

FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY SURVEILLANCE EVALUATION REPORT

Irving Woodlands, LLC

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| CERTIFIED | EXPIRATION |
|------------------|------------------|
| 08 December 2019 | 07 December 2024 |

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| DATE OF FIELD EVALUATION |
| 13-16 October 2020 |
| DATE OF REPORT FINALIZATION |
| 11 December 2020 |

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Foreword

| Cycle in annual surveillance evaluations | | | | |
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| <input checked="" type="checkbox"/> 1 st annual evaluation | <input type="checkbox"/> 2 nd annual evaluation | <input type="checkbox"/> 3 rd annual evaluation | <input type="checkbox"/> 4 th annual evaluation | <input type="checkbox"/> Other (<i>expansion of scope, Major CAR audit, special audit, etc.</i>): |
| Name of Forest Management Enterprise (FME) and abbreviation used in this report: | | | | |
| Irving Woodlands, LLC (IWLLC) or FME | | | | |

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual evaluations to ascertain ongoing conformance with the requirements and standards of certification. A public summary of the initial evaluation is available on the FSC Certificate Database <http://info.fsc.org/>.

Pursuant to FSC and SCS guidelines, annual / surveillance evaluations are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope evaluation would be prohibitive and it is not mandated by FSC evaluation protocols. Rather, annual evaluations are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 4.0 for those CARs and their disposition as a result of this annual evaluation);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to this evaluation; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the evaluation.

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 90 days after completion of the on-site evaluation. Section B contains more detailed results and information for required FSC record-keeping or the use by the FME.

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SECTION A – PUBLIC SUMMARY

1. General Information

1.1 Evaluation Team

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|------------------------|--|----------------------|-------------------|
| Auditor name: | Kyle Meister | Auditor role: | Lead auditor |
| Qualifications: | <p>Kyle Meister is an FSC Forest Management (FM) and Chain of Custody (COC), Sustainable Biomass Partnership, and Roundtable on Sustainable Palm Oil Supply Chain Certification Lead Auditor with SCS Global Services. He has conducted FSC FM pre-assessments, evaluations or surveillance audits in Bolivia, Brazil, Canada, Costa Rica, Dominican Republic, Indonesia, India, Japan, Mexico, New Zealand, Spain, and all major forest producing regions of the United States. He has conducted COC assessments in Bolivia, Canada, Panama, and the United States (California, Georgia, Kentucky, North Carolina, Oregon, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia). Mr. Meister has successfully completed CAR Lead Verifier, ISO 9001:2008 Lead Auditor, SA8000 Social Systems Introduction and Basic Auditor, RSPO Supply Chain Lead Auditor, SBP Lead Auditor, and FSC Lead Auditor and Trainer Training Courses. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan; and a Master of Forestry from the Yale School of Forestry and Environmental Studies.</p> | | |
| Auditor name: | Darren Johnson | Auditor role: | Assistant auditor |
| Qualifications: | <p>Darren is a Licensed Professional Forester (Maine) with more than 20 years of experience in North America, Asia and Africa working with government, the private sector, indigenous groups, and civil society. His areas of expertise include forest management policy & planning, conservation, and climate change related activities. Darren is a qualified FSC Lead Auditor having completed the FSC FM and COC Lead Auditor training course and conducted multiple FSC FM audits and COC audits since 2009. In addition, Darren holds a MS in Forest Ecology from Edinburgh University in Scotland and a BSc (honors) in Forestry from Lakehead University in Canada.</p> | | |

1.2 Total Time Spent on Evaluation

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| A. Number of days spent on-site for evaluation: | 4 |
| B. Number of auditors participating in on-site evaluation: | 2 |
| C. Number of days spent by any technical experts (in addition to amount in line A): | 0 |
| D. Additional days spent on preparation, stakeholder consultation, and follow-up: | 1 |
| E. Total number of person days used in evaluation: | 9 |

1.3 Standards Used

All standards used are available on the websites of FSC International (www.fsc.org) or SCS Global Services (www.SCSglobalServices.com). All standards are available on request from SCS Global Services via the comment form on our website. When no national standard exists for the country/region, SCS Interim Standards are developed by modifying SCS's Generic Interim Standard to reflect forest management in the region and by incorporating relevant components of any Draft Regional/National Standard and comments from stakeholders. More than one month prior to the start of the field evaluation,

SCS Draft Interim Standards are provided to stakeholders identified by FSC International, SCS, forest managers under evaluation, and the FSC National or Regional Office for comment. SCS's COC indicators for FMEs are based on the most current versions of the FSC Chain of Custody Standard, FSC Standard for Group Entities in Forest Management Groups (FSC-STD-30-005), and FSC Accreditation Requirements.

