

General information regarding elements of the certification process is described below. A degree of flexibility and options in the certification process are available so please feel free to contact us to discuss how we can better serve your organization.

SAI Global Full Service Team

Upon selection of SAI Global as your Registrar and submission of the signed Application for Certification, SAI Global will assign your dedicated service team.

Your service team will be selected to suit your specific industry and will consist of an Account Manager, a Regional Account Representative, a Lead Auditor and other team members as needed to support your certification. The roles of each member of your service team are as follows: your Account Manager will manage the business relationship, including contract negotiation and changes to your certification requirements; your Regional Account Representative will manage the back office processes including scheduling and customer service related to certificates and invoicing; your Lead Auditor will manage the delivery relationship. As your primary contact with SAI Global, the Lead Auditor assigned to your file ensures the coordination of all audit-related activities for your company. If additional audit team members are required, they are selected from our experienced auditor base. Your audits will be consistent in approach, technically sound and relevant to your business needs.

Certification Audit

The goal of the certification audit is to assess the effective implementation of your management system to the requirements of the standard and your management system documentation. The audit is conducted in two Stages.

The Stage 1 audit or pre-evaluation audit is generally conducted on site and consists of a documentation review and establishes the audit scope and audit plan.

Pre-evaluation are mandatory prior to the main evaluation of any Forest Management Unit (FMU) of the following categories:

- a) Plantations larger than 10,000 ha;
- b) All non-plantation forest types larger than 50,000 hectares, unless the whole area meets the requirements for classification as a "low intensity managed forest" (see FSC-STD-01-003 SLIMF eligibility criteria);

NOTE: the thresholds in a) and b) refer to the total area included in the scope of evaluation (either as a single FMU or as multiple or group FMUs).

- c) FMUs containing high conservation value attributes, unless the whole area meets the requirements for classification as a "small forest" (see FSC-STD-01-003 SLIMF eligibility criteria).

Pre-evaluations may be conducted for any Forest Management Unit (FMU) not meeting above specifications, at the discretion of SAI Global, prior to any main evaluation. Pre-evaluations are not required in the case of re-evaluations.

Pre-evaluation are not mandatory for Chain of Custody evaluation

The Stage 2 audit or Initial audit is conducted on site and consists of a review to ensure that the management system has been fully implemented and is in conformance to the requirements of the standard and normative documents.

All audit activities are mutually planned with your assigned Auditor prior to the audit. An audit plan is provided detailing the scope and objectives of both the Stage 1 (as applicable) and Stage 2 audit, the audit team members, the processes to be audited and the timelines. While onsite your audit team will work to verify that the management system meets the requirements of the standard and your system documentation by assessing objective evidence. At the conclusion of the onsite audit, you will be immediately informed of the results. A formal audit report will be issued after the audit. The report includes information relative to positive aspects of the system, opportunities for improvement and system non-conformances.

Certificate Issuance

Upon successful completion of the certification process (including resolution of non-conformances if applicable), your Team Leader compiles a Certification Package for review by our Certification Team. Upon completion of the review, the Certification Team prepares and forwards your Certificate of Registration. Your certificate will include details such as: legal company name, site address, and standard, scope of certification, the initial certification date and the expiry date.

The official certificate is forwarded, along with a link to our marketing website. The Marketing tools will provide you with useful ideas on how to capitalize on your ISO certification, provide you with the official 'SAI Global registered mark' artwork and the guidelines of use. Your successful certification will also be published in our online Directory of Registered Companies, at <http://www.saiglobal.com/Assurance/value-added-services/certification-register.htm>

The information related to your certificate will also be posted on the FSC database website accessible at www.info.fsc.org

Surveillance Audits

Surveillance audits are periodic audits of your management system. The purpose of surveillance audits is to ensure the management system is being maintained during the effective period of certification. To provide you with as much flexibility as possible, SAI Global offers two surveillance frequency options: Annual and Semi-annual.

- Semi-Annual audits are conducted every six months. This option offers more frequent interaction with your audit team, to ensure your management system is working efficiently and to facilitate the rate of continuous improvement.
- Annual audits are conducted every twelve months, as a minimum.

Re-certification audit

Re-certification Audits are scheduled before 5-year mark, usually 3 months before the certificate expiry date.

The purpose is to ensure:

- The effectiveness of the management system in its entirety in the light of internal and external changes and its continued relevance and applicability to the scope of the Certification
- Client demonstrated commitment to maintain the effectiveness and improvement of the management system in order to enhance overall performance.
- Whether the operation of the certified management system contributes to the achievement of the organization's policy and objectives

In the following section, the reference to SAI Global also covers any sub-contractor who has a signed contract with SAI Global to perform FSC audits.

The term FSC used in the following section without any further designation such as "IC" or "GD" is used as a general term referring to all operational entities under the ownership of Forest Stewardship Council A.C, excluding ASI.

The term ASI used in the following section refers to the FSC accreditation body "Accreditation Services International".

The term Client used in the following section refers to the FSC certificate holder

Conditions of Certification:

Client obligations:

- a) conform with all applicable certification requirements;
- b) conform with any conditions set by SAI Global for granting or maintaining certification;
- c) disclose current or previous application or certification with FSC and/or other forestry certification schemes in the last five years;
- d) agree to the conduct of evaluations at the required intervals, including SAI Global's right to carry out unannounced or short notice audits;
- e) agree to witness or compliance audits (see definition) done by ASI and to carry the internal cost for its staff and consultant;
- f) agree, that specified information is published, as indicated in the applicable FSC normative documents;
- g) consider the participation of observers as specified in FSC-PRO-01-017;

- h) agree, that a complaint is first handled according to SAI Global's dispute resolution procedure and if not resolved referred to ASI and ultimately to FSC, in case of disagreement with audit findings related to FSC normative documents;
- i) making claims regarding certification consistent with the scope of certification and not making any claims of conformity (or near conformity) with FSC certification requirements until and unless certification is granted;
- j) not use its certification in such a manner as to bring SAI Global, FSC or ASI into disrepute and not make any statement regarding its certification that may be considered misleading or unauthorized;
- k) keep a record of all complaints made known to it relating to conformity with certification requirements and make these records available to SAI Global when requested, and:
- i. take appropriate action with respect to such complaints and any deficiencies found in products that affect conformity with FSC certification requirements;
 - ii. document the actions taken.
- l) inform SAI Global within ten (10) days of changes in the ownership, structure of the organization (e.g. changes in key managerial staff), certified management systems or circumstances which relate to the implementation of FSC certification requirements;
- m) agree, that in case of reduction, suspension or withdrawal of the scope of SAI Global's FSC accreditation, the certification of the affected clients will be suspended within six (6) months after the date of such reduction, suspension or withdrawal;
- n) agrees to pay SAI Global the FSC Annual Accreditation Fees (AAF) or other Fees such as setup fee for Certificate Holder portal charged by FSC and calculated on a 'per certificate' basis. The fees are periodically reviewed and updated by FSC to remain consistent with any new FSC strategy and/or policy. The fees can be accessed on the FSC website.

Regarding the rights of SAI Global, ASI and FSC

- n) agree, that SAI Global has the right to delay or postpone its decision on certification, in order to take account of new or additional information which has not already been considered in its audit report and which, in SAI Global's opinion, could affect the outcome of its evaluation;
- o) agree, that SAI Global shall not be obliged to grant or maintain certification, if activities of the client conflict with the obligations of SAI Global as specified in its accreditation contract with ASI, or which, in SAI Global's sole opinion, reflect badly on the good name of SAI Global;
- p) agree, that SAI Global and FSC have the right to revise the requirements of certification within the period of validity of the certification, including the revision of costs and fees;
- q) agree, that SAI Global, FSC and ASI have the right to access confidential information, examine documentation deemed necessary, and access to the relevant equipment, location(s), area(s), personnel, and bodies providing outsourced services to clients;
- r) agree, that SAI Global has the right to use information which is brought to its attention, to follow up on misuses of the FSC trademarks and of the intellectual property rights held by FSC;
- s) acknowledge the title of the FSC's intellectual property rights and that FSC retains full ownership of the intellectual property rights and that nothing shall be deemed to constitute a right for the client to use or cause to be used any of the intellectual property rights;
- t) agree, that SAI Global has the right to suspend and/ or withdraw its certification with immediate effect if, in SAI Global's sole opinion, the client is not in conformity with the conditions specified for the maintenance of certification;

Regarding the actions relating to suspensions or withdrawal of certification

u) meet the following obligations on suspension or withdrawal of certification:

- i. immediately cease to make any use of any FSC trademarks, or to sell any products previously labeled or marked using the FSC trademarks, or to make any claims that imply that they conform with the requirements for certification;
- ii. identify all existing certified and uncertified customers, inform those customers of the suspension or withdrawal in writing within three (3) days of the suspension or withdrawal, and maintain records;
- iii. cooperate with SAI Global and with FSC in order to allow SAI Global or FSC to confirm that these obligations have been met.

v) meet the following additional obligations on withdrawal of certification:

- i. return the certificate to SAI Global or destroy the original, and commit to destroy any electronic copies and printed copies in their possession;
- ii. at its own expense remove all uses of FSC's name, initials, logo, certification mark or trademarks from its products, documents, advertising or marketing materials.

Unannounced Audits:

Unannounced audits may be performed by SAI Global if:

A notification of an external complaint, either directly by a complainant or from ASI is received by SAI Global.

SAI Global is made aware of misused of the FSC labels by the customer or by an outsourced contractor.

SAI Global is made aware that possibilities exist that the company mixes uncontrolled material with FSC certified material and sale the final product as FSC certified.

Any unannounced audit has to be approved in advance by the Technical Manager – Forestry sector.

The audit process follows the standard process, for FSC surveillance audits, except for the following:

- The audit plan is drafted to cover the requirements and extent of the defined need, but is not sent to the customer.
- No contact is made with the customer or any of their contractors, until the audit team arrives on site.
- An opening meeting must be performed where the reason for the unannounced audit is described.
- At this time the audit plan is finalized. The audit is then performed according to the process. The result of the audit is presented to the client's management with any NCRs determined.
- During or on completion of the unannounced surveillance audits, an audit report is issued using the standard format.
- Actions arising out of audit are determined by the Technical Manager – Forestry sector.

Accreditation Services International (ASI), the accreditation body for the Forest Stewardship Council® reserves the right to conduct spot audits with minimal notice to SAI Global and the FSC certified company. This could mean that ASI may inform SAI Global and the FSC certified company that a spot audit will be conducted in less than 10 days from the notification

Definitions:

Witness audit done by ASI – During this type of audit, ASI observes and evaluates a SAI Global audit team as they conduct a full or partial audit (depending on the scope) of a Certificate holder's management system against the requirements of the applicable certification standard i.e. Chain of custody or Forest management.

Compliance audit done by ASI – During this audit, ASI conducts an assessment directly on the Certificate holder, to evaluate compliance of SAI Global's certification processes and Certificate holder's management system against certification requirements for the Chain of custody or Forest management standard.