Mitsui Bussan Woodchip Oceania Pty Ltd Forest Stewardship Council® Certification

Publicly available information

FSC license code FSC-C107463

The following documents are made available by MWO for public review

1. MWO FSC® Chain of Custody Policy
2. MWO Controlled Wood Policy
3. MWO FSC® Complaints Mechanism
4. MWO FSC® Product Group List
5. MWO Controlled Wood Due Diligence System Summary
6. MWO Controlled Wood Field Audit Results

The documents are available for public review at the reception of MWO's office located at level 15, 120 Collins St, Melbourne, Victoria
Mitsui Bussan Woodchip Oceania Pty Ltd Forest Stewardship Council® and Australian Forestry Standard Chain of Custody Policy

General Statement

Mitsui Bussan Woodchip Oceania Pty Ltd (MWO) is a woodchip sales agent and investor in plantation companies and woodchip processing companies. MWO handles woodchip from FSC® Certified plantations, AFS certified plantations and non-certified plantations. Through our CoC management system, MWO is committed to maintaining the integrity of both FSC® certified product and AFS (PEFC) certified product to protect the interests of both our customers and suppliers.

Control System

MWO has adopted the transfer system to maintain the integrity of the products that it trades. The transfer system allows outputs to be sold with a claim that is identical to the material supplied to MWO.

Product Type

MWO trades the product type woodchip (W 3.1)

Product Group

MWO trades in FSC® 100%, FSC® Mix, FSC® Controlled Wood and PEFC CoC (percentage method)

FSC® Mix tracking system

MWO uses the transfer system to track the volume of FSC® certified wood in each claim period.

Claim Period

MWO operates under a claim period of one shipment

Standard

MWO operates under the relevant FSC® Chain of Custody standard and the relevant AFS standard (AS 4707:2014)

Relevant Site

Level 15, 120 Collins St Melbourne, Victoria, Australia

Chain of Custody Policy Statement V10 August 2018
FSC® certificate numbers
Certificate code: SCS-COC-005216
CW Code: SCS-CW-005216
Issued: 3/08/2016
Expiry: 2/08/2021

AFS certificate numbers
Certificate Code: SCS-PEFC/COC-005216
Issued: 31/08/2015
Expiry: 30/08/2020

Signature

Yasuhiro Yamano
Name

Managing Director
Position

26 September 2018
Date

Chain of Custody Policy Statement V10 August 2018
Mitsui Bussan Woodchip Oceania Pty Ltd Forest Stewardship Council® Controlled Wood Policy

General Statement

Mitsui Bussan Woodchip Oceania Pty Ltd (MWO) is a woodchip sales agent and investor in plantation companies and woodchip processing companies. MWO deals in woodchip from FSC® certified plantations, AFS certified plantations and non-certified plantations. MWO makes best endeavours to avoid trading in wood or wood fibre which is:

a) Illegally harvested wood;

b) Wood harvested in violation of traditional and civil rights;

c) Wood harvested in forests where high conservation values are threatened by management activities;

d) Wood harvested in forests being converted to plantations or non-forest use;

e) Wood from forests in which genetically modified trees are planted.

MWO is committed to maintaining the integrity of FSC® certified product to protect the interests of both our customers and suppliers.

MWO has signed an FSC self-declaration (FSC-POL-01-004) which states that MWO is not directly or indirectly involved in the following activities:

1. Illegal logging or the trade in illegal wood or forest products;
2. Violation of traditional and human rights in forestry operations;
3. Destruction of high conservation values in forestry operations;
4. Significant conversion of forests to plantations or non-forest use;
5. Introduction of genetically modified organisms in forestry operations;
6. Violation of any of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.

The MWO FSC Controlled Wood policy and self-declaration are available for public review at the office of MWO at 120 Collins St, Melbourne, Victoria, Australia.

Control System

MWO has adopted the transfer system to maintain the integrity of the products that it trades. The transfer system allows outputs to be sold with an FSC® claim that is identical to the material supplied to MWO.

