



**Tolko Industries Ltd.**  
**Wood Procurement Program**

**December 1, 2017**

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## Introduction

Tolko Industries Ltd., Woodlands (Tolko) is committed to responsible sustainable forest management. Tolko believes forest landowners have an important stewardship responsibility and a commitment to society, and recognizes the importance of maintaining viable public and private forestlands. Tolko supports sustainable forestry practices on the forestland they manage and promotes it on other lands. Tolko supports efforts to protect private property rights, and to help all landowners manage their forestland sustainably.

In order to demonstrate this commitment, Tolko is a Sustainable Forestry Initiative (SFI) participant, utilizing the SFI Fibre Sourcing Standard. In addition, Tolko is a member of the Western Canada SFI Implementation Committee (WCSIC) which is made up of SFI participant members from British Columbia, Alberta and Saskatchewan. WCSIC has developed a Purchase Wood Information Package which Tolko Woodlands utilizes for its Wood Procurement Program.

The Wood Procurement Program is an outreach tool for landowners supplying wood to Tolko from North American forests. The Program provides guidance for managing forestlands consistent with SFI Program Principles and Objectives. Tolko also encourages forest landowners to participate in forest management certification.

Tolko, which purchases fiber from other forest owners and/or managers, supports the principles outlined in the SFI 2015-2019 Fiber Sourcing Standard. In order to meet these standards, Tolko commits to the following:

- To provide the purchase wood producers and other wood suppliers with a copy of Tolko's Purchase Wood Procurement Program to ensure that the suppliers know the requirements.
- To ensure that purchase wood has been obtained legally and follows all environmental and safety legislation, including where practicable, the use of Best Management Practices.
- To develop and implement an auditing system to ensure that the supplier meets all of Tolko's purchase wood requirements.

## Purchase Wood Policy

Tolko is committed to the principles of Sustainable Forest Management. In order to ensure that this goal is achieved, Tolko's policy is to procure timber only from demonstrated reliable sources. Tolko's commitment will be achieved by:

- The commitment to maintain the Sustainable Forest Initiative (SFI) program Fibre Sourcing Standard.
- Tolko's first priority will be to source wood products from certified wood producers and harvest areas. Non-certified sources will be individually evaluated to determine they are not supplying wood from controversial sources.
- Tolko will only purchase wood harvested from demonstrably sustainable sources and will not purchase wood known to have originated from an illegal or unauthorized source.
- Where applicable, Tolko will ensure that purchase wood operations follow the same planning and timber harvesting legislation and standards as are applied to crown lands. Deviations may be for timber salvage operations where the harvested lands will not be reforested but will be used for other purposes such as farming, grazing or for the construction of facilities.
- Tolko will continually improve the purchase wood program by seeking continual improvement through internal evaluations and independent audits.
- Tolko will strongly encourage and assist its suppliers to achieve SFI Certification.
- Tolko will ensure that contractors and staff receive adequate training in their jobs.
- Tolko will not purchase timber from any of the following sources:
  - Illegally harvested areas

- Unknown sources
- Areas outside of North America
- Sources that are known to employ inadequate forestry practices
- Forests with Exceptional Conservation Value
- Qualified logging and resource professionals are to be used:
  - Qualified logging professionals are those that have received Sustainable Forestry Initiative (SFI) training and are able to provide documentation of that training. Tolko is willing to provide SFI training, if needed. Logging professionals need to have a copy of relevant environmental and operational material at the worksite so that operators have a reference manual for their operations
  - A list of Qualified Logging Professionals can be found in WIMS through Contractor Orientation Records or through the Tolko Training System
- At the time of wood purchase, suppliers will be provided with copies of the following documents:
  - Tolko's Wood Procurement Program
  - Other relevant guidance and information
- If the Seller becomes aware that any of the wood fibre sold or traded to the Purchaser's Facilities may be deemed to be from a "high risk" source by the Purchaser, the Seller will provide any information necessary to the Purchaser to clearly identify the origin of the material and will cooperate with any audits or inspections necessary to investigate this material in more detail.

### **Risk Assessment**

The Wood Procurement Risk Assessment is to be completed at the beginning of each private wood purchase, regardless of source to determine the assessed risk of the wood product. This assessment is used to determine:

- (a) the likelihood that activities defined under the term controversial sources occur in the country / region of the supply and;
- (b) the likelihood that the supply chain has not been able to identify a potential controversial source of supply.

