

## Public Notification Letter

### FSC® Chain of Custody Controlled Wood Stakeholder Consultation

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To: Interested Parties

From: SCS Global Services

Consultation period: 01/06/23 – 02/17/23

Re: Notification of intent to audit Fontaine, Inc. against FSC Chain of Custody Controlled Wood standard FSC-STD-40-005 V3-1

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The Forest Stewardship Council® (FSC) requires that a certification body conducting an audit of a certified organization or applicant must consult stakeholders whenever the audit includes intent to source and use uncertified material in an FSC Chain of Custody (CoC) program according to the requirements in FSC-STD-40-005 V3-1 “Requirements for Sourcing FSC Controlled Wood”. Therefore, SCS Global Services (SCS) is seeking input from interested and directly affected stakeholders regarding the relevance, effectiveness, and/or adequacy of Fontaine, Inc.’s Due Diligence System (DDS).

An explanation of ‘FSC Controlled Wood’, as well as a copy of FSC-STD-40-005 V3-1, is available here: <https://ic.fsc.org/en/certification/types-of-certification/controlled-wood-02> ; a copy of this standard is also available from SCS upon request.

Due Diligence Systems are required for certified organizations in order to avoid the sourcing and use of material originating from unacceptable sources in their FSC CoC program.

Directly affected stakeholders include any person, group of persons, or entity that is, with high probability, subject to the effects of the activities related to an organization’s controlled wood sourcing program, including the activities of their suppliers and sub-suppliers, as well as those who influence risk identified through the organization’s Due Diligence System.

***This letter serves as SCS’ invitation to directly affected stakeholders to participate in our consultation process. This letter also serves as SCS’ public notification for any interested stakeholders, who are also invited to participate in the consultation process. Participation in this stakeholder consultation process is voluntary; stakeholders are not required to submit comments.***

#### **Scope of audit and audit details:**

The audit will assess the conformity of the organization’s controlled wood program – including Risk Assessment(s) and DDS – according to the certification requirements as per FSC-STD-40-005 V3-1.

The company’s DDS Public Summary and Risk Assessment (excluding confidential information), as well as any other information or documents deemed relevant for the purpose of this stakeholder consultation, are included as appendices to this letter—see below. For a list of the information that is required to be publically available for stakeholder consultation by SCS, see FSC-STD-40-005 V3-1, Section 6.

**Additional certificate holder information:**

<https://app.powerbi.com/view?r=eyJrljoiN2U3NGMyNWetZTAxNS00MzVhLWExNmMtOThhZjdiYjQ4MWwNkliwidCI6IjEyNGU2OWRiLWVmNjUtNDk2Yi05NmE5LTVkNTZiZWxZDI5MSIsImMiOiI9>

**Options for participation and provision of comments:**

Please submit written comments and evidence (where appropriate) by mail, FAX or email to SCS:

SCS Global Services  
Att'n: Chain of Custody Certification Services  
2000 Powell Street, Suite 600  
Emeryville, CA 94608

Fax: 510-452-6882

Email: [CWStakeholder@SCSGlobalServices.com](mailto:CWStakeholder@SCSGlobalServices.com)

A summary of the stakeholder consultation and comments received will be made publically available on the FSC certificate database, as per FSC-STD-20-011 V4-2. Verbatim comments will only be published with prior consent from the stakeholder and will not be associated with stakeholder names.

Note that, while SCS is required to evaluate all information and comments objectively, SCS certification decisions are affected by stakeholder comments only insofar as the comments provide evidence of conformity or nonconformity to the applicable requirements.

Within 30 days of making our certification decision, SCS will respond to all stakeholders who provided comments to explain how their comments were taken into account.

More information about FSC and SCS can be found on our respective websites: [www.fsc.org](http://www.fsc.org) and [www.scsglobalservices.com](http://www.scsglobalservices.com).

# Forest Stewardship Council® (FSC®) Controlled Wood Due Diligence (DDS) Public Summary Report

Organization:

**FONTAINE Inc.**

**SCS-COC-007595**

66 Fontaine Road  
Stratton, ME  
04982

**August 30, 2021**

Prepared by:



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## DUE DILIGENCE SYSTEM (DDS)

### 1.1 Due Diligence System Development

<b>The DDS was developed by:</b>
<input checked="" type="checkbox"/> The organization
<input type="checkbox"/> An external party
Contact Information of the external party: The DDS was developed internally by Fontaine Inc. (the organization), with the support of Abies Consultants Inc.  Abies Consultants Inc is a consulting firm specialized in sustainable forest management, chain of custody and environmental management system certification.
<b>Justification for excluding confidential information:</b>
Information considered proprietary has been excluded from this public summary report.

