FSC® Controlled Wood (FSC-STD-40-005)

**Public Summary Report** 

2024

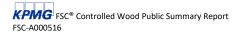
Mistik Management Ltd.



Certification Body and Contact Information:	KPMG Forest Certification Services Inc.
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	Vancouver, BC, Canada V7Y 1K3
	Website: www.kpmg.ca
	Contact Person: Shawn Ellsworth
	Telephone: 604-691-3440
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Certificate Holder and Contact Information:	Box 9060, Meadow Lake, Saskatchewan, S9X 1V7
	Website: www.mistik.ca
	Contact Person: Kevin Gillis
	Telephone: 306-240-8908
	E-mail: kevin.gillis@mistik.ca
FSC Certificate Registration Code:	KF-CW-001035
Date Certification was Issued:	March 2, 2010
Certificate Expiry Date:	June 5, 2028
Type of Evaluation:	Surveillance A2
Evaluation Date(s):	June 12-14, 2024
System to evaluate the Due Diligence System (DDS):	See Appendix 1



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### Information about the DDS

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Information about who has	The Due Dilgence System was developed by the organization.
developed the DDS or elements of	
it, including whether the DDS was	
developed by an external party	
Information on the engagement of	The orgnization engaged the following experts in the development of control
one or more experts in the	measures:
development of control measures,	Kevin Gillis
if applicable	
	Qualifications: Recognized and accepted Member of FSC Indigenous Chamber and
	FSC Standards Development Group Member associated with Indigenous Chamber
	representation. Member of the "Range Plan for Woodland Caribou in SK" planning
	table member. Member of the FSC Case Studies of the Intact Forest Landscape
	Determination in Canada.
	License/Registration #: SK ASFP Registration #87 RPF
	Scope of service: Rights of Indigenous Peoples Control Measure and High
	Conservation Value #1 Species Diversity #2 Landscape level ecosystems and
	mosaics.
Description of any significant	There have been no significant changes in the DDS since the previous report.
changes in the DDS	Mistik did expand the DDS supply area to include some area in Alberta.
Timeline and circumstances of an	Not applicable.
extension for the period during	not applicable.
which the organization shall adapt	
the DDS to approved FSC risk	
assessments, where applicable	
assessinents, where applicable	

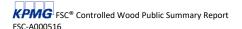
### Procedure for filing complaints

Contact information of the organ	ization's person or position responsible for addressing complaints
Name:	Kevin Gillis
Position:	Certification Coordinator
Address:	Box 9060, Meadow Lake, Saskatchewan, S9X 1V7
Phone:	306-240-8908
E-mail:	kevin.gillis@mistik.ca
The organization's complaint procedure	A complaint will be acknowledged within two weeks of receipt of the complain an official response will be made to the complaint in a form that best suits the complainant. Mistik's complaint procedure will also be communicated at this time.





- 2. Mistik will attempt to resolve the issue within two weeks of receipt of the complaint. If the issue cannot be resolved immediately, involvement of other Mistik staff members that may provide assistance in addressing the matter will be initiated. The evidence provided in the complaint will be assessed to determine whether the complaint is or is not substantial.
- 3. If the issue cannot be addressed within two weeks of Mistik being made aware of the matter, or a resolution process cannot be agreed to that is mutually agreeable to both the complainant and Mistik, document the nature of the issue on a Mistik Stakeholder Discussion Form and notify Mistik's General Manager.
- 4. Complaint details will be forwarded to the certification body, affected customer(s) and FSC Canada within two weeks of receipt of the written complaint.
- 5. Notification will be made to the complainant, regarding the status of the complaint on a regular basis by the Operations Manager.
- 6. Employ a precautionary approach towards the sourcing of the relevant material while a complaint is pending.
- 7. Within two months of receipt of the complaint, review all sources of information relevant to the complaint. Review Mistik's original documentation related to the chain of custody determination. Based on all the evidence, through the corrective action procedure, make a new chain of custody determination that will either validate the complainant's evidence or validate Mistik's original chain of custody evidence.
- 8. If a non-conformance of Mistik's chain of custody procedure is found, create a corrective action report. Ensure that the supplier is excluded from Mistik's FSC controlled wood suppliers list. The supplier shall not be designated as a FSC controlled wood source until such time as Mistik's Operations Manager formally reviews the source area again and determines the appropriate chain of custody classification.
- Verify that the corrective action has been taken by suppliers and assess for effectiveness.
- 10. Exclude the material in question and suppliers from Mistik's controlled wood supply chain if no corrective action is implemented.
- 11. When the resolution of the complaint has been achieved, the complainant, the certification body, and FSC Canada will be notified of the actions taken to resolve the complaint.
- 12. File all chain of custody determination decisions made in response to complaints by source, year and supplier



### Description of the DDS, including supplier structure for each participating site

Site Name	Exact	approximate	Supplier	Average	Risk Assessment (risk of mixing
	number of	or exact	type	length of the	material with non-eligible inputs
	suppliers	number of		non-FSC	in the supply chain(s) during
		sub-		supply chain	transport, processing, and
		suppliers			storage)
Mistik Management	37	5	Primary	1	Low/negligible
Ltd.					