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| Standards applicable <i>NOTE: Please include the full standard name and Version number and check all that apply.</i> | <input checked="" type="checkbox"/> Forest Stewardship Standard(s), including version: FSC-US, V1-0 |
| | <input checked="" type="checkbox"/> FSC Trademark Standard (FSC-STD-50-001 V2-0) |
| | <input checked="" type="checkbox"/> SCS COC indicators for FMEs, V8-0 |
| | <input type="checkbox"/> FSC standard for group entities in forest management groups (FSC-STD-30-005), V1-1 |
| | <input type="checkbox"/> Other: |

2. Certification Evaluation Process

2.1 Evaluation Itinerary, Activities, and Site Notes

| Date: 13 October 2020 | |
|-----------------------------------|--|
| FMU/location/sites visited | Activities/notes |
| FME office, Ashland, ME/ MS teams | Opening Meeting: Introductions, client update, review scope of evaluation, audit plan, intro/update to FSC and SCS standards, confidentiality and public summary, conformance evaluation methods and tools, review of open CARs/OBS, emergency and security procedures for evaluation team, final site selection. |
| Team Meister (remote) | <ol style="list-style-type: none"> 1. Review of chemical application records and updated chemical policy to comply with FSC Environmental & Social Risk Assessment (ESRA) that becomes effective in 2021; 2. Review of management plan; 3. Outreach to stakeholders and FME staff; 4. Daily debrief. |
| Team Johnson (onsite) | <p>Blackstone region of the FMU.</p> <p>Stop #1 - MH06439A</p> <p>Overstory removal (28.2 acres) and not a clear cut was prescribed in this section of MH06439A due to the fact that the unit is bounded on 2 sides by private property. Adequate amounts of coarse woody debris and legacy trees (white pine) were observed on the unit. Main skid trails were well brushed and as a result minimal rutting was observed. The overstory removal prescription leads to natural regeneration and no herbicide application as opposed to a clear cut that would require re-planting in conjunction with herbicide application. JDI uses a 1km buffer between herbicide units and private property when considering aerial spraying operations (see JDI Pesticide Guidelines). This particular management decision is an example of JDI's approach to positive community relations. JDI submits pre-harvest notifications to the Maine Forest Service in batches every 2 years. The state is moving toward a totally online process for handling pre-harvest notifications. Intact stream/riparian buffers were observed on the site.</p> |

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| | <p>This site also included a recently installed (2019) bridge on the main access road. The bridge construction met all state regulations. Water flow and quality did not appear to be impacted by the bridge installation.</p> <p>Monitoring: Spruce budworm (L2) larval instar monitoring. Balsam fir branch tips are sent to a Canadian Forestry Service laboratory in New Brunswick, Canada for an egg count analysis. 7-12 eggs per branch indicates a hot spot. The majority of results to date have yielded an average of 3 eggs per branch tip. JDI is continuously monitoring data from samples across its FMU for indications of hotspots. If a hotspot is detected it would be treated with Btk (<i>Bacillus thuringiensis</i>), though none has been applied to date.</p> <p>Part of the road network that runs through this area is designated and signed as ATV trails. This is part of a larger network that connects to other trails in the area. JDI confirmed that it works with the local ATV and snowmobile clubs to maintain access to these designated trails/roads that run through JDI owned property.</p> <p>Stop #2- MH06439A A 40-acre clear cut was observed on this 23-year old Pre-Commercial Thinning (PCT) balsam fir site. The site had been disc trenched in August of 2020 in preparation for a 2021 planting of white spruce seedlings at a density of 1800 trees/acre. JDI plans to conduct an aerial application of herbicide (Glyphosate (Rodeo) and Sulfometuron methyl (Oust)) this site in 2020. Coarse woody debris was evident on site in adequate amounts. JDI plans to re-enter the unit in about 20 years to perform a commercial thinning.</p> <p>Stop #3 – MH06341A The audit team observed an 80-acre overstory removal that contained an area of residual red oak. Natural oak regeneration was present in the understory of the residual oak stand.</p> <p>Stop #4 – MH06341S6 The audit team observed a 37 acres clear cut that was harvested in 2019. The unit had been mechanically site prepped (disk trenched) and received an application of aerial herbicide (Glyphosate (Rodeo) and Sulfometuron methyl (Oust)) in 2020. The site will be planted to white spruce in 2021. A detailed map of the herbicide block was provided to the audit team.</p> <p>Stop #5 – MH06341A The audit team observed a 15-acre balsam fir clear cut and a 15-acre overstory removal. The 2 prescriptions were separated by a stream crossing. A temporary crossing was installed to access the overstory removal site. There were no obvious issues related to the installation or removal of the temporary bridge. JDI uses installation (Temporary</p> |
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| | <p>Crossing – Type 2 Installation Report) and removal (In Block Temporary Crossing (Type 2)) checklists to ensure that installation and removal meet JDI and all other regulatory requirements.</p> <p>JDI utilized its sustainable development scorecard to determine the overstory removal prescription in this unit. It was determined that from an economic (cost of planting and delayed temporary bridge removal) and environmental (available application methods for small area and negligible harvest volumes) standpoint it did not justify a clear-cut prescription in this area of the unit.</p> <p>Stop #6 – MH06381</p> <p>The auditor observed a commercial thinning (intensive crown release) in 23-year old white and black spruce planted stand. The system being used is a tracked single grip harvester in combination with a wheeled forwarder. The residual target for the black spruce is 1000-1200 trees/ha with removal on 3 sides. The residual target for the white spruce is 800 trees/ha with removal on 4 sides. The black spruces are being left in higher density due to the higher risk of blowdown and wind damage due to shallow roots and crown structure. JDI has established a research site on another portion of the unit to test varying residual densities for wind firmness etc.</p> <p>The JDI Operations Forester performs weekly checks of operational performance (e.g., residual density and damage, trail spacing and width, product specifications (dbh, length, quality, etc.)) which are documented in a form provided to the audit team for review (10-9-2020_MH06384 HV301 Production).</p> <p>The auditor interviewed the operator of the single grip harvester and confirmed that he received appropriate guidance with regards to the unit prescription. The contractor and operator are responsible for the unit layout (strips are 14-16 ft wide) using maps provided by JDI. The harvesting machine also has detailed maps installed on its onboard computer by the JDI forester. The auditor confirmed that the contractor and operator receive first aid and Certified Logging Professional (CLP) training every other year. CLP training significantly reduces workers' compensation rates for the contractor and operator.</p> <p>The auditor inspected the harvesting machine and confirmed that there was a fully stocked first aid kit, charged fire extinguishers (in addition to the onboard suppression system) and spill pads (also located in the nearby service van).</p> <p>Stop #7 – MH06381W</p> <p>The auditor interviewed the operator of a tracked single grip harvester working in a unit with an irregular shelterwood prescription. The auditor confirmed that the contractor provides his operators with</p> |
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| | <p>safety training every week. The owner/contractor is Master Logger certified which significantly reduces workers compensation rates for both the contractor and operator. In addition, the operator has received CLP training and does a re-certification every spring.</p> <p>The auditor inspected the harvesting machine and confirmed that there were 2 fully stocked first aid kit, charged fire extinguishers (in addition to the onboard suppression system) and spill pads (also located in the nearby service van).</p> <p>Stop #8 – MH06381W The auditor observed some road maintenance work on a sloping road directly adjacent to the harvesting unit. The JDI road maintenance crew improved drainage ditches along the Disy Road and added some water runoff channels. These areas have been seeded and hayed using a Conservation II seed mix. The seed mix label was provided to the auditor. The road accesses private homes (seasonal and year-round) situated along Cross Lake but is not used by JDI as a logging or haul road.</p> |
| <p>Date: 14 October 2020</p> | |
| <p>FMU/location/sites visited</p> | <p>Activities/notes</p> |
| <p>Team Meister (remote)</p> | <ol style="list-style-type: none"> 1. Interviews with FME ecology and wildlife staff; 2. Review of health & safety records, training records, contracts, public summary documents (e.g., management plan, monitoring results, etc.); 3. Review of stakeholder consultation records, socioeconomic reports; 4. Review of chemical use policies, RTE species enhancement initiatives (communication records with federal and provincial agencies, and management planning documents), HCV monitoring records, and new property information; 5. Daily debrief. |
| <p>Team Johnson (onsite)</p> | <p>Oakfield region of the FMU. Stop #1 – Lane Brook Rd The auditor observed a recently installed water crossing that was installed in June 2020. The crossing consisted of an 80ft long 5ft diameter culvert. Rocks were placed inside the culvert to slow the flow rate of water allowing fish to swim upstream more easily through the culvert. There were no obvious issues with the installation. The JDI Road Construction Supervisor utilizes crossing installation checklists that includes an installation report, before and after installation photographs, and a removal checklist to monitor and ensure the proper installation of water crossing structures such as bridges and culverts. The Superintendents audit, which takes place once every month verifies the information contained in the checklist with what is on the ground.</p> <p>The auditor observed 3 drainage culverts located between mile 9 and 10 on the Lane Brook Road that were not effectively draining water from one side of the road to the other. In all cases better grading was required around the mouth of the culverts to allow for more efficient</p> |

