rates. |
| 6.4.3: Fair market value is provided for timber purchased. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Stumpage payment rates were typical for the region. |
| 6.4.4: Required taxes, royalties and fees are paid. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All group members in Maine are required to pay state income tax. There are no other taxes, royalties, or fees. Business records were available for the auditor review at the member's business offices. |
| NOTES: (NCRs/Observations) | |

Subject Area 7: Continuous Improvement and Innovation

Harvester demonstrates efforts to improve logging operations, uses best available technologies, and shows innovation in the procedures used. Observation of harvest sites, attendance of harvesters at training courses, and observations by landowners and others familiar with the harvester's work demonstrate efforts at improvement.

| <u>Criteria and Indicators</u> | <u>Findings</u> |
|---|---|
| 7.1: Harvester continually learns from experience and training to improve practices. | |
| Criterion Level Remarks: | |
| 7.1.1: Harvester analyzes challenging harvesting situations and data from post-harvest assessments and pre-plans innovative solutions, such as <ul style="list-style-type: none"> • Renting or acquiring equipment appropriate for operation; • Laying out access network in a more effective manner; or • Improving tree harvesting techniques. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Group members had a variety of equipment to address different situations and developed creative ways to solve problems. Most of the group members stated that walking the issue with state and or company foresters and working together are able to solve most issues. |
| 7.1.2: Harvesting skills and business skills are maintained or enhanced through periodic training (e.g., continuing education courses, equipment operator training and environmental education). | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> All group members undergo annual training, and most employees receive the same training, to maintain their standing as Master Loggers. The |

| | |
|----------------------------|---|
| | subject of training may vary from year to year. |
| NOTES: (NCRs/Observations) | |

Subject Area 8: Silviculture and Reforestation

This subject area applies only to harvesters who have complete control over the silviculture, reforestation and harvest volume removal on the forestland property from which they are purchasing timber.

| Criteria and Indicators | Findings |
|---|---|
| 8.1: Silviculture, forest management and reforestation BMPs are followed. | |
| Criterion Level Remarks: | |
| 8.1: Silviculture, forest management and reforestation BMPs are followed. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Two of the harvesters interviewed are also Maine licensed foresters, and two other harvesters have Maine licensed foresters on their staff. All other harvesters are working under contractor agreements in which forestry services are provided by forestry consulting firms. Observations confirm that silvicultural recommendations, forest management, reforestation, and BMPs are all being followed.</p> |
| NOTES: (NCRs/Observations) | |
| 8.2: Silviculture and/or reforestation are part of the harvest plan. | |
| Criterion Level Remarks: | |
| 8.2.1: Silvicultural prescriptions that identify and address long-term forest management goals, such as rotation age, length of cutting cycle, target tree diameter, and desired species are described in the harvest plan. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Two of the harvesters interviewed are also registered foresters, and two other harvesters have registered foresters on their staff. Silvicultural prescriptions reviewed ranged from small clearcuts to salvage harvesting after storm damages, to thinning operations taking the basal area down to 30-40%. Desired species varied by regions and local market availability.</p> |
| 8.2.2: Reforestation method, including site preparation and desired species, is described in the harvest plan. | <p>Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>During interviews with group members who provide forestry services, it was confirmed that prescriptions are developed based on the long-term health of the stands. The majority of harvests are intermediate stand treatments or small group selections which enhance future stand characteristics.</p> |
| NOTES: (NCRs/Observations) | |
| 8.3: Uneven-aged silviculture or partial cuts shall not result in high grading a forest stand. | |

