

Certified by:



Filosoofi 31  
50108 Tartu  
Estonia  
[www.Preferred by Nature.net](http://www.Preferred by Nature.net)

Certification Managed by:

Preferred by Nature  
Tel: 207-974-8849  
Contact person: Kate Locke  
Email:  
[klocke@preferredbynature.org](mailto:klocke@preferredbynature.org)

SmartLogging  
**2023 annual audit**  
Report for:  
**The Trust to  
Conserve Northeast  
Forestlands**  
in  
Augusta, Maine, USA

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Certificate code:	<b>NC-SL-000001</b>
Auditors:	<b>Kate Locke; Lead auditor</b>
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Operation Contact: Address:	<b>Ted Wright 108 Sewall Street Augusta, ME 04332</b>

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# 1. INTRODUCTION

The purpose of this report is to document annual audit conformance of **The Trust to Conserve Northeast Forestlands**, hereafter referred to as SmartLogging Operation (SLO). The report presents the findings of PREFERRED BY NATURE auditors who have evaluated company systems and performance against the SmartLogging standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the SLO through corrective action requests.

PREFERRED BY NATURE audit reports include information which will become public information. Sections 1-3 will be posted on PREFERRED BY NATURE's website. All appendices will remain confidential.

Dispute resolution: If PREFERRED BY NATURE clients encounter organizations or individuals having concerns or comments about PREFERRED BY NATURE and our services, these parties are strongly encouraged to contact PREFERRED BY NATURE regional or Headquarters offices directly (see contact information on report cover). Formal complaints or concerns should be sent in writing.

## 2. AUDIT FINDINGS AND RESULTS

### 2.1. Audit conclusion

<b>Based on the SLO's conformance with SmartLogging requirements, the audit team makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	<b>Certification requirements <u>met</u>; certificate maintenance recommended</b> Upon acceptance of NCR(s) issued below
<input type="checkbox"/>	<b>Certification requirements <u>not met</u>:</b> Conformance with Major NCR(s) required
Additional comments:	
Issues identified as controversial or hard to evaluate.	

### 2.2. Changes in the SLO operation, structure, group membership, etc.

Total group members: 114

Other changes to the operation or structure of the group: Group management has remained the same.

### 2.3. Conformance with applicable corrective action requests

The section below describes the activities of the certificate holder to address each applicable corrective action request issued during previous evaluations. For each NCR a finding is presented along with a description of its current status. Failure to meet NCRs will result in nonconformances being upgraded from minor to major status with conformance required within 3 months with risk of suspension or termination of the PREFERRED BY NATURE certificate if Major NCRs are not met. The following classification is used to indicate the status of the NCR:

NCR Status Categories	Explanation
<b>Closed</b>	Certified operation has successfully met the NCR and addressed the underlying nonconformance.
<b>Open</b>	Certified operation has <u>not met</u> the NCR; underlying nonconformance is still present. NCR becomes a Major NCR with a 3-month deadline for conformance

### 2.4. New corrective actions issued as a result of this audit

	<b>NC Classification: minor</b>
<b>Standard &amp; Requirement:</b>	SmartLogging Group Certification Standard, Version 1; Indicator 7.3
<b>Report Section:</b>	Appendix V
<b>Description of Non-conformance and Related Evidence:</b>	
<p><u>Requirement:</u> 7.3 As a minimum requirement the group manager shall carry out a site evaluation for each member within the scope of the group certification at least once annually.</p> <p><u>Finding:</u> TCNEF Internal Manual defines a minimum site evaluation of group members by the SLO of at least 25% of the group annually and each member every four years. This is not consistent with this criterion, which requires site visits to all group members annually. Interviews with loggers confirmed that not all group members are visited annually. The auditor finds this to be a non-conformance with the standard. <b>NCR 1/23</b></p>	
<b>Corrective action request:</b>	<p>Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>
<b>Timeline for Conformance:</b>	Within 12 months from report finalization
<b>NCR Evaluation Type</b>	On-site <input type="checkbox"/> Desk Review <input checked="" type="checkbox"/>

<b>Evidence Provided by Organization:</b>	<b>Finding:</b> Pending <b>Evidence:</b>
<b>Findings for Evaluation of Evidence:</b>	<b>Finding:</b> Pending <b>Evidence:</b>
<b>NCR Status:</b>	<b>OPEN</b>
<b>Comments (optional):</b>	

**2.5. Audit observations**

**Observations** are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a NCR in the future.

No new Observations were issued as a result of this audit.

**3. AUDIT PROCESS**

**3.1. Auditors and qualifications:**

<b>Name</b>	<b>Role and qualifications</b>
Kate Locke	Lead Auditor: Master of Forestry, University of Maine (2006), Bachelor of Arts in Geography and Environmental Studies, Gustavus Adolphus College (2000). Maine Licensed Forester. Five years as a Forester with the State of Maine; one year as a Forester with the US Forest Service in Minnesota; 10 plus years as a field technician including work in timber marking, inventory, forest health, and firefighting. Currently employed as a Forestry Specialist with Preferred by Nature. FSC FM Lead Auditor (July 2023), ISO 14001 Environmental Management Systems (July 2023).

**3.2. Audit Overview**

<b>Site(s)</b>	<b>Date(s)</b>	<b>Main activities</b>	<b>Auditor(s)</b>
Onsite	12/14/23	Site visits	Locke & SLO staff

Onsite	12/15/23	Site visits	Locke & SLO staff
Onsite	12/15/23	Closing Meeting	Locke & SLO staff
Total auditing time used (number in person days based on 8 hour working days): 3			

### 3.3. Sampling methodology:

There are currently 114 logging contractors in the TCNEF group. The auditor sampled 11 contractors working on 10 different sites during the audit. The square root of the number of current members (114) is the minimum audit sample. This comes out to 10.6, so 11 contractors were sampled for this audit to meet sampling requirements.

### 3.4. Stakeholder consultation process

During the certification audit process stakeholders were consulted by the auditor via in-