Product Type

MWO trades the product type woodchip (W 3.1)

Product Group

MWO trades in FSC® Controlled Wood

Claim Period

Controlled Wood Policy V5 June 2016
MWO operates under a claim period of one shipment

**Standard**

MWO operates under the relevant FSC® Controlled Wood standard

**Relevant Site**

Level 15, 120 Collins St Melbourne, Victoria, Australia

**FSC® certificate numbers**

Certificate code: SCS-CW-005216

Issued: 02/07/2015

Expiry: 02/08/2016

[Signature]

Yasuhiro Yamano

Name

**Managing Director**

Position

11/7/2016

Date

Controlled Wood Policy V5 June 2016
Mitsui Bussan Woodchip Oceania Pty Ltd Forest Stewardship Council® Certification Controlled Wood and Australian Forestry Standard Chain of Custody Complaints Mechanism

Mitsui Bussan Woodchip Oceania Pty Ltd (MWO) is a woodchip sales agent and investor in plantation companies and woodchip processing companies. MWO deals in woodchip from FSC® certified plantations, AFS certified plantations and non-certified plantations. MWO makes best endeavours to avoid trading in wood or wood fibre which is;

a) Illegally harvested wood
b) Wood harvested in violation of traditional and civil rights
c) Wood harvested in forests where high conservation values are threatened by management activities
d) Wood harvested in forests being converted to plantations or non-forest use
e) Wood from forests in which genetically modified trees are planted.

And;

a) do not comply with local, national, or international legislation applying to forest related activities
b) do not comply with legislation of the country of harvest relating to trade and customs, in so far as the forest sector is concerned
c) use genetically modified forest based organisms
d) convert native forest to other vegetation types, including conversion of native forest to plantations.

MWO is committed to maintaining the integrity of both AFS and FSC® certified product to protect the interests of both our customers and suppliers.

This complaints mechanism is designed to allow stakeholders to make complaints against MWO in regards to its supplies of Controlled Wood and AFS certified wood.

Responsibility

Responsibility for this complaints mechanism lies with the Manager of MWO.

The Manager
Mitsui Bussan Woodchip Oceania Pty Ltd
Level 15, 120 Collins St, Melbourne, Victoria, Australia
Ph: 03 9605 8853

Complaints Procedure

All complaints against MWO should be lodged using the following process;

1. The complaint is to be lodged in writing, addressed to the Manager at the address above. The complaint should include as much detail as possible, including all evidence to support the complaint.

2. The Manager will assess the complaint and all evidence provided and respond to the complainant within two weeks of the complaint being received by the Manager.
   a. Should a field visit be required to assess the evidence, this will take place within two months of the complaint being received by the Manager.

3. Should the investigation by the Manager conclude that a supplier of MWO has failed to comply with either the FSC® Controlled Wood requirements or the AFS Chain of Custody requirements;

Version 3. 24 August 2018
a. MWO will no longer accept invoices from that supplier that contain claims that material is FSC® Controlled Wood or AFS certified wood.

b. MWO will only accept invoices stating the material is either FSC® Controlled Wood or AFS certified wood once the supplier can prove to MWO that it is in full compliance with all requirements of the FSC® Controlled Wood or AFS requirements.

4. The Manager will keep records of all complaints and actions taken.

5. Should the Manager conclude that a supplier is in breach of the FSC® Controlled Wood requirements, they will inform FSC® Australia as well as MWO’s certifying body about the non-compliance.
Mitsui Bussan Woodchip Oceania Pty Ltd Forest Stewardship Council® Product Group List

Product Group
MWO trades in the product groups FSC® 100%, FSC® Mix and FSC® Controlled Wood

Product Type
MWO trades in the Product Type Woodchip (W 3.1)

Input Material
FSC® 100%, FSC® Mix or FSC® Controlled woodchips

Control Mechanism
MWO uses the transfer system of control

Species
MWO trades in Eucalyptus globulus (Tasmanian Blue Gum), Pinus radiata (Radiata Pine), and Acacia mangium (Mangium Wattle).

Version 3. August 2015
# Appendix 4 – MWO risk assessment summary

<table>
<thead>
<tr>
<th>Section</th>
<th>Findings</th>
<th>Risk level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Evidence of enforcement of logging related laws in the district.</td>
<td>Low risk</td>
</tr>
<tr>
<td>1.2</td>
<td>There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.</td>
<td>Low risk</td>
</tr>
<tr>
<td>1.3</td>
<td>There is little or no evidence or reporting of illegal harvesting in the district of origin.</td>
<td>Low risk</td>
</tr>
<tr>
<td>1.4</td>
<td>There is a low perception of corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood trade.</td>
<td>Low risk</td>
</tr>
</tbody>
</table>

| 2.1     | There is no UN Security Council ban on timber exports from the country concerned. | Low risk |
| 2.2     | The country or district is not designated a source of conflict timber (E.g. USAID Type 1 conflict timber). | Low risk |
| 2.3     | There is no evidence of child labor or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned. | Low risk |
| 2.4     | There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned. | Low risk |
| 2.5     | There is evidence of no violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned. | Low risk |
3. Wood harvested from forest in which high conservation values are threatened by management activities
The district of origin may be considered low risk in relation to threat to high conservation values if:
a) indicator 3.1 is met; or
b) indicator 3.2 eliminates (or greatly mitigates) the threat posed to the district of origin by non-compliance with 3.1.