| | |
|--|---|
| Criterion Level Remarks: | |
| 8.3.1: Uneven-aged silviculture shall leave high quality examples of trees in all existing age classes. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Interviews confirmed that the goal for management is to improve the existing stands. No high grading was observed during field visits. All residual standards had high percentage of acceptable growing stock of desirable species and minimal residual damage. |
| 8.3.2: High quality examples of desired tree species should be retained as seed sources. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Field observations confirmed that high quality stems of desired species are being left for future growth. |
| NOTES: (NCRs/Observations) | |
| 8.4: Clearcuts shall be planted or should show signs of natural regeneration, such as new growth of desired species, unless clearcut is associated with legal land use conversion to agriculture or development. | |
| Criterion Level Remarks: | |
| 8.4.1: Areas that are clearcut have a written reforestation plan in accordance with 8.2 unless clearcut is associated with legal land use conversion to agriculture or development. | Conformance with Indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> During field observations, the one clearcut observed had been done to return an old agricultural site to an apple orchard. |
| NOTES: (NCRs/Observations) | |

APPENDIX III: Chain of Custody Conformance (confidential)

2.5: Documentation is used and retained for monitoring the movement of forest products from forest of origin to destination.

Definition of Forest Gate: The forest gate is determined by contract type. For group members who purchase timber deeds or cut on shares, the forest gate is the mill scale. For group members who cut and haul for a mill, the forest gate is the landing.

| Chain of Custody Criteria | Conform | Explanatory notes/ NCR or OBS |
|--|--|---|
| 2.5.1: A trip ticket, load receipt or other transportation document accompanies each load of forest products (e.g., logs, chips, biomass) delivered to the purchaser. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | Each group member used load tickets for each load of wood sent to the mill. Load tickets are used to track loads back to the source. |
| 2.5.2: Trip tickets, load receipts or other documentation mentioned above contain the harvester's SmartLogging certification code and Subcode (if applicable) number. | Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> | No TCNEF SL group members are currently using the SmartLogging certification code on trip tickets or other documentation. |
| 2.5.3: A summary of forest products, which includes at a minimum, delivery dates, destinations, volumes and species is provided to the SmartLogging auditor during the annual audit. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | CoC is verified at the member level, not the group manager level. Group members are able to provide this information upon request and therefore there is conformance to this requirement. |
| 2.5.4: All records are kept for at least five years. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The GM outlines the recordkeeping requirements for SL on the group members agreement. The GM confirmed that all SL group records are kept for 5 years. Interviews with group members confirmed that their records are kept for a minimum of 5 years, as well. |

APPENDIX IV: Group management conformance checklist (confidential)

| Group Certification Requirements | Conform | Comments/NCRs |
|--|--|---|
| GC 1.1: The group manager is an independent legal entity or an individual acting as a legal entity. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The group manager is an independent 501c.3 non-profit organization created for the purpose of overseeing programs such as SmartLogging Certification. |
| GC 1.2: The group manager's responsibilities with respect to managing the administrative and oversight of the group members shall be clearly defined and documented. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The group manager has sufficient legal and management authority and the resources to implement their responsibilities based on group policies and Bylaws that specifically confer legal and administrative authority for managing the SmartLogging Group. |
| GC 1.3: The group manager shall be contractually responsible to Preferred by Nature for ensuring that all the requirements of certification are fully implemented for all members within the scope of the group certification. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The group manager contracts with Preferred by Nature and is the responsible party for ensuring conformance with the SmartLogging, Group Management, and CoC standards. |
| GC 1.4: The group manager shall be responsible for ensuring that any corrective action requests (NCRs) issued by Preferred by Nature as a result of the assessment, and any NCRs issued by Preferred by Nature as a result of an audit, are fully implemented. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The group manager is the one responsible for ensuring that any NCR issued by Preferred by Nature is corrected and is responsible for collecting evidence of correction and providing that evidence to Preferred by Nature. |
| GC 1.5: The group manager shall have the authority to remove group members from the scope of the group certificate if the requirements of group membership, or any corrective actions issued by Preferred by Nature, are not complied with. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | Procedures for removal from the group are outlined in member agreement and bylaws. |
| GC 1.6: The group manager has sufficient legal and management authority and technical and human resources (e.g., qualified staff, equipment.) to implement their responsibilities | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The auditor found the group manager has sufficient legal and management authority and the resources to implement their responsibilities. |
| GC 2.1: The group manager shall document and implement clear rules regarding eligibility for membership of the group certificate. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The responsibilities of membership are clearly defined in the Code of Ethics Consent form signed by each group member. |
| GC 2.2: The group members' management responsibilities for conforming to group manager policies and the SmartLogging standard shall be clearly defined and documented. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | These responsibilities are outlined in the Northeast Master Logger Readiness Packet that each member receives. |
| GC 2.3: Group members shall be the legal owners of the harvesting companies in the group. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> | The auditor confirmed that each group member is the legal owner of the companies in this SL group. |