### A description of the supply area(s) and respective risk designation(s)

The following tables are grouped by identified areas with a homogeneous risk designation in the applicable risk assessment for each controlled wood category.

Country	Source Area	Controlled Wood Category	Risk Designation	Name FSC or Company Risk Assessment and assessment type
Canada	Meadow Lake,	Category 1	Low risk	FSC National Risk Assessment For Canada FSC-
	Saskatchewan	Category 2	Specified risk	NRA-CA V2-1
		Category 3	Specified risk	
		Category 4	Low risk	
		Category 5	Low risk	

<sup>☐</sup> For source areas not covered by a National Risk Assessment, the organization's risk assessment is attached (excluding confidential information).

### Control measures implemented by the organization for each indicator not designated as low risk in the applicable risk assessment

For each of the homogenous risk areas identified above, the implemented control measures:

Source areas	Specified risk indicator	Control Measure	Description of control measure
Meadow Lake, Saskatchewan	2.3 The rights of Indigenous and Traditional People are upheld.	CM 1	Indigenous Peoples with legal and/or customary rights within the forest management unit do not oppose the Forest Management plan.
Meadow Lake, Saskatchewan	3.1 High Conservation Value Species Diversity	CM 8	Evidence demonstrates that forests in the sourcing area have a management plan that contributes to the recovery of woodland caribou critical habitat, as identified in the Federal Recovery Strategy. The management plan identifies and implements:  a) Best Management Practices (BMPs) that reduce disturbance to and restore critical habitat including, but not limited to:  • access management (e.g. road decommissioning, integrated access plans, restoration of linear features); OR  • aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint). OR  b) Harvest deferrals, set asides, and/or protection areas within areas of critical habitat, where forest operations are not permitted.

Meadow Lake,	3.2 High	CM 2	Forest operations do not reduce an IFL below 50,000 ha, AND all
Saskatchewan	Conservation		meet applicable options below:
	Value 2 - Landscape-level ecosystems and		a) For an IFL between 50,000 and 62,500 ha, cumulative impacts forest operations do not affect more than 10% of the IFL.
	mosaics		b) For an IFL between 62,501 and 75,000 ha, cumulative impacts
			forest operations do not affect more than 20% of the IFL.
			c) For an IFL between 75,001 and 200,000 ha, cumulative impacts forest operations do not affect more than 30% of the IFL.
			d) For an IFL between 200,001 and 500,000 ha, cumulative impacts forest operations do not affect more than 35% of the IFL.
			e) For an IFL larger than 500,001 ha, cumulative impacts forest operations do not affect more than 45% of the IFL.

### Field verification performed by the organization as a control measure

The organization did not undertake field verification as a control measure.

ri <mark>ef summary of findings from I</mark>	Pivid field verification(s)	
Brief summary of findings from field		
verification(s)		
Justification for the sampling rate applied in any type of field verification of the DDS	<ul> <li>KPMG FCSI shall conduct field verification.</li> <li>The number of control measures that DDS requiring field verification shall to table below to determine the number sampling pool.</li> <li>Supplier sampling should focus on higher volumes and/or supplying from Field verification of suppliers include origin or on-site verification of suppliers and storage yards) including revulant samples.</li> <li>An assessment of the organization's</li> </ul>	at the Organization has identified in its be identified for each type of risk. Refer nber of field verifications required in the igh-risk suppliers, such as those supplying m specified risk areas. es either an assessment at the forest-of- liers in the supply chain (such as the mill
	Number of control measures	# of field verifications required
	established by Org. that include field	
	verification	
	All clients with a Controlled Wood	One
	(CW) Risk Assessment	
	One control measure	Two
	Two control measures	Three
	Three control measures	Four
	Four control measures	Five

**Commented [HC1]:** (including audits at the forest level and on-site verification of suppliers in the supply chain), with justification for the sampling rate applied in any type of field verification of the DDS.



Five control measures and above	Discuss scope with BU Leader or	
	KPMG FCSI President to confirm	
	mitigation of risk	

### Summary of the organization's stakeholder consultation process performed according to Annex B for FSC-STD-40-005

The organization did not engage in a formal stakeholder consultation process.

### Summary of stakeholder consultation conducted by the KPMG

Formal stakeholder consultation was not required or completed by KPMG for this surveillance audit.