Findings

MWO found various resources which identified that high conservation values do exist on the Tiwi Islands and that these HCVs could potentially be impacted by management activities including:
Consistent with the FSC Australia risk assessment matrix, MWO found category 3 to be "unspecified risk".

Risk level

Unspecified risk

3.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten ecologically significant high conservation values.

Unspecified risk

3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the eco-region.

4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses
The district of origin may be considered low risk in relation to conversion of forest to plantations or non-forest uses when the following indicator is present:
[Note: the change from plantations to other land uses is not considered as conversion].

Findings

MWO followed the guidance in FSC-STD-40-005 V3.1 Annex A and found there was no reference material from the examples of sources of information listed by FSC which conclusively showed that Tiwi Islands is subject to forest conversion. However knowledge of the Tiwi Islands recent history and a specific reference to conversion on Tiwi Islands in the FSC Australia national risk assessment matrix indicates that conversion has occurred on the Tiwi Islands. Based on the risk assessment, category 4 remains “unspecified risk”.

Risk level

Unspecified risk

4.1 There is no net loss AND no significant rate of loss (> 0.5% per year) of natural forests and other naturally wooded ecosystems such as savannas taking place in the eco-region in question.

5. Wood from forests in which genetically modified trees are planted
The district of origin may be considered low risk in relation to wood from genetically modified trees when one of the following indicators is complied with:

Findings

The FSC National Risk Assessment Matrix (FSC-CWRA-001-AUS Version 1.0) has found this category to be Low Risk. As per clause 3.1 of FSC-STD-40-005 V3.1, the national risk assessment determination shall be adopted

Risk level

Low risk

a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned. OR
b) Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use OR
c) It is forbidden to use genetically modified trees commercially in the country concerned

Low risk
Publicly Available Information for FSC Controlled Wood Certificate Holders

INSTRUCTIONS

FSC® requires that organizations track their controlled material and publish specific findings. This form helps you meet the requirements in Section 6 of FSC-STD-40-005 V3-0 “Publically Available Information”.

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Mitsui Bussan Woodchip Oceania Pty Ltd (MWO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSC COC Certificate Number</td>
<td>SCS-COC-005216</td>
</tr>
</tbody>
</table>

| Name of Authorized Representative (Contact information for person or position responsible for addressing complaints) | The Manager  
Mitsui Bussan Woodchip Oceania Pty Ltd  
Level 15, 120 Collins St, Melbourne, VIC 3000, Australia  
Ph: 03 3605 8853 |

<table>
<thead>
<tr>
<th>Procedure for filing complaints</th>
<th>MWO has a comprehensive complaint mechanism. Below is the summary of the complaint mechanism:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note: for further details on complaints procedure, see section 7 in FSC-STD-40-005 V3-0</td>
<td>1. The complaint is to be lodged in writing, addressed to the Manager at the address above. The complaint should include as much detail as possible, including all evidence to support the complaint.</td>
</tr>
<tr>
<td>2. The Manager will assess the complaint and all evidence provided and respond to the complainant within two weeks of the complaint being received by the Manager.</td>
<td></td>
</tr>
<tr>
<td>3. Should the investigation by the Manager conclude that a supplier of MWO has failed to comply with the FSC®</td>
<td></td>
</tr>
</tbody>
</table>

1 This document is meant as guidance only, utilization of templates and guidance documents is no guarantee of conformity with FSC requirements. It is your organization’s responsibility to conform to relevant FSC requirements.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlled Wood requirements, appropriate actions will be taken depending on the nature and severity of the failure.</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>The Manager will keep records of all complaints and actions taken.</td>
</tr>
<tr>
<td>5.</td>
<td>Should the Manager conclude that a supplier is in breach of the FSC® Controlled Wood requirements, they will inform FSC® Australia as well as MWO’s certifying body about the non-compliance.</td>
</tr>
<tr>
<td>Risk Assessment Summary</td>
<td></td>
</tr>
<tr>
<td>-------------------------</td>
<td></td>
</tr>
<tr>
<td>In the case that there are multiple risk assessments, copy and paste this table below for each assessment.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description of Supply Area</th>
<th>Melville Island, Tiwi Islands, Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference to the applicable Risk Assessment</td>
<td>FSC National Risk Assessment Matrix (FSC-CWRA-001-AUS Version 1.0)</td>
</tr>
</tbody>
</table>

Submit applicable risk assessment (excluding confidential information) in a separate document

### Risk Designations Summary

For any category not rated as "Low" please fill in control measures by risk assessment indicator

In order to select a checkbox, "double-click" on the box, and select default value as "checked".