| | | |
|---|---|---|
| <p>GC 2.4: If new members are permitted to join the certified group after a certificate has been awarded, the group manager shall have clear, documented procedures for this.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>These procedures are included in the Northeast Master Logger Readiness Packet and "More About the Trust to Conserve Northeast Forestlands SmartLogging Certificate". TCNEF has an independent board that oversees admission and suspension.</p> |
| <p>GC 2.5: The requirements of the applicable SmartLogging Standard apply to every harvesting company in the group individually. Responsibilities for meeting every criterion may not be 'traded' between different harvesters, e.g., with one company meeting all criteria whilst another does not meet any.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>All requirements for inclusion in the group are met by all group members.</p> |
| <p>GC 3.1: The group manager shall provide each group member with documentation, or access to documentation, specifying the relevant terms and conditions of group membership. The documentation shall include:</p> <ul style="list-style-type: none"> i. Access to a copy of the SmartLogging Standard to which the group is committed; ii. Explanation of certification process; iii. Explanation of Preferred by Nature's, rights to access to the group members for the purposes of evaluation and monitoring; iv. Explanation of Preferred by Nature's requirements with respect to making public claims or providing public information about the SmartLogging certification; v. Explanation of any obligations with respect to group membership, such as: <ul style="list-style-type: none"> a. maintenance of information for monitoring purposes; b. use of systems for tracking and tracing of forest products; c. requirement to conform with corrective action requests issued by Preferred by Nature; d. any special requirements related to making public claims or business-to-business claims about forest products from lands harvested by members covered by the certificate; e. other obligations of group membership; and vi. Explanation of any costs associated with group membership | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>Documents provided to group members include all information within this criterion:</p> <ol style="list-style-type: none"> 1. Northeast Master Logger Readiness Packet 2. More About TCNEF SL Certificate 3. Code of Ethics Consent Form |
| <p>i. GC 3.2: A 'consent form' or its equivalent shall be signed by each group member who voluntarily wishes</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>Each group member has signed a Code of Ethics Consent form which explains their responsibilities as members of this group.</p> |