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| | <p>flow of water. In one instance the culvert seemed to be set too high (perched). JDI utilizes a road construction checklist “Road Construction Site Audit & Quality Assurance”, which is completed post road construction by the Road Construction Supervisor. However, it appears that the checklist is not being used effectively in some instances (Lane Brook Road). OBS 2020.1</p> <p>Stop #2 – Lane Brook Road The auditor observed a road closure off of the Lane Brook Road. A berm was created at the beginning of the old road and natural regeneration is being allowed to grow in. According to JDI closing the road has several benefits including reduced liability, improved environmental conditions in the immediate vicinity of the closed road and a reduction in taxes.</p> <p>Stop #3 The auditor visited a planted stand that was established in 2007. The planted stand consisted of 73% white spruce, 18% red spruce and 9% white pine. The stand received herbicide treatment in 2007 and again in 2011, and was crop tree released (cleaned) in 2019 resulting in a residual stand density of 1500-1800 trees/acre. There was notably no beech present in the stand, however there was an abundance of sugar and red maple regeneration in the understory.</p> <p>Stop #4 The auditor visited an Irregular Shelterwood harvest that was completed in June/July of 2012. The site was also “whipped” meaning that the feller buncher was instructed to also remove the advanced regeneration under the residual overstory trees. The result has been a good mix of hardwood species (beech, yellow birch, sugar/red maple) and some scattered spruce. The trigger for this type of prescription is the presence of sugar maple seedlings in the understory pre-harvest. The “whipping” is designed to help release those seedlings.</p> <p>Stop #5 The auditor visited a Tolerant Hardwood Shelterwood that was established in 2002. There was an abundance of poor-quality residual hardwood (diseased Beech) present on the site.</p> <p>Stop #6 – Dead Brook The auditor visited an area that included a HC VF that occupied an area of approximately 80 acres. There is no current or planned management in this area. Directly adjacent to the HC VF was an area classified as being late successional.</p> <p>Stop #7 – Camp Violet New road construction</p> <p>Stop #8 – 7180/7181 Cut Lake</p> |
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| | <p>Raptor Stick Nest. Identified by the harvester operator during harvest. The operator ceased cutting and the nest tree was protected. This is a good example of how JDI’s training for contractors/operators in identifying RTE’s has been effective.</p> <p>Stop #9 Old farmstead that has been identified by JDI and the Maine Natural Heritage Program. The site has been mapped and there is no management planned within the mapped area. The site included a hand dug well and grave site. This is a good example of the exchange of information that takes place between JDI and the state agency.</p> |
| <p>Date: 15 October 2020</p> | |
| <p>FMU/location/sites visited</p> | <p>Activities/notes</p> |
| <p>Team Meister (remote)</p> | <p>1. Review of tax records, property records, and management plan.</p> |
| <p>Team Johnson (onsite)</p> | <p>Rocky Brook region of the FMU. Stop #1 – Wallagrass Rd Mile 3 The auditor visited a State zoned Deer Wintering Area (DWA) on the FMU. JDI is currently upgrading the road that runs through this DWA to mitigate the negative environmental impacts of the existing road such as erosion and siltation. This portion of the FMU is not located within the North Maine Woods system and therefore does not have gated access resulting in heavy use of the road by locals. The road upgrade will address safety issues related to this heavy use by improving line of site.</p> <p>JDI is attempting to encourage deer to feed and winter in the woods and not at designated feeding areas in towns. Their strategy is to use hand crews in combination with mechanized harvesting systems in winter harvest units. The relatively slow progress of manual felling hand crews creates a longer sustained source of food for deer in the form of treetops and branches. Maine Inland Fisheries and Wildlife is in the process of developing a pilot in support of this approach and JDI has agreed to provide assistance. Pilot sites may not necessarily be located within existing DWAs. Current harvest prescriptions within DWAs include creating cover and/or browse for wintering deer. In all instances, prescriptions have to be consulted with and approved by the State Biologist.</p> <p>Stop #2 – Wallagrass Rd The auditor observed a recently de-activated road. The objectives of the closure are: 1) to exclude ATVs and vehicles from crossing Center Brook; 2) safety (the existing road was considered unsafe) and; 3) environmental protection (reduced erosion and sedimentation). There are 20 miles of ATV trails in the Wallagrass Township including on JDI owned property. As a result, there is a lot of ATV use on this portion of the FMU.</p> <p>Stop #3 – Wallagrass Rd Mile 10</p> |