**Overall Risk Designation for the Supply Area**

<table>
<thead>
<tr>
<th>Category</th>
<th>Risk</th>
<th>Control Measures per indicator (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Illegally harvested wood</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Risk Designation:</td>
<td>unspecified</td>
<td>Low</td>
</tr>
<tr>
<td>Control Measures per indicator (if applicable)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>1.2</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>1.3</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>1.4</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>2. Wood harvested in violation of traditional and human rights</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Risk Designation:</td>
<td>unspecified</td>
<td>Low</td>
</tr>
<tr>
<td>Control Measures per indicator (if applicable)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>2.2</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>2.3</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>2.4</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>2.5</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>3. Wood harvested from forests in which high conservation values are threatened by management activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Risk Designation:</td>
<td>unspecified</td>
<td>Low</td>
</tr>
<tr>
<td>Control Measures per indicator (if applicable)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk mitigation strategy and control measures developed based on FSC High Conservation Values Evaluation Framework, an approved document in FSC-PRO-60-002b List of FSC Approved Controlled Wood Documents.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>3.2</td>
<td></td>
<td>unspecified</td>
</tr>
<tr>
<td>4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control Measures (if applicable)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control measures developed based on recommendations in Annex E – Development Guidance and Examples of Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td></td>
<td>unspecified</td>
</tr>
</tbody>
</table>

Version 1-1 (November 2016) | © SCS Global Services
<table>
<thead>
<tr>
<th>Measures of FSC-STD-40-005 V3.1 Requirements for Sourcing FSC Controlled wood.</th>
<th>5</th>
<th>☑️ Unspecified ☑️ Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Wood harvested from forests in which genetically modified trees are planted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control Measures (if applicable)</td>
<td>5</td>
<td>☑️ Unspecified ☑️ Low</td>
</tr>
<tr>
<td>Stakeholder Consultation Summary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ N/A No stakeholder consultations conducted</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Summary of the consultation process(es) performed according to Annex B of FSC-STD-40-005 V3**

Stakeholder consultation has been planned for a 6-week period from late July to early September 2017. Stakeholders would be notified and invited to participate in the consultation through letters and/or emails. Stakeholders are encouraged to provide feedback via mail, email, and phone. MWO will respond to stakeholders who provided feedback within 60 days after the end of consultation period to advise how their comments were taken into account. MWO will prepare a summary of the consultation within an appropriate timeframe after the consultation process has been completed.
<table>
<thead>
<tr>
<th>Expert Engagement Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information on the engagement of one or more experts in the development of control measures in accordance with Annex C of FSC-STD-40-005 V3</td>
</tr>
</tbody>
</table>

Note: For individual experts this includes the names of the experts, their qualifications, their license/registration number (if applicable), and the scope of their services. For publicly available expertise, the specific sources of information shall be cited.

<table>
<thead>
<tr>
<th>Name: Ms Kate Hadden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualification: Bachelor of Science (Biology and Environmental Science)</td>
</tr>
<tr>
<td>Awards:</td>
</tr>
<tr>
<td>- 2002 RIRDC NT Rural Woman of the Year</td>
</tr>
<tr>
<td>- 2006 McKell Medal for excellence and achievement in natural resource management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Experience:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 29 years experience in natural resource management in the Northern Territory;</td>
</tr>
<tr>
<td>- 25 in Aboriginal communities;</td>
</tr>
<tr>
<td>- 22 on the Tiwi islands</td>
</tr>
</tbody>
</table>

Scope of service: To review control measures for controlled wood categories 3.
Summary of Field Verification

(undertaken as a control measure)

<table>
<thead>
<tr>
<th>N/A No field verifications conducted as control measures</th>
</tr>
</thead>
</table>

A summary of the organization’s findings from field verification undertaken as a control measure, and steps taken by the organization to address identified non-conformities where they occurred, unless confidential. The organization shall provide a justification for the exclusion of confidential information.

Note: The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information, and the names of individual landholders may be treated as confidential.