| | | |
|--|---|---|
| <p>to join the certification scheme. The consent form: acknowledges and agrees to the obligations and responsibilities of group membership;</p> <p>ii. agrees to membership of the scheme for the full period of validity of the group certificate; and</p> <p>iii. authorizes the group entity to apply for certification on the member's behalf.</p> | | |
| <p>GC 4.1: The group manager shall be responsible for maintaining the following records up to date at all times:</p> <p>i. List of names and addresses of group members, together with date of entry into group certification scheme;</p> <p>ii. Evidence of consent of all group members, preferably in the form of a signed 'consent form'</p> <p>iii. Records demonstrating the implementation of any internal control or monitoring systems. Such records shall include records of internal inspections, non-compliance identified in such inspections, actions taken to correct any such non-compliance</p> <p>iv. An annual summary of production, sales and forest product purchasers of all members; and</p> <p>v. The date of leaving of any group members, and an explanation of the reason why the member left the group.</p> <p>vi. Promotional/product claims and/or uses of the Rainforest Alliance logo in promoting participation in the SmartLogging certification program. Approval from Preferred by Nature for all uses and claims by the group manager and the group members.</p> | <p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p> | <p>The group manager, provided records for each member audited and has clear policies for:</p> <p>i Maintaining an accurate and current list of all group members.</p> <p>ii Maintaining all consent forms.</p> <p>iii Maintaining records of Master Logger interviews, audit findings, and recertification results and corrective actions.</p> <p>iv See below</p> <p>v The entrance and exit of group members are determined by an external board. A copy of the board's decision is sent to TCNEF and is kept with the group member's, or ex-group members, file for the duration of the certification period.</p> <p>vi Promotion and products claims records.</p> <p>SL-03 Group requirement 4.1.viii (4.1.iv of this criterion) requires "Annual summary of production, sales, and forest products purchasers of all members." The annual survey compiled by TCNEF satisfies this indicator.</p> <p>The summary provided by TCNEF includes the group annual production and amount of product sold, and a breakdown of purchasers by percentage of volume.</p> |
| <p>GC 4.2: The same documentation shall be archived for at least 5 years.</p> | <p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p> | <p>Auditor confirmed that group documents are maintained at least 5 years.</p> |
| <p>GC 4.3: If a group member joins or leaves either the group or the group certification scheme, the group manager shall inform the certification body within one month.</p> | <p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p> | <p>Auditor confirmed that the GM is aware of and follows this criterion.</p> |
| <p>GC 5.1: The group manager shall be fully responsible to Preferred by Nature for paying all the costs of evaluation and monitoring throughout the period of validity of the certificate. The group manager may divide these costs amongst group members as it deems appropriate.</p> | <p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p> | <p>The auditor confirmed that the GM is fully responsible for paying all of the costs.</p> |

| | | |
|--|---|---|
| <p>GC 6.1: The group manager shall evaluate every applicant for membership of the group and ensure that they comply with all the requirements of the applicable SmartLogging Standard, and with any additional requirements for membership of the group, prior to being granted membership of the group.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>Each prospective member is audited by the GM prior to entry into the group. The results of the audit are forwarded to the Certification Board who makes the final determination on membership.</p> |
| <p>GC 7.1: Group manager has a policy and practice for monitoring harvest practices to ensure that they are meeting the SmartLogging standard and group membership requirement?</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>The group manager has a clear policy for monitoring harvests of group members. Each member is audited prior to entry and is audited again for recertification after two years. For Master Loggers who have been certified for at least 2 years, TCNEF audit at least 25% of the group annually and renews certifications on a 4-year basis.</p> <p>In addition, members may be audited as a result of practices reported to the certification board by stakeholders. In some cases, these reviews have resulted in some Master Loggers having their certification revoked, which indicates that the internal auditing and control process is robust.</p> |
| <p>GC 7.2: The frequency of such internal monitoring shall reflect the level of activities such as felling, yarding, road building, or other harvesting activities being carried out by the group members.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>Each member is audited prior to entry and is audited again for recertification after two years. For Master Loggers who have been certified for at least 2 years, TCNEF audit at least 25% of the group annually and renews certifications on a 4-year basis.</p> |
| <p>GC 7.3: As a minimum requirement the group manager shall carry out a site evaluation for each member within the scope of the group certification at least once annually.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> | <p>Each member is audited prior to entry and is audited again for recertification after two years. For Master Loggers who have been certified for at least 2 years, TCNEF audit at least 25% of the group annually and renews certifications on a 4-year basis.</p> |

| Group Assessment Requirements: | Finding: |
|--|---|
| Group member size restrictions: | TCNEF currently has the capacity to manage the group and conduct annual monitoring. |
| Certificate auditing strategy: | The 2021 reassessment occurred during winter, along with the other audits over the past 4 years. During the next four years some annual audits should occur during the spring-fall logging seasons. |