Suppliers will be categorized into one of the following:

- a) Very Low
- b) Low
- c) Moderate
- d) High
- e) Controversial Source
  - The actual corruption perception index (CPI) of the country presented by Transparency International (TI) is lower than 50;
  - The country / region is known as a country with low level of forest governance and law enforcement;
  - The organization has received comments supported by reliable evidence from their customers or other external parties, relating to its supplies with respect to controversial sources, which have not been disproved by the organization's own investigation.

**Tolko will not purchase products from controversial source suppliers.**

The Wood Procurement Inspection Form is to be completed based on risk, at the frequency indicated in the "Required Actions" section of Part B of the Wood Procurement Risk Assessment.



## **Audits**

As part of Tolko's commitment to sustainable forestry management, an on-site visit to wood producer operations may be conducted to answer any questions about the SFI program. The visit may also include an assessment of the conditions on the logging site as part of Tolko's requirements to meet the applicable SFI Standard(s).

Appendix A: Wood Procurement Risk Assessment

This form is required to be completed at the beginning of each private wood purchase, regardless of source.

**Note:** If volume purchased is less than 1000 m<sup>3</sup> or the land is being cleared for non-forest use (eg land development), no further information is required if it is determined by wood procurement staff that there is low risk to impacting water resources.

**Part A: Risk Assessment**

	Wood Supplier	Risk Assessment	Required Actions
<input type="checkbox"/>	Public / Crown tenure land with 3 <sup>rd</sup> Party SFM certification	Very Low	None Certificate <sup>1</sup> :
<input type="checkbox"/>	Public / Crown tenure land with no SFM certification	Low	Complete Part C of this form.
<input type="checkbox"/>	Other Tenures on Public / Federal / Crown tenure land (Woodlot Licences, Community Forests, First Nation Tenures, Oil & Gas R/W, etc.) without SFM certification	Moderate	Complete Part C of this form.
<input type="checkbox"/>	Private Land (Managed Forest Land) with 3 <sup>rd</sup> Party SFM certification	Very Low	None Certificate:
<input type="checkbox"/>	Private Land (Managed Forest Land) with no SFM Certification.	Low to Moderate	Complete Field Inspection for at least 50% of purchases.
<input type="checkbox"/>	Private Land (Unmanaged Forest Land)	Moderate to High	Complete Field Inspection for all purchases.

**Note:** Acceptable 3<sup>rd</sup> Party SFM Certifications are Sustainable Forestry Initiative (SFI), Canadian Standards Association (CSA), or Forest Stewardship Council (FSC).

Regardless of the risk assessment, if the wood purchaser has reason to believe that wood purchased from a specific supplier poses a high environmental risk, a field inspection should be completed.

**Part B: Licencee Forest Practices Compliance Assessment**

		Yes	No
a.	Does the licensee, permit holder or private landowner have significant legislative non-compliance issues? (Possible sources of this information may include the government compliance and enforcement records.)	<input type="checkbox"/>	<input type="checkbox"/>
b.	Has the company wood purchaser observed or documented any poor practices in the past?	<input type="checkbox"/>	<input type="checkbox"/>
c.	Is there any reason to believe that wood purchased from the supplier poses a high environmental risk?	<input type="checkbox"/>	<input type="checkbox"/>

If the answer to any of these questions is yes, conduct a purchase wood inspection, (Procurement Inspection Form).

\_\_\_\_\_  
Inspection completed by: Signature

\_\_\_\_\_  
Date

<sup>1</sup> Optional. Assessor should note the supplier certification standard (SFI, CSA, FSC).



Appendix B: Wood Procurement Inspection Form

Log Seller: \_\_\_\_\_

Date: \_\_\_\_\_ Site location: \_\_\_\_\_

Risk Class:

Major Licensee or BCTS (SFM)	<input type="checkbox"/>	Small Licensees (SFM)	<input type="checkbox"/>	Private Managed Forest (SFM)	<input type="checkbox"/>
Major Licensee or BCTS (no SFM)	<input type="checkbox"/>	Small Licensees (no SFM)	<input type="checkbox"/>	Private Managed Forest (no SFM)	<input type="checkbox"/>
Gov Timber Sales (AB, SK, Federal)	<input type="checkbox"/>	Other Resource Sectors (Oil, Gas, Mining, etc)	<input type="checkbox"/>	Private Land (Unmanaged)	<input type="checkbox"/>

Inspection Checklist:

		Yes	No
a.	Is the wood supplier meeting applicable environmental legislation?	<input type="checkbox"/>	<input type="checkbox"/>
b.	Is the wood supplier implementing appropriate BMPs for water quality?	<input type="checkbox"/>	<input type="checkbox"/>
c.	Is the wood supplier appropriately conserving soils values?	<input type="checkbox"/>	<input type="checkbox"/>
d.	Are appropriate harvesting methods being used?	<input type="checkbox"/>	<input type="checkbox"/>
e.	Are measures to protect endangered species appropriate?	<input type="checkbox"/>	<input type="checkbox"/>
f.	Are Visual Quality measures appropriate?	<input type="checkbox"/>	<input type="checkbox"/>
g.	Are suggested best management practices being followed? (Describe variance)	<input type="checkbox"/>	<input type="checkbox"/>
h.	Are past reforestation practices acceptable? (Look at older harvesting)	<input type="checkbox"/>	<input type="checkbox"/>

Note: If the answer is "No" provide comments below.

Identified Issues:

Legal Compliance	<input type="checkbox"/>	Endangered Species	<input type="checkbox"/>
Riparian Management	<input type="checkbox"/>	Visual Quality	<input type="checkbox"/>
Soil Conservation	<input type="checkbox"/>	Reforestation	<input type="checkbox"/>
Harvesting Methods	<input type="checkbox"/>	BMP Awareness (Water Quality)	<input type="checkbox"/>

Checklist/General Comments on the Field Operations:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Inspection completed by: Signature

Print Name

## Best Management Practices

Landowners should consider the following guidance:

- a) **Reforestation:** Prompt reforestation of lands being managed for forestry will help to ensure successive crops of trees. Reforestation plans can detail the steps needed to successfully re-establish seedlings on harvested forest lands. Tolko will, on request, support you in identifying Registered Forest Professionals in your area to assist you in developing a reforestation plan for your site. A list of seedling nurseries can also be obtained from Tolko. Note that seedlings generally need to be ordered at least one year in advance of planting dates.
- b) **Afforestation:** When feasible forest land owners are encouraged to practice afforestation; converting lands back to productive forests or planting trees on lands that have not recently supported forests. Afforestation has many benefits to the environment; two examples are increased overall land productivity and increasing carbon storage. Afforestation may qualify as carbon credits for offsetting greenhouse gas emissions. For information about carbon offset projects refer to Pacific Carbon Trust: [www.pacificcarbontrust.com/](http://www.pacificcarbontrust.com/) or Carbon Offset Solutions (Alberta based): <http://carbonoffsetsolutions.climatechangecentral.com/offset-registry>
- c) **Invasive Exotic Plants and Animals:** The SFI Standard requires participants to limit the introduction, impact and spread of invasive exotic plants and animals that directly threaten or are likely to threaten native plant and animal communities. Information on the control of invasive plants can be found through the Invasive Species Council of British Columbia (<http://bcinvasives.ca/>), the Alberta Invasive Species Council (<https://www.abinvasives.ca/>) and the Saskatchewan Invasive Species Council (<http://www.saskinvasives.ca/>). The Federal Government of Canada documents incidences and develops strategies for “Invasive Alien Species in Canada”. The program includes invasive plants and animals: <http://www.ec.gc.ca/eee-ias/>
- d) **Water Quality and Riparian Management:** Riparian habitat (area adjacent to creeks, lakes and wetlands) is very important for protecting water quality and provides high value wildlife habitat. Special measures are often required in riparian habitat to ensure water quality and habitat is managed on a sustainable basis. Tolko will, on request, support you in identifying qualified resource professionals in your area to assist you in preparing prescriptions to manage riparian habitat.
- e) **Soil Conservation:** Protecting the soil resource is the key to long-term productivity of forest lands. Conducting operations in a manner that conserves the soil resource is critical to sustainable forestry. Weather conditions can be a major factor in soil disturbance. Operations should avoid conditions that create excessive rutting or compaction. Plan operations with soil disturbance in mind. Weather conditions and soil disturbance should be assessed and consideration given to curtailing or stopping activities causing soil disturbance when soils are too wet to support equipment. For example, in the BC Interior and prairies, consider winter harvesting on wet ground to better support equipment. With different soil types, and phases of harvesting, it may be possible to carry out some operations in wet weather without causing excessive soil disturbance. Appropriate equipment should be used to minimize soil disturbance.  
  