### 1.2 Description of changes made to the DDS since the last audit

<input type="checkbox"/> <b>Check if non-applicable</b> (no changes were made since last audit)
Summary of changes made to the organization's DDS System (changes to suppliers' structure, risk assessment, risk designation, mitigation/control measures, etc.):
The organization is currently certified to the FSC Standard for Company Evaluation of Controlled Wood (FSC-STD-40-005 V3-1).  The DDS and risk assessment were modified to ensure compliance with the new requirements of the standard.

### 1.3 Supply Chain Structure (per site)

Site name and ID: Fontaine Inc.	
i) Nb. of suppliers	454 Woburn mill; 22 Stratton mill
ii) Nb. of sub-suppliers	5 Stratton mill; 0 Woburn mill
iii) Suppliers types	Primary & Secondary
iv) Average length of non-FSC supply chain	1.2 supplier
v) Risk of mixing with non-eligible input	Low

#### 1.4 Description of the Due Diligence System

Country	Supply Area	Risk Designation	Type of risk assessment	Name of risk assessment	Reference to applicable control measure
Canada	<b>NA0407</b> Eastern Greast Lakes lowland forests (QC)	Cat 1: Low risk	CNRA	FSC National Risk Assessment for Canada (FSC-NRA-CA V2-1)	
		Cat 2: Specified Risk	CNRA		CM 1
		Cat 3: Specified Risk	CNRA		CM 1, CM4
		Cat 4: Specified Risk	CNRA		CM 1
		Cat 5: Low risk	CNRA		
Canada	<b>NA0410</b> New England Acadian forests (NB, QC)	Cat 1: Low risk	CNRA	FSC National Risk Assessment for Canada (FSC-NRA-CA V2-1)	
		Cat 2: Specified Risk	CNRA		CM 1
		Cat 3: Specified Risk	CNRA		CM 1, CM 4,
		Cat 4: Low risk	CNRA		
		Cat 5: Low risk	CNRA		
USA	Northeastern Region	Cat 1: Low risk	US NRA	FSC National Risk Assessment for the conterminous United States of America (FSC-CNRA-USA V1-0)	
		Cat 2: Low risk	US NRA		
		Cat 3: Low risk	US NRA		
		Cat 4: Low risk	US NRA		
		Cat 5: Low risk	US NRA		

#### 1.5 Procedure for filling complaints

Procedure for filling complaints
<p>The procedure for filling complaints is based on the requirements as specified in FSC-STD-40-005 V3-1.</p> <p><b>Complaints Procedure</b></p> <p>Fontaine Inc. has developed and implemented a documented procedure to handle comments and complaints from stakeholders that are related to the document control system. The procedure includes mechanisms:</p> <ol style="list-style-type: none"> <li>Fontaine Inc. will acknowledge receipt of all complaints;</li> <li>Stakeholders will be informed of the complaint procedure, and an initial response will be provided to complainants within a time period of two (2) weeks;</li> <li>Complaints related to risk designations in the relevant FSC risk assessment will be forwarded to the responsible body.</li> <li>A preliminary assessment will be conducted to determine whether evidence provided in a complaint is or is not substantial, by assessing the evidence provided against the risk of using material from unacceptable sources;</li> </ol>

- e) A dialogue will be initiated with complainants that aims to solve complaints assessed as substantial before further actions are taken;
- f) Substantial complaints will be forwarded to the certification body and relevant FSC National Office for the supply area within two (2) weeks of receipt of the complaint. Information on the steps to be taken by the organization in order to resolve the complaint, a precautionary approach will be used that will include the complaint;
- g) Fontaine Inc. will employ a precautionary approach towards the continued sourcing of the relevant material while a complaint is pending; NOTE: This includes a description of how the precautionary approach is employed by the organization when a complaint is active. A complaint is pending if it has been considered to be substantial (according to Clause 7.2 d), and effective corrective action (according to Clauses 7.2 h-k) has not yet been taken.
- h) A verification process has been implemented (e.g. field verification and/or desk verification) for a complaint assessed as substantial within two (2) months of their receipt;
- i) Fontaine Inc. will determine the corrective action to be taken by suppliers and the means to enforce its implementation by a supplier if a complaint has been assessed and verified as substantial. If a corrective action cannot be determined and/or enforced, the relevant material and/or suppliers shall be excluded;
- j) Fontaine Inc. will then verify whether corrective action has been taken by suppliers and its effectiveness;
- k) Fontaine Inc. will exclude the relevant material and suppliers if no corrective action is taken;
- l) Fontaine Inc. will inform the complainant, the certification body, and the relevant FSC National Office of the results of the complaint and any actions taken towards its resolution, and maintain copies of relevant correspondence; and
- m) Fontaine Inc. will record and file all complaints received, and actions taken.