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| | <p>Bridge crossing constructed in 2019. The auditor confirmed on-site at a bridge crossing constructed in 2019 that JDI's standards for crossings exceed those required by the state of Maine. As part of the Outcome-Based Forestry program that JDI participates in the Maine Forest Service conducts random inspections of all of JDI's newly installed crossings. JDI field staff use a mobile road maintenance application to collect information regarding cross drains and crossings. This information is synchronized with JDI's database and prioritized for action (environmental vs operational). In addition, bi-weekly meetings conducted by JDI's Road Maintenance Supervisor are held with the Road Maintenance staff to review this data.</p> <p>Stop #4 – Wallagrass Rd Mile 11 The auditor visited a white spruce stand planted in 2008 and cleaned in 2020. The objective of the cleaning, a 3-sided release, was to reduce the stand's density to 1500 trees/ha. This was an example of JDI utilizing silviculture to maximize growth and stem quality of planted stands.</p> <p>Stop #5 – Lee Theriault Rd Mile 11 The auditor observed an un-manned gate that accessed a portion of the FMU located within the North Maine Woods system.</p> <p>Stop #6 – CONFIDENTIAL LOCATION The auditor visited a cultural site that JDI identified and mapped in coordination with the Maine Natural Heritage Program. No management will occur within the mapped zone.</p> <p>Stop #7 – Big Cedar Unique Area The auditor visited a unique area that included an old growth legacy tree. The tree is a Northern white-cedar with an estimated age of 600 years. The legacy tree has an active black bear den in its base. The tree has been buffered and mapped. No management will occur within the mapped area.</p> <p>Stop #8 – CONFIDENTIAL LOCATION The auditor visited a site containing a rare plant community. RTE and indicator species that exist on this site were identified by JDI field staff as a result of annual training conducted by JDI's Chief Naturalist. Details of this rare plant community were shared with State, confirmed and entered into both the State and JDI databases. This and other communities are mapped and buffered. The auditor and JDI field staff identified a stick nest while on-site. The JDI forester flagged the nest tree and used the Ops Designer mobile application to photograph and document details of the nest and its location. This information is synced with JDI's database and relevant maps are updated. JDI staff will revisit the site to determine the species of bird that built the nest and whether or not it is still in use.</p> |
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| | <p>Regardless of current use the nest will still be protected.</p> <p>Stop #9 – Farm Rd DWA The auditor visited a co-operative Deer Wintering Area (DWA) located adjacent to a manned North Main Woods gate and the town of Allagash. During the winter of 2019 JDI conducted a selection harvest in this site with a target 40% basal area removal. The objective of the harvest was to provide winter browse for the deer. The unit is bisected into south and north sections by the Farm Road which leads from Allagash into the North Maine Woods.</p> <p>Pre-harvest the southern portion of the site contained a lot of mature balsam fir and a lot of blowdown. Post-harvest the southern portion of the site contained a high density of poplar regeneration.</p> <p>The northern section of the unit is a mixed tolerant hardwood site. Post-harvest there is no obvious regeneration present; however, JDI field staff expect species including yellow birch, sugar maple, poplar and spruce to eventually regenerate the site.</p> |
| <p>Date: 16 October 2020</p> | |
| <p>FMU/location/sites visited</p> | <p>Activities/notes</p> |
| <p>FME office, Ashland, ME/ MS teams</p> | <p>Closing Meeting Preparation: Auditor(s) take time to consolidate notes and confirm evaluation findings</p> |
| | <p>Closing Meeting: Brief summary of audit activities, present preliminary findings, confidentiality, SCS/FSC dispute policy, timeline for report, and discuss next steps.</p> |