APPENDIX V: Certified Group Membership List

Total # members in the certified group: 114

See Separate Excel Sheet for list of Group Members

APPENDIX VI: List of visited sites (confidential)

| Location | Logger | Site description / Audit Focus and Rationale for selection |
|--------------------|--------|---|
| Athens, ME area | XXXX | <p>Met with XXXX at main office and reviewed paperwork. Traveled to active harvest site on property owned by XXXX. While on site also observed 3rd party safety training of crew. Observed skidding, stroke delimeter, and loading operations. Interviewed 6 of logging crew.</p> <p>Also reviewed a site where beavers had dammed up the culvert and caused water to overtake the road. This site is now proposed to have a permanent bridge place and the culvert removed.</p> <p>Traveled to a completed harvest site nearby. This job was a clearcut of about 10 acres. Observed a stream crossing that had been reclaimed. Crossing had been brush with a temporary bridge placed across the creek. Stream banks and downstream channel appeared undisturbed.</p> |
| Kingsbury, ME area | XXXX | <p>Met with XXXX on landing of harvest operation. Reviewed paperwork and conducted interview. Interviewed forwarder operator who had broken down out on the tract. It was noted that XXXX is the third generation of ownership of this company having purchased it from his grandfather. It was also noted that XXXX is a registered forester. Reviewed harvest site of a salvage harvest of damaged timber from an ice storm last year.</p> |
| Harmony, ME | XXXX | <p>Met with XXXX at the shop. XXXX works as the feller buncher operator for his father's crew. Interviewed XXXX for most of the paperwork. However, it was difficult to get all of the information as his father had that morning went to the hospital with Covid-19. We attempted to find a completed job nearby, but could not locate this harvest site.</p> |
| Old Town, ME | XXXX | <p>Met with XXXX at his office located at a concentration yard that he also runs. Interviewed XXXX and covered paperwork. By the time we arrived it was too dark to visit harvest site or concentration yard.</p> |
| Sebec, ME | XXXX | <p>Met with XXXX at his landing site.</p> |

| | | |
|------------------|------|---|
| | | Reviewed paperwork and temporary bridge built for haul road. Also looked at landing, equipment, and SMZ. |
| Island Falls, ME | XXXX | Met with XXXX at landing site along with landowners forester. XXXX is harvesting on an 800 acre tract. Interviewed both and cutter/forwarder operator. At landing reviewed paperwork and equipment. |
| Macwahoc, ME | XXXX | Met with XXXX at his office. Conducted interview at office because harvest location was located roughly 2 hours' drive from office location. Reviewed paperwork and discussed his transition plans for turning over the company to his son. |
| Milo, ME area | XXXX | Met with XXXX at landing. Interviewed both for paperwork and looked at main skid road to the landing. They are a relatively new company having been in business for just 4 years. XXXX has taken over the harvesting business from his father and XXXX is a registered forester who had worked for XXXX, whom they are now contract logging for. |
| | XXXX | Met with XXXX at landing site. XXXX is a young forester still working on getting his registration credentials. Interviewed XXXX for paperwork and 3 of the crew at the landing. Reviewed harvesting, skid road, and truck road. This site is especially tricky as the truck road goes right through a golf course. At a later date had a phone interview with XXXX the owner of this company. This interview also covered some paperwork questions that XXXX was not able to answer. |
| Milford, ME | XXXX | Met with XXXX at landing site. Interview with XXXX on paperwork and interviewed 2 crew at landing site. They have been working as contract loggers for XXXX for many years. |
| Greenbush, ME | XXXX | Met with XXXX at the road entrance to his landing site. Did interview with XXXX at planned site of future landing. XXXX is also working as a contract logger for XXXX and has for many years. During interview a Maine Forest Service ranger showed up to inspect his job. Did a quick interview with this individual as a stakeholder. |

APPENDIX VII: List of stakeholders consulted (confidential)

List of SLO Staff Consulted

| Name [Last, First] | Title [Affiliation, if any] | Contact [preferably email or phone, if available; otherwise address] | Type of Participation Notification, interview, and/or public meeting. |
|------------------------------|---------------------------------------|--|---|
| Wright, Ted | Executive Director, TCNEF | executivedirector@tcnef.org | Interview |

List of other Stakeholders Consulted

This confidential list is kept on file by Preferred by Nature.