

Forest Management System – Summary Audit Report			
Client name:	PF Olsen Australia Pty Ltd	Certificate #	AFS 619635
Client address	Upper Heidelberg Road, Ivanhoe	Website:	pfolsen.com/au
Audit type:	Certification Assessment	Report date:	6 May 2016
Standard:	AS4708:2013	Auditor:	Ross Garsden
<p>This document provides a summary of the findings contained in a report to this client with respect to the implementation of the client's management system as determined during an audit conducted by BSI.</p>			

Scope of certification:
<p>The management of softwood and hardwood plantations in the Gippsland and Green Triangle regions of Victoria; Tasmania; Kangaroo Island (SA); and the south west of Western Australia.</p> <p>The scope of certification includes:</p> <ul style="list-style-type: none"> • the harvesting and marketing of forest products from these forests for domestic processing and export; and • the management of adjacent areas of native vegetation, which are excluded from wood production and managed primarily for conservation purposes.

Executive summary:
<p>This report presents the findings of a routine surveillance assessment of PF Olsen (Aus) Pty Ltd (PFOA) with respect to the requirements of AS4708:2013. The audit included an assessment of forest management units in WA as well as a review of 'chain of custody' processes with respect to the organisations woodchip export activities. The latter was assessed at the export facility operated by Australian Bluegum Plantations Pty Ltd in Albany WA, and at the company's head office in Ivanhoe, Victoria.</p> <p>PFOA has responded positively to the findings from the previous assessment. All of the issues identified in the previous report have been effectively addressed and are now closed.</p> <p>The audit has identified a number of areas which collectively provide evidence of the company's commitment to continual improvement in both business systems and operational performance. These include:</p> <ul style="list-style-type: none"> - improved system processes, e.g. the utilisation of ProMapp which is now acting as document management system, Mindmap now links to ProMapp - improved map-making functionality, providing capacity to generate operational plans from MapCentral, - the implementation of Noggin - for incident management and contractor monitoring and auditing, - the further development of iPad applications - continuing work on load management - development of the work order system to facilitate operational control - improved activity reporting - with consequent improved accuracy and timeliness - development of personal safety action plans <p>Assessment of plantation sites and operations verified that PFOA is meeting the requirements of AS4708 with respect to the management of forests within its DFA, including areas of adjacent native</p>

vegetation managed primarily for conservation purposes. The utilisation of planned burning of native vegetation is noted as a proactive approach to improve conservation outcomes.

The audit identified a number of areas which demonstrated the effectiveness of the management system, including:

- operational awareness and performance, specifically in relation to productivity and performance, biodiversity and HCV management; use of planned and prescribed burning; soil and water; and roading.
- effectiveness of internal audits and a focus on risk management - e.g. moving to in-field chipping;
- staff training and development (safety monitoring and auditing); and
- initiative and industry leadership and continuing collaborative engagements with other industry players in relation to safety and research.

Issues identified during this audit include:

- management requirements and arrangements for non-office sites;
- determination and management of non-conformances; and
- the relationships between objectives and targets established at various levels within the organisation, and the mechanisms for performance assessment and reporting are unclear.

The audit included a detailed assessment of the 'chain-of-custody' processes embedded within the management system, consistent with the requirements of AS4708. The audit has verified that PFOA can effectively ensure that forest products that are sold or supplied as 'certified' are identifiable as originating from the defined forest area by the provision of appropriate documentation. The management system clearly describes the processes relating to the transport and handling of forest products up to the point of sale or transfer; and PFOA can demonstrate control of the forest products up to that point.

Accordingly the scope statement is being modified to include the marketing of forest products for domestic consumption and export.

I would like to thank the organisation for the constructive participation of all staff involved who assisted in the audit process.

Defined forest area statement

The DFA consists of short rotation, blue gum plantations in 8 Forest Management Units (FMUs) as follows located in Gippsland (Vic), Green Triangle (Vic), Kangaroo Island (SA), Tasmania and Western Australia.

Defined forest area (in hectares):	192,709 ha
Advised to AFS Limited on:	31 March 2016
Certificate expires on:	24 May 2018

Report prepared by:

Ross Garsden	Technical Specialist – Forest Management
<i>Name of person who prepared this report</i>	<i>Position</i>

END OF REPORT