MWO conducts periodical field verification audit on the supply unit on Melville Island. Below a summary of the findings from the most recent audit conducted in July 2016:

- Feedback from stakeholders were verified during the audit. There was no evidence to suggest non-compliant.
- Controlled Wood Category 3 (HCV) was found to be well managed and compliant with Controlled Wood standard.
- There was no evidence to suggest forest conversion due to management activities.
- Supplier has a comprehensive Harvest plan. HCV issues were well covered.
- There were adequate documentation for traceability to the origin of the material.

The next field verification audit has been scheduled in September 2017.
FSC Controlled Wood field verification audit record

MWO field auditor: Lachlan Cook

Date/s of Audit: 13/08/2017 – 14/08/2017

Key TPC/TPC contractor contact: Sarah Ryan, Josh Mitchell

Stakeholders contacted pre audit:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Organisation</th>
<th>Date contacted</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kate Haddon</td>
<td>Tiwi Land Council</td>
<td>2/7/2017</td>
<td>Consideration of treeless plains</td>
</tr>
<tr>
<td>Kevin O'Grady</td>
<td>Pinnacle Quality</td>
<td>5/8/2017</td>
<td>FPIC related to indigenous peoples consent (from another stakeholder who has not contacted MWO)</td>
</tr>
</tbody>
</table>

Stakeholders contacted during audit:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Organisation</th>
<th>Date contacted</th>
<th>Feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gibson Illortamini</td>
<td>Tiwi Land Council</td>
<td>13/9/2017</td>
<td>Some Tiwi families are asking when they can get paid stumpages for trees harvested on their land. Some TLC members are asking when more Tiwi people can occupy more highly skilled jobs on the island.</td>
</tr>
</tbody>
</table>

Key areas to be audited:

1. Specific stakeholder concerns

Kate Haddon
Protection of adjacent native forest communities, in particular – treeless plains. MWO visited the only identified site where treeless plains exist directly adjacent to plantations. Management procedures prohibit operations inside adjacent native vegetation. Site conditions would largely prevent such incursions in any case.

Kevin O'Grady
Free and Prior Informed Consent as it relates to indigenous consent to management activities TPC (Via PMP) obtain the consent of the relevant family group prior to commencing any operations within the Supply Area. Sighted examples of such consents.

Gibson Illortamini
Further communication with Gibson indicates that this issue may relate to the relative payments being made to one family group compared to another and is directly related to which land trees are being harvested from (ie one family group has no harvesting on their land so are getting less payments than another family group from who's land trees are being harvested). Payments to land owners are not considered to be directly applicable to the Standard. Payments are a commercial consideration which
may be confidential information. However MWO will make enquiries to TPC on this issue to establish if issue is relevant to the Standard.

Regarding the employment of Tiwi people in more skilled positions, MWO understands that the Tiwi population generally lacks the specialized skills required to operate harvesting machinery safely and effectively. TPC is actively promoting training on such machines internally. MWO does not consider this issue to be material at this time but will continue to monitor the number of Tiwi on specialized machinery.

**Conclusion:** where concerns raised are relevant to the Standard, the 2017 audit results have led MWO to conclude that TPC is complying with the Standard on all counts.

2. **Does the supplier have a comprehensive Management Plan and or/ Harvest plan?**
   Yes. Sighted in the field. HCV issues well covered.
   **Conclusion:** compliant with the Standard.

3. **Does the supplier have adequate transport documents/system to demonstrate the district of origin of the woodchips being delivered to the port?**
   Yes. Sighted delivery dockets in the field when truck operator was stopped at port and sighted recording of delivery data on PMP systems.
   **Conclusion:** compliant with the Standard

4. **HCV 1**
   a. **Has the forest manager identified HCVs in the relevant area (refer HCV list in Appendix 7)?**
      Yes. Relevant HCV’s described and identified in harvest plan. Harvest crew inducted in harvest plan and aware of appropriate management actions if spotted.
   b. **Does the forest manager have plans to protect or enhance those HCVs?**
      Yes. Demonstrated in harvest plan and other HCV management initiatives such as Red goshawk management, hooded owl monitoring and proposed Butler’s dunnart research (awaiting resources from Charles Darwin University).
   c. **If a previously unidentified HCV is identified in the field, does the forest manager have a system for protecting those HCVs?**
      Yes. Work to stop and Environment manager to be consulted.
   d. **Does the supplier have a plan for managing pest plants and animals?**
      Yes. Sighted planning for mission grass management, fire ant management, cane toad management, and other feral animal management.
   e. **Does the supplier have a plan for managing fire?**
      Yes. Sighted in paperwork and inspected field sites to verify.
   **Conclusion:** compliant with the Standard