The area in permanent roads, trails and landings should be minimized to maintain productive forestland. Tolko will, on request, support you in identifying qualified resource professionals in your area to assist you in managing the soil resource on your forestlands.
- f) **Biodiversity:** Both regulation and government approved land use plans set out requirements at the stand level. These requirements vary by province and region. Landowners may seek assistance from Tolko or by contacting an appropriate qualified resource professional.
- g) **Wildlife Management:** Managing forest lands for general wildlife features as well as specific management for endangered species are important components of sustainable forestry. Tolko may have guides for endangered species management that could be made available upon request. In addition Tolko will support you in identifying qualified

Appendix C: Best Management Practices

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resource professionals in your area to assist you in developing wildlife management strategies.

There are also valuable resources on the Internet that can provide further information. Two sites of particular note are the Federal Government's website for species at risk ([www.speciesatrisk.gc.ca/default\\_e.cfm](http://www.speciesatrisk.gc.ca/default_e.cfm)) and Nature Serve (<http://explorer.natureserve.org/>). Each may have species-specific information that applies to your situation.

- h) Forests with exceptional conservation value (FECV): Forest land owners are encouraged to evaluate their lands to determine if they have FECV. FECV are lands with critically imperiled (G1) and imperiled (G2) species and ecological communities, a conservation status determined by NatureServe that can be accessed through the link provided below. Landowners may seek assistance from Tolko or by contacting an appropriate qualified resource professional.  
NatureServe Canada: <http://www.natureserve-canada.ca/en/cdcs.htm>
- i) Special Sites: The SFI Standard requires Program Participants to manage lands that are ecologically, geologically or culturally important in a manner that takes into account their unique qualities. Identification and management of special sites covers a broad range of values: ecological, geological, historical, cultural and spiritual. Landowners may consult with local historians, archeologists, First Nations, local governments and others to determine significance to map and manage for their unique features.
- j) Coarse woody debris/harvest residue: The SFI Standard requires participants to manage harvest residue (e.g. slash, limbs, tops) with consideration given to economic, social and environmental factors (e.g. organic and nutrient value to future forests) and other utilization needs. In the absence of landowner harvest residue management plans, landowners should contact Tolko or qualified resource professionals in their area for suggested management practices for their forest lands.
- k) Visual Quality: Managing harvesting operations to minimize visual impact is an important part of sustainable forestry. Operations may impact the views of many individuals and communities. Tolko recommends that the visual impact of harvesting be considered within visually sensitive areas. For guidance or advice landowners are encouraged to contact a qualified resource professional knowledgeable in visual management assessment and planning.
- l) Qualified Professionals: Tolko does not endorse specific professionals or companies as to their appropriateness to landowners. The following lists are intended to inform landowners seeking assistance from qualified resource professionals to further manage and or develop their lands consistent with SFI Principles. Tolko may assist landowners in contacting qualified resource professionals.
- m) Qualified Resource Professionals
- **Forestry:**  
A list of Qualified Resource Professionals (Professional Foresters, Biologists, Engineers, etc.) in BC can be accessed through the Consulting Foresters of BC website at [www.cfbc.bc.ca](http://www.cfbc.bc.ca). The membership directory can help you identify forestry consultants to assist you in planning all aspects of forest management including reforestation plans, visual management, riparian management, soil conservation and wildlife management. In Alberta and Saskatchewan, please consult with the Tolko for a list of suggested Qualified Resource Professionals.
  - **Biologists:**  
The College of Applied Biology-BC has a membership database that can be accessed at [www.cab-bc.org](http://www.cab-bc.org). The membership database lists biologists and their employer. The College's members could assist you in such areas as planning for riparian management and wildlife management. In Alberta and Saskatchewan, please contact Tolko who can assist you in identifying consulting biologists in your area. In Alberta, you may also contact the Alberta Society of Professional Biologists for a list of appropriate members at [www.aspb.ab.ca/contact](http://www.aspb.ab.ca/contact).



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- **Engineers:**  
The Association of Professional Engineers and Geoscientists of BC can be accessed through [www.apeg.bc.ca](http://www.apeg.bc.ca). The Association of Professional Engineers, Geologists, and Geophysicists of Alberta can be accessed at [www.apegga.org/](http://www.apegga.org/). The Association of Professional Engineers and Geoscientists of Saskatchewan can be contacted at: <http://www.apegs.sk.ca>. These websites have a member's section that provides information on qualified professionals to assist in such areas as operations on potentially unstable or steep terrain and engineered structures such as bridges.
- **Seedling Nurseries and Seed Procurement:**  
A list of BC Forest Seedling Nurseries and services is available on the BC Ministry of Forests and Range website under the Nursery Services Section (<https://www.for.gov.bc.ca/nursery/branch.htm>). The nurseries listed from this webpage can assist you in selecting and procuring appropriate seedlings for a reforestation project in BC. In Alberta and Saskatchewan please consult with Tolko for advice on obtaining seedlings.
- n) **Qualified Logging Professionals**  
Tolko encourages wood producers to utilize the services of qualified logging professionals. These loggers will have successfully completed a training program recognized by Tolko. A list of local qualified logging professional can be obtained from Tolko.
- o) **Guidebooks and sustainable forestry management practices:**  
Tolko supports small forest land owners' forestry operations through promotion of sustainable forestry management. Wood producers are expected to conduct harvesting operations in compliance with applicable provincial or federal legislation. The intent of sustainable forestry practices for these lands is to maintain or protect, where practical, forest resource values. The Western Canada Sustainable Forestry Initiative Implementation Committee (WCSIC) provides and/or directs small private landowners to information about sustainable forestry practices for reforestation, riparian management, soil conservation, wildlife management and visual or scenic quality. Resources for landowners can be found with the following organizations and on their websites:
  - Western Canada Sustainable Forestry Initiative Implementation Committee (WCSIC)  
<http://www.wcsic.ca/>
  - Private Forest Landowners Association  
[http://www.pfla.bc.ca/wp-content/uploads/2012/09/BMP\\_Handbook.pdf](http://www.pfla.bc.ca/wp-content/uploads/2012/09/BMP_Handbook.pdf)
  - Private Managed Forest Land Council Field Practices Guide  
[http://mfcouncil.ca/wp-content/uploads/2015/01/FPG\\_2015\\_web.pdf](http://mfcouncil.ca/wp-content/uploads/2015/01/FPG_2015_web.pdf)
  - Conservation and Logging on Private Land in Alberta  
[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex3492](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex3492)
  - BC Small Woodland Partnership Outreach  
<http://woodlot.bc.ca/small-woodlands-program/>

Tolko will not purchase wood from unknown sources or wood producers whose practices are illegal.

## Emergency Response Plans

- a) Spill Response Plan: Fuel and other material spills have the potential to cause environmental damage. Wood producers are encouraged to become familiar with spill reporting requirements and to have an action plan and a supply of spill containment and mop up equipment available on site. Reportable spills must be communicated to the relevant provincial authority. In BC, you must phone Emergency Management BC at 1-800-663-3456. In Alberta, call Alberta Environmental Protection at 1-800-222-6514. In Saskatchewan call the Spill Report Centre at 1-800-667-7525.
- b) Fire Preparedness Plan: Wood producers are encouraged to become familiar with applicable wildfire legislation in their province. Provincial legislation will dictate what type of preparedness plan and firefighting equipment must be on hand when harvesting wood. In BC, report wildfires to the Province at 1-800-663-5555. In Alberta, call Report-A-Fire at 310-FIRE (310-3473). In Saskatchewan, call the Forest Fire Control Centre at 1-800-667-9660.

Wood producers also should be aware of requirement of post-harvest wildfire hazard abatement requirements. Guidance on wildfire hazard abatement is available at the following sources:

- BC Wildfire Management Branch: <http://bcwildfire.ca/>
- BC Wildfire Management Branch: A Guide to Fuel Hazard Assessment and Abatement in British Columbia [http://bcwildfire.ca/Industry\\_Stakeholders/Industry/Hazard%20Assess%20%20Abate%20Guidance%20Doc%20FINAL%20with%20all%20Links%20April%202012.pdf](http://bcwildfire.ca/Industry_Stakeholders/Industry/Hazard%20Assess%20%20Abate%20Guidance%20Doc%20FINAL%20with%20all%20Links%20April%202012.pdf)
- Alberta Environment and Sustainable Resource Development: Wildfire Prevention & Enforcement <http://wildfire.alberta.ca/wildfire-prevention-enforcement/default.aspx>
- Alberta Fire Smart Program <http://wildfire.alberta.ca/fire-smart/default.aspx>
- Saskatchewan Environment Ministry: Wildfire Management <http://www.environment.gov.sk.ca/fire>