



Domtar Dryden Forestlands EMS Monitoring, Auditing, Compliance and Corrective Actions Policy and Process

Domtar Dryden Forestlands has developed a method of monitoring the environmental performance of our employees, contractors and overlapping license holders through a monitoring, auditing and corrective actions process. This is to check the conformance to the Environmental Management System, the requirements of independent third party forest certification and to all legal requirements allowing for continual improvement. This policy will also ensure that any significant or adverse environmental effects are identified and properly addressed. This policy and the related process apply to all Domtar Forestlands employees, contractors and overlapping license holders.

Contractors who are employed for 3 weeks or less are not required to have a formal audit completed. Monitoring verifications will apply for the duration of their contract. Based on the contractor's past performance records and risk assessment, an EMS formal audit may be required to minimize the risk of non-conformances.

Monitoring Process:

- The Monitoring process applies to all forest activities within the scope of the EMS.
- The frequency of monitoring activities is determined by the past performance of the contractor and issues identified during the course of monitoring activities and/or past issues identified during the course of audits.
- Field verifications are performed and recorded within the following categories:
 - General knowledge requirements (EMS and Emergencies)
 - Equipment requirements (Fuel tanks, Fire season, WHMIS, propane)
 - Applicable Standard Operating Procedures (SOPs)
- Operational field staff are to ensure that a minimum sampling frequency for a contractor reflects the associated risks of the activity, and the contractor's past performance record.

Audit Process:

- Domtar staff will conduct at least one formal, documented EMS audit, per contractor, per active operation, per year, on both license and off license activities (fibre sourcing). This

must include documented interviews, site and equipment inspections. The audits are summarized in formal audit documents and inspection checklists which must be submitted by the forester conducting the audit and kept in Domtar's master file.

- Any audits that do not meet the passing score of 85% are considered a fail and must be re-audited.
- Independent third party certification verification audits will take place annually according to the cycles and scope of the applicable certification standard and a final report will be submitted to Domtar.
- All contractors and overlapping license holders are expected to conduct periodic checks of their operations at regular intervals to ensure compliance and submit any outages to Domtar via the Corrective Action Process outlined below

Corrective Action Process:

The corrective Action process is applicable not only to the Wabigoon and Trout Lake license operations, but also for those operations off license that fall within the scope of the SFI Fibre Sourcing Standard.

- All environmental findings, including those having a significant or adverse effect, discovered through the monitoring process, audit process, day to day activity or through general observations are to be submitted through the Domtar online Incident Hazard Report (IHR) by the Domtar employee or contractor supervisor who has discovered the finding.
- Actions taken must be appropriate to the magnitude of the problems and reflect the severity level of the non-conformance. Not all incidents require a Root Cause Analysis.
- The IHR must be detailed, include corrective actions and may include a root cause analysis to immediately address the finding AND include actions to prevent the incident from reoccurring. Task completion dates and specific owners must be assigned to corrective action items. It is the responsibility of the individual submitting the report to ensure the actions are completed as per assigned timelines
- The IHR report will be populated into a database and completion dates will be monitored to ensure completion

Compliance:

Compliance reporting through the Forest Operations Inspection Program is mandated by the province of Ontario to ensure legal requirements are met and that the Forest Management Plan is followed.

- Only Certified FOIP Inspectors can complete and submit Forest Operations Inspection Reports
- Certified FOIP inspectors complete a Compliance Report for operations (Logging, Roads, Reforestation) according to the 10 year Compliance Plan for each Sustainable Forest License Area
- The inspector submits reports into the FOIP database at regular intervals which then prompts a required approver from Domtar.
- Task Issue Manager will be used in FOIP to track any outstanding issues.

DOCUMENT REVISION HISTORY		
Revision date	Purpose	Completed by
November 6, 2018	Revamp and update of outdated EMS documentation	Dianne Loewen
January 21, 2020	Revision to include monitoring and remove internal audit process	Guy Noel
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