#### 1.6 Contact Person for Complaints

Contact information of the person responsible for addressing complaints	
Name:	M. Trevor Lewis
Address:	66 Fontaine Road, Stratton, ME 04982 850 rue Fontaine, Woburn, Québec, G0Y 1R0
Email:	<a href="mailto:tlewis@timber-resource.com">tlewis@timber-resource.com</a>

#### 1.7 Control Measures Implemented

Not applicable (All sourcing areas are low risk and risk of mixing is low)		
No.	Type	Control measures

2.3	FSC Recommended	<p>Applicable in Canada only:</p> <p>CM 1: Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not oppose the Forest Management Plan.</p> <p>There is evidence of opposition to the forest management plan on Crown Lands in New Brunswick by the Mi'kmaq and Wolastoqey First Nations. However, there is no evidence of such opposition on private woodlots and industrial freehold lands.</p>
3.1	FSC Mandatory	<p>Applicable in Canada only:</p> <p>Eastern Great lakes lowland forests:</p> <ul style="list-style-type: none"> <li>• American ginseng</li> <li>• Wood turtle</li> </ul> <p>New England Acadian forest</p> <ul style="list-style-type: none"> <li>• Lake Utopia Rainbow Smelt</li> <li>• Furbish's Louseworth</li> <li>• Blanding's turtle (Nova Scotia population)</li> <li>• Van Brunt's Jacob's-Ladder</li> </ul> <p>CM 1: Evidence demonstrates that harvesting does not take place in critical habitats for specified risk species.</p> <p>CM 4: Applicable to SLIMF only. In some case, owners and/or managers of privately-owned forests are informed about:</p> <ul style="list-style-type: none"> <li>• The critical habitats of species within their managed forests; AND</li> <li>• The threats to the critical habitat; AND</li> <li>• Best management practices to reduce threats to critical habitat; AND</li> <li>• Applicable legislation</li> </ul>

4.1	FSC Mandatory	<p>Controlled wood CATEGORY 4 - Wood from forests being converted to plantations or non-forest use. Risk Assessment Indicator: 4.1 – Net conversion of natural forests to plantations or non-forest use is less than 0.02% or 5000 hectares on average for the past 5 years. Risk Designation: Canada: Specified Risk for the following reporting zones: • Boreal Shield East (outside of the procurement area) • Boreal</p>
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		<p>plains (outside of the procurement area) • Mixedwood Plains</p> <p>Low-Risk for all other reporting zones. More relevant in the Canadian context is the evaluation of conversion of natural forests to non-forest use, or 'deforestation'. In Three reporting zones exceeded the 0.02% or 5,000 ha deforestation threshold: the Boreal Shield East (BSE), Boreal Plains (BP) and Mixedwood Plains (MP). Therefore, Specified Risk is met for these reporting zones.</p>
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### 1.8 Summary of Stakeholder Consultation Process

<input checked="" type="checkbox"/> <b>Not applicable</b> (Stakeholders consultation is not required as a control measure)	
Area for which Stakeholder Consultation was conducted:	
Number of stakeholders invited to participate:	
Summary of stakeholder comments:	
Summary of how comments were taken into account:	
Justification/Conclusion:	

### 1.9 Engagement of Experts by the Organization for Risk Assessment and Control Measures

<input checked="" type="checkbox"/> <b>Not applicable</b> (The organization's own control measures do not require the engagement of experts. See FSC-STD-40-005 V3 requirement 4.9)			
Name	Qualification	License/Registration	Scope of service

### 1.10 Field Verification by the Organization – Summary of Findings

<input checked="" type="checkbox"/> <b>Not applicable</b> (The organization's control measures do not require field verification)	
Justification for sampling rate:	
Summary of findings:	
Steps taken to address identified non-conformities:	
Justification for exclusion of confidential information:	

### 1.11 Field Verification of Suppliers by the Organization – Summary of Findings

<input checked="" type="checkbox"/> <b>Not applicable</b> (The organization's control measures do not require field verification of suppliers)	
Justification for sampling rate:	

Summary of findings:	
Steps taken to address identified non-conformities:	
Justification for exclusion of confidential information:	

1.12 Extension request for using approved FSC risk assessments

<input checked="" type="checkbox"/> <b>Check if non-applicable.</b> (The organization has not requested an extension of the 6 months deadline)	
Country:	
FSC Risk Assessment approval date:	
6 month timeline deadline:	
New deadline (up to 2 months extension):	
Circumstance beyond the control of the organization:	