### Evaluation of the organization's conformity to Corrective action requests (CARs) issued by the certification body in the previous evaluation

The following previous nonconformities are applicable:

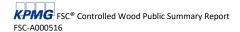
Nonconformity #:	2023-NC-05
Nonconformity type:	MINOR
Standard:	FSC-STD-40-005 V3.1
Clause and requirement:	1.6 The organization shall review, and if necessary, revise its DDS at least annually, and whenever changes occur that affect the relevance, effectiveness, or adequacy of the DDS.
Client procedure:	EMSOP016_CHAIN OF CUSTODY
Description of nonconformity:	During the audit on-site, it was identified that the DDS was reviewed and revised in 2023 as required by the Standard. Since the revision, Mistik has been sourcing fibre from Alberta. Mistik should have updated the DDS to include the new supply area prior to sourcing wood from Alberta. However, as referenced in the DDS, the company must carry out an individual risk assessment in case of purchase outside of Saskatchewan. Mistik provided individual risk assessments for the three properties located in Alberta.
Timeline for conformance:	A minor nonconformity shall be corrected within the maximum period of one (1) year (under exceptional and justified circumstances the timeline may be extended to two (2) years).
Evaluation of corrective action:	Mistik modified the DDS supply area map to include the area added since the last DDS revision that was completed in April 2023. From now on, any changes to the Non-FMA Wood Procurement Area will require an update to the Non-FMA Wood Procurement Area Map.
Status:	Closed

### Summary of nonconformities to FSC-STD-40-005 identified during the current evaluation

No nonconformities were identified during the audit.

### Certification decision

Maintained certification





Mistik Management Ltd. June 26, 2024

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#### Appendix 1: Brief description of the system developed for the evaluation of the DDS

KPMG FCSI's system for evaluating the relevance, effectiveness and adequacy of the due diligence systems (DDS), according to the scope and scale of the organization's operation includes:

Verification of risk designations against available sources of information and applicable requirements Risk designations in National Risk Assessments do not require verification.

Where a Company Risk Assessment (CRA) is applicable, KPMG FCSI shall verify risk designations ensuring that the organization is conducting its risk assessment in accordance with the requirements of FSC-STD-40-005 including properly referencing all sources of information. The verification includes:

- Verifying that the organization is conducting its risk assessment in accordance with the requirements of Annex A (Risk assessment by the organization) of FSC-STD-40-005, including full and proper inclusion of the risk assessment indicators and full and proper referencing of the sources of information in Annex A.
- Verifying that the organization in its risk assessment is fully and properly citing any other relevant information sources cited as required by FSC;
- With respect to Controlled Wood category 3, verifying that the organization has made a clear effort to
  incorporate assessment of all eco-regionally relevant information, including specifically information
  contained on the WWF Wildfinder database respecting ecoregions listed as 'critical/endangered' or
  'threatened':
- Reviewing the information contained in the FSC Global Forest Risk Registry (GFRR) to assess whether any
  of the conclusions on risk (which are at the national rather than provincial or ecoregional scale) for the 5
  CW categories differ from those included in the organization's Risk Assessment, and if so, whether the
  organization's Risk Assessment provides an adequate rationale for those situations where its conclusions
  on risk differ:
- Verify that the information originates from credible, reputable sources and is of a sufficient quality and vintage to be credibly and reliably applied to the risk assessment;
- Where possible, corroborating the evidence provided by the organization against relevant, reliable, credible, reputable independent sources not used by the organization to verify consistency in the information used to designate risk.

#### Verification with a scope and sampling pool relevant to the DDS under evaluation

Control Measures are field verified for adequacy for National Risk Assessments and Company Risk Assessments.

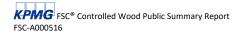
If the organization has established field verification as a control measure, KPMG FCSI shall conduct field verification of a sample of supply units. See also report section: *Justification for the sampling rate applied in any type of field verification of the DDS.* 

Regardless if the organization has established field verification as a control measure, sampling of suppliers is done to confirm mitigation of risk related to origin and risk of mixing of material with non-eligible inputs.

Corroborating evidence provided by the organization with independent sources when possible:

KPMG FCSI shall corroborate evidence provided by the organization by:

- Reviewing all relevant evidence provided by the organization to verify relevance and reliability.
- Verify that the information originates from credible, reputable sources and is of a sufficient quality and vintage
  to be credibly and reliably applied to the risk assessment.
- Where possible, reviewing relevant credible independent sources not used by the organization to verify
  consistency in the information used to designate risk.





#### KPMG FCSI will confirm:

- Documentation of the origin of the material.
- A robust risk assessment conducted by the organization related to origin of the material and related to mixing
  material with non-eligible inputs in the supply chain.
- That the organization has developed and implement adequate control measures.
- That the organization has reviewed and, if necessary, revised the DDS to ensure its relevance, effectiveness or adequacy.