5. **HCV 2**
   a. **If plantations are immediately adjacent to rainforest patches (see Directory note for NT-TSP-3), does harvesting allow an increased amount of natural light to enter rainforest patches?**
NA. No plantations immediately adjacent to RF. Where incursions (previously identified and actions taken/underway as per EPBC Act) exist, plantation is not close enough to rainforest to cause light issues as a result of harvest.

b. If plantations are immediately adjacent to treeless plains, does harvesting or other management impact the treeless plains?
Management practices do not appear to be impacting adjacent treeless plains. Management procedures appear to be adequate.

c. Is wilding control measures in place and being implemented effectively?
PMP have identified and self-reported non-conformances regarding the manpower dedicated to wilding control. However, management practices appear to be satisfying the underlying EPBC condition regarding reducing the seed sources of Acacia mangium and preventing the spread of Acacia mangium.

6. HCV 3

a. Harvesting machinery/felling is not entering natural forest adjacent to plantation;
No

b. Other operations such as spraying or slash burning are not causing significant impacts to natural forest;
No. sighted SOP's, QA and site inspection confirmed no escape of slash burns or spray drift. Noted that slash piles have been lit by arsonists.

c. Soil erosion controls are adequate to stop significant amounts of silt/soil material entering natural forests/estuaries;
Yes. Sighted SOP and verified in the field. Sighted PMP documents showing sediment monitoring in drainage lines/watercourses adjacent to previously harvested sights during wet season.

d. Plantations being harvested do not constitute a significant corridor or connection between significant biodiversity values.
NA

**Conclusion:** compliant with the Standard

7. HCV 4

a. Does the supplier have protocols in place to identify and manage soil erosion?
Yes. Sighted SOPs 13a-d regarding road construction, monitoring, maintenance and repair and verified in the field. Note that harvest supervisor was not aware of erosion control measures in the field. The harvest supervisor was a new employee and had not experienced rain on the island since beginning employment. However, a knowledge of soil erosion measures is considered by MWO to be a minimum requirement upon induction into the role considering the monsoonal nature of the Supply Area.
During the audit, MWO and its CB witnessed heavy monsoonal rain inundating harvest roads (in a matter of minutes) which led to harvest and haulage operations being suspended.

b. Does the supplier have evidence of water catchments which feed significant wetlands? If so are there adequate management practices in place to protect these wetlands?
NA. Current activities not in such a catchment.

c. Are plantations within designated drinking water catchments and if so are these being adequately protected?
NA. No plantations within drinking water catchments.

**Conclusion:** Observations noted relating to erosion risk. However, overall audit result is that TPC is compliant with the Standard
8. HCV 5
   a. Are there any issues relating to basic/subsistence needs?  
      No.
      **Conclusion:** compliant with the Standard

9. HCV 6
   a. Does plantation management impact Tiwi culture in any way?  
      No negative impact observed. Positive impact related to empowerment and employment noted.
   b. Has the supplier taken steps to address any potential impacts of plantation management on Tiwi culture?  
      NA
   c. Do Tiwi people have rights to access or transit through the Supply Area for cultural purposes? If so how do management activities affect this, if at all?  
      Some harvest roads also lead to cultural or recreational sites for Tiwi community. Roads may be temporarily blocked during harvest to ensure the safety of the community. No negative impact observed or anticipated.
      **Conclusion:** compliant with the Standard

10. Forest conversion
    a. Online research showed conversion activity? No
    b. Woodchip characteristics suggest conversion? No
    c. Supplier indicates conversion? No
    d. Field evidence of conversion? No
    **Conclusion:** compliant with the Standard

Other notes:
- Sighted stakeholder consultation record. It appears to be comprehensive. S/H engagement focused on Munupi land owners due to the fact that all harvesting activity is on Munupi land. All other land owning groups consulted prior to each management activity (such as firebreak spraying). This is consistent with the 2016 field audit.

**Recommendations to the forest manager:**

Consistent with 2016 - develop pictographic/diagrammatic material to be used for community consultation. Suggestion by PMP to put this in the Tiwi newsletter is a good idea also.

Consistent with 2016 - include Mitsui’s contact details in the Tiwi newsletter so that any stakeholder with any issues can contact Mitsui anonymously.

Consider if new staff induction process covers all items effectively in light of the harvest manager not having a complete understanding of erosion control measures.