2.2 Evaluation of Management Systems

SCS deploys interdisciplinary teams with expertise in forestry, social sciences, natural resource economics, and other relevant fields to assess an FME’s conformance to FSC standards and policies. Evaluation methods include reviewing documents and records, interviewing FME personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing stakeholder input. When there is more than one team member, each member may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant field observations, interviews, stakeholder comments, and reviewed documents and records. Where consensus among team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3. Changes in Management Practices

There were no significant changes in the management and/or harvesting methods that affect the FME’s conformance to the FSC standards and policies.

Significant changes occurred since the last evaluation that may affect the FME’s conformance to FSC standards and policies (*describe*):

4. Results of Evaluation

4.1 Definitions of Major CARs, Minor CARs and Observations

Major CARs: Major nonconformances, either alone or in combination with nonconformances of all other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out before a certificate can be awarded. If Major CARs arise after an operation is certified, the timeframe for correcting these nonconformances is typically shorter than for Minor CARs. Certification is contingent on the certified FME’s response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor nonconformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Most Minor CARs are the result of nonconformance at the indicator-level. Corrective actions must be closed out within a specified time period of award of the certificate.

Observations: These are subject areas where the evaluation team concludes that there is conformance, but either future nonconformance may result due to inaction or the FME could achieve exemplary status through further refinement. Action on observations is voluntary and does not affect the maintenance of the certificate. However, observations can become CARs if performance with respect to the indicator(s) triggering the observation falls into nonconformance.

4.2 History of Findings for Certificate Period

| FM Principle | Cert/Re-cert Evaluation (2019) | 1 st Annual Evaluation (2020) | 2 nd Annual Evaluation (2021) | 3 rd Annual Evaluation (2022) | 4 th Annual Evaluation (2023) |
|--------------|--------------------------------|--|--|--|--|
| No findings | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| P1 | OBS 1.1.a | | | | |
| P2 | | | | | |
| P3 | | | | | |
| P4 | OBS 4.4.b | | | | |
| P5 | | | | | |
| P6 | | OBS 6.5.b | | | |
| P7 | | | | | |
| P8 | | | | | |
| P9 | | | | | |
| P10 | | | | | |
| COC for FM | | | | | |

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| Trademark | | | | | |
| Group | | | | | |
| Other | | | | | |

4.3 Existing Corrective Action Requests and Observations

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| Finding Number: 2019.1 | |
| Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation | |
| FMU CAR/OBS issued to (when more than one FMU): | |
| Deadline | <input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify): |
| FSC Indicator: | FSC-US, V1-0, 1.1.a |
| Non-Conformity (or Background/ Justification in the case of Observations): On 19 September 2019, the week prior to the onsite audit, a new law (S.P. 444 - L.D. 1459) came into effect. While no organization has approached the FME to exercise the provisions of this law, stakeholder consultation indicates that this could occur sometime prior to the next FSC audit. | |
| Corrective Action Request (or Observation): Forest management plans and operation should demonstrate compliance with all applicable federal, state, county, municipal, and tribal laws, and administrative requirements (e.g., regulations). Violations, outstanding complaints or investigations should be provided to the Certifying Body (CB) during the annual audit. | |
| FME response (including any evidence submitted) | December 2019: All complaints with respect to the new law (S.P. 444 - L.D. 1459) will be addressed using the JDI Public complaint process and tracked in the EMS database. October 2020: We have been in communication with our logging contractors on this subject. So far, none of them have chosen to exercise this right. |
| SCS review | December 2019: This issue will be assessed at the next onsite audit. October 2020: Through interviews with logging contractors during the audit, it was confirmed that none have chosen to exercise this right currently. No other stakeholder feedback on this subject was received. Thus, this OBS is closed. |
| Status of CAR: | <input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above) |

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| Finding Number: 2019.2 | |
| Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation | |
| FMU CAR/OBS issued to (when more than one FMU): | |
| Deadline | <input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify): |
| FSC Indicator: | FSC-US, V1-0, 4.4.b |
| Non-Conformity (or Background/ Justification in the case of Observations): <p>The FME maintains consistent contact with many affected parties and other stakeholders, as demonstrated in interviews that the audit team conducted with various parties and records reviewed of the FME’s internal system for tracking comments received and any actions taken to address issues detected.</p> <p>Per interviews with stakeholders and observation of one letter sent to indigenous representatives, the contact information for one indigenous group was incorrect. All others were verified as correct.</p> <p>During the audit team’s stakeholder consultation, it was discovered that some points of contact for stakeholder organizations were out of date. It was also discovered that there are different types of stakeholders’ information being maintained by several FME staff (e.g., local stakeholder advisory groups, contractors), which, while shared with the audit team onsite upon request, were not shared prior to the onsite assessment. While stakeholders interviewed confirmed having regular contact with the FME and that they were aware that the FSC audit was taking place, having these contacts prior to the onsite assessment would ensure that stakeholders are better engaged with the audit process.</p> | |
| Corrective Action Request (or Observation): <p>The FME should ensure that its stakeholder contact information is current to ensure that it can readily receive input in management planning from people who would likely be affected by management activities.</p> | |
| FME response (including any evidence submitted) | <p>December 2019: The Regional Forester will consolidate all stakeholders under one list that includes current contact information. The list will be revised annually prior to the audit.</p> <p>October 2020: We have the stakeholder list for 2020 since it was not up-to-date and separated into three lists. We conducted a comprehensive review to complete the update and consolidate into a single list. We plan on looking at this again annually each spring.</p> |
| SCS review | <p>December 2019: This issue will be assessed at the next onsite audit.</p> <p>October 2020: The stakeholder list was reviewed and found to be accurate. Staff interviewed stated that reviewing the list will be done annually.</p> |
| Status of CAR: | <input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above) |

4.4 New Corrective Action Requests and Observations

| | |
|---|--|
| Finding Number: 2020.1 | |
| Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation | |
| FMU CAR/OBS issued to (when more than one FMU): | |
| Deadline | |
| <input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify): | |
| Primary standard reference: | FSC-US, V1-0, 6.5.b |
| Other applicable standard reference(s): | |
| Non-Conformity (<i>or Background/ Justification in the case of Observations</i>): | |
| <p>Nearly all drainage features observed were installed and functioning per Best Management Practices (BMP). However, the auditor observed three drainage culverts located between mile 9 and 10 on the Lane Brook Road that were not effectively draining water from one side of the road to the other. In these cases, better grading around the mouth of the culverts would allow for more efficient flow of water. In one instance, the culvert seemed to be set too high (perched). JDI utilizes a road construction checklist “Road Construction Site Audit & Quality Assurance”, which is completed post road construction by the Road Construction Supervisor. However, it appears that the checklist is not being used effectively in these instances.</p> | |
| Corrective Action Request (<i>or Observation</i>): | |
| <p>The FME should ensure that cross drains on newly constructed roads are installed in a way that meet or exceed Maine Best Management Practices (BMPs) (Best Management Practices for Forestry: Protecting Maine’s Water Quality p. 70-71) and minimize erosion.</p> | |
| FME response (<i>including any evidence submitted</i>) | December 2020: Prior to commencement of road construction and maintenance activities in the spring of 2021, JDI superintendents in charge of those activities will provide BMP training on the installation of new and maintenance of, existing drainage culverts to all contractors and staff that are involved with these activities. The focus on this training will be to ensure that natural water flow is maintained or improved in ditch lines where activities are to be conducted. |
| SCS review | December 2020: The FME’s actions will be evaluated at the next audit. |
| Status of CAR: | <input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (<i>refer to description above</i>) |

5. Stakeholder Comments

In accordance with SCS protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. Distinct purposes of such consultation include:

- To solicit input from affected parties as to the strengths and weaknesses of the FME’s management, relative to the standard, and the nature of the interaction between the FME and the surrounding communities.
- To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

Stakeholder consultation activities are organized to give participants the opportunity to provide comments according to general categories of interest based on the three FSC chambers, as well as the SCS Interim Standard, if one was used.

5.1 Stakeholder Groups Consulted

Principal stakeholder groups are identified based upon results from past evaluations, lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources. Stakeholder groups who are consulted as part of the evaluation include FME management and staff, consulting foresters, contractors, lease holders, adjacent property owners, local and regionally-based social interest and civic organizations, purchasers of logs harvested on FME forestlands, recreational user groups, tribal members and/or representatives, members of the FSC National Initiative, members of the regional FSC working group, FSC International, local and regionally-based environmental organizations and conservationists, and forest industry groups and organizations, as well as local, state, and federal regulatory agency personnel and other relevant groups.

5.2 Summary of Stakeholder Comments and Evaluation Team Responses

The table below summarizes the major comments received from stakeholders and the assessment team’s response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

FME has not received any stakeholder comments from interested parties as a result of stakeholder outreach activities during this annual evaluation.

6. Certification Decision

| | |
|--|---|
| The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS annual evaluation team recommends that the certificate be sustained, subject to subsequent annual evaluations and the FME’s response to any open CARs. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Comments: | |

7. Annual Data Update

| |
|--|
| <input type="checkbox"/> No changes since previous evaluation. |
| <input checked="" type="checkbox"/> Information in the following sections has changed since previous evaluation. |

| | |
|--|--|
| <input type="checkbox"/> Name and Contact Information | <input checked="" type="checkbox"/> Pesticide and Other Chemical Use |
| <input type="checkbox"/> FSC Sales Information | <input checked="" type="checkbox"/> Production Forests |
| <input checked="" type="checkbox"/> Scope of Certificate | <input type="checkbox"/> FSC Product Classification |
| <input type="checkbox"/> Non-SLIMF FMUs | <input checked="" type="checkbox"/> Conservation & High Conservation Value Areas |
| <input checked="" type="checkbox"/> Social Information | <input type="checkbox"/> Areas Outside of the Scope of Certification |

Name and Contact Information

| | | | |
|--------------------------|-------------------------------|------------------|--|
| Organization name | Irving Woodlands, LLC (IWLLC) | | |
| Contact person | Scott MacDougall | | |
| Address | PO Box 240 | Telephone | 506-632-7777 |
| | Fort Kent, ME 04743-0240 | Fax | 506-632-4421 |
| | United States of America | e-mail | MacDougall.Scott@jdirving.com |
| | | Website | www.jdirving.com |

FSC Sales Information

| | | | |
|--|------------------|--|--|
| <input checked="" type="checkbox"/> FSC Sales contact information same as above. | | | |
| FSC salesperson | | | |
| Address | Telephone | | |
| | Fax | | |
| | e-mail | | |
| | Website | | |

Scope of Certificate

| | | |
|--|--|--|
| Certificate Type | <input checked="" type="checkbox"/> Single FMU | <input type="checkbox"/> Multiple FMU |
| | <input type="checkbox"/> Group | |
| SLIMF (if applicable) | <input type="checkbox"/> Small SLIMF certificate | <input type="checkbox"/> Low intensity SLIMF certificate |
| | <input type="checkbox"/> Group SLIMF certificate | |
| # Group Members (if applicable) | | |
| Number of FMUs in scope of certificate | 1 | |
| Geographic location of non-SLIMF FMU(s) | Latitude & Longitude: 47.221541°, -68.755697° | |
| Forest zone | <input type="checkbox"/> Boreal | <input checked="" type="checkbox"/> Temperate |
| | <input type="checkbox"/> Subtropical | <input type="checkbox"/> Tropical |
| Total forest area in scope of certificate: | 512,000 ha | |
| Total forest area in scope of certificate which is: | Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac | |
| privately managed | 512,000 ha | |
| state managed | | |
| community managed | | |
| Number of FMUs in scope that are: | | |
| less than 100 ha in area | 0 | 100 - 1000 ha in area |
| | | 0 |

| | | | |
|---|---|---|---|
| 1000 - 10 000 ha in area | 0 | more than 10 000 ha in area | 1 |
| Total forest area in scope of certificate which is included in FMUs that: | | Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac | |
| are less than 100 ha in area | 0 | | |
| are between 100 ha and 1000 ha in area | 0 | | |
| meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs | 0 | | |
| Division of FMUs into manageable units: | | | |
| The forestlands have also been grouped geographically into five economic zones that are used to guide transportation and potential silvicultural investments decisions; the zones include Allagash, Blackstone, Estcourt, Oakfield and Rocky Brook. | | | |

Social Information

| | | |
|---|--------------------|----------|
| Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender): | | |
| male workers: # 548 woodlands and mills | female workers: 38 | |
| Number of accidents in forest work since previous evaluation: | Serious: 0 | Fatal: 0 |

Pesticide and Other Chemical Use

| <input type="checkbox"/> FME does not use pesticides. | | | | |
|---|---------------------|---|---|----------------|
| Commercial name of pesticide / herbicide | Active ingredient | Quantity applied since previous evaluation (kg or lbs.) | Total area treated since previous evaluation (ha or ac) | Reason for use |
| Oust XP | Sulfometuron methyl | 202 lbs. | 3226 ac | Site Prep |
| Accord XRTII | Glyphosate | 2491 gals | 3322 ac | Site prep |
| Arsenal AC | Imazapyr | 311 gals | 3322 ac | Site Prep |
| Esplanad F | Indaziflam | 5.25 gals | 96 ac | Site Prep Test |
| Rodeo | Glyphosate | 3179 gals | 6876 ac | Release |
| Arsenal AC | Imazapyr | 54 gals | 6876 ac | Release |
| Oust XP | Sulfometuron methyl | 430 lbs. | 6876 ac | Release |

Production Forests

| | |
|--|---|
| Timber Forest Products | Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac |
| Total area of production forest (i.e. forest from which timber may be harvested) | 492,800 |
| Area of production forest classified as 'plantation' | 0 |
| Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems | 34,184 6.9% |

| | |
|--|--|
| Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems | 458,861 93.1% |
| Silvicultural system(s) | Area under type of management |
| Even-aged management | 5-year averages –2015 – 2019) |
| Clearcut (clearcut size range) | 23% |
| Shelterwood | 47% |
| Other: | 9% |
| Uneven-aged management | |
| Individual tree selection | 21% |
| Group selection | |
| Other: | |
| <input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-pastoral system, agro-forestry system, etc.) | |
| Non-timber Forest Products (NTFPs) | |
| Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services | 0 |
| Other areas managed for NTFPs or services | 0 |
| Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type | Unknown, but relatively minor (not transacted with an FSC claim) |
| Species in scope of joint FM/COC certificate: <i>Scientific/ Latin Name (Common/ Trade Name)</i> | |
| Red spruce, <i>Picea rubens</i> Black spruce, <i>Picea mariana</i> White spruce, <i>Picea glauca</i> Norway spruce, <i>Picea abies</i> Balsam fir, <i>Abies balsamea</i> Hemlock, <i>Tsuga canadensis</i> Northern white cedar, <i>Thuja occidentalis</i> Eastern white pine, <i>Pinus strobus</i> Red pine, <i>Pinus resinosa</i> White ash, <i>Fraxinus americana</i> Black ash, <i>Fraxinus nigra</i> American beech, <i>Fagus grandifolia</i> White birch, <i>Betula papyrifera</i> Yellow birch, <i>Betula alleghaniensis</i> Red maple, <i>Acer rubrum</i> Sugar maples, <i>Acer saccharum</i> Northern red oak, <i>Quercus rubra</i> Big leaf aspen, <i>Populus grandidentata</i> Trembling aspen, <i>Populus tremuloides</i> | |

FSC Product Classification

| |
|------------------------|
| Timber products |
|------------------------|

| Product Level 1 | Product Level 2 | Species |
|-------------------------------|-----------------------|-----------------------------|
| W1 Rough Wood | W1.1 Roundwood (logs) | All |
| W3 Wood in chips or particles | W3.1 Wood Chips | All |
| Non-Timber Forest Products | | |
| Product Level 1 | Product Level 2 | Product Level 3 and Species |
| N/A | | |

Note: W1, W2, and W3 product groups usually do not require a separate evaluation to FSC-STD-40-004 (COC) if processing occurs in the field for FM/COC and CW/FM certificate types. N1-N10 (NTFPs) are eligible to be sold with FSC claims under FM/COC certification if reported here. Bamboo and NTFPs derived from trees (e.g. cork, resin, bark) may be eligible for FM/COC and CW/FM certification. NTFPs used for food and medicinal purposes are not eligible for CW/FM certification. Check with SCS if you have any products intended to be sold with an FSC claim outside of any of these categories.

Conservation and High Conservation Value Areas

| Conservation Area | Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac |
|--|--|
| Total amount of land in certified area protected from commercial harvesting of timber and managed primarily for conservation objectives (includes both forested and non-forested lands).* | 97,095 hc total Conservation Forest 7,136 hc Unique Area (this is an internal designation and is included in the total area reported) |

*Note: Total conservation and HCV areas may differ since these may serve different functions in the FME's management system. Designation as HCV may allow for active management, including commercial harvest. Conservation areas are typically under passive management, but may undergo invasive species control, prescribed burns, non-commercial harvest, and other management activities intended to maintain or enhance their integrity. In all cases, figures are reported by the FME as it pertains local laws & regulations, management objectives, and FSC requirements.

| High Conservation Value Forest / Areas | | | Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac |
|--|---|--|--|
| Code | HCV Type | Description & Location | Area |
| HCV1 | Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia). | | |
| HCV2 | Forests or areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. | | |
| HCV3 | Forests or areas that are in or contain rare, threatened or endangered ecosystems. | Yanketuladi St Francis Floodplain Orchard Bog Cross Lake Fen Dead Brook Deadwater White Pine | 62 283 216 250 22 |

| | | | |
|---|--|--|-------------------|
| HCV4 | Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control). | Long Lake Smelt Fishery Long Lake Slopes Chase Lakes | 202 174 519 |
| HCV5 | Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health). | | |
| HCV6 | Forests or areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities). | | |
| Total area of forest classified as 'High Conservation Value Forest / Area' | | | 1728 |

Areas Outside of the Scope of Certification (Partial Certification and Excision)

| | |
|--|---|
| <input type="checkbox"/> <i>N/A – All forestland owned or managed by the certificate holder is included in the scope.</i> | |
| <input checked="" type="checkbox"/> <i>Certificate holder owns and/or manages other FMUs not under evaluation.</i> | |
| <input type="checkbox"/> <i>Certificate holder wishes to excise portions of the FMU(s) under evaluation from the scope of certification.</i> | |
| Note: <i>Excision cannot be applied to CW/FM certificates.</i> | |
| Explanation for exclusion of FMUs and/or excision: | The parent company of Irving Woodlands LLC (IWLLC) is J.D. Irving Limited, corporately located in New Brunswick, Canada. J.D. Irving Limited owns 3.2 million acres of forestland in Canada and Maine. In total, these lands are divided into five operating districts, four of which are located in Canada. Only those lands under the control of the JD Irving Maine operating district within the State of Maine are within the scope of this certification evaluation; Canadian lands and nurseries are outside the scope of this certificate. The rationale for partial certification, when initially getting FSC certified was due largely to differing regional standards between the Maritime and Northeast regions. The company did not believe that the Maritime standard, which encompassed the balance of its ownership, was an appropriate normative standard for industrial/commercial forest management. J.D. Irving had been actively engaged in the Maritime standards development process. Given the circumstances outlined above and commitments to other certifications currently used in Canada, J.D. Irving is continuing with their current certification approach. The balance of the ownership is Canadian lands which are managed under the same system as the Maine Woodlands. Because of this common management system, there are no concerns about the forest management of these non-certified lands in Canada. |

| Control measures to prevent mixing of certified and non-certified product (C8.3): | The other areas that are not within the scope of this Certificate are located in Canada and are geographically separate from these areas located in Maine. | |
|--|--|---|
| Description of FMUs excluded from, or forested area excised from, the scope of certification: | | |
| Name of FMU or Stand | Location (city, state, country) | Size (<input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac) |
| JD Irving Canada | New Brunswick Canada | 728,000 |
| JD Irving Canada | Nova Scotia Canada | 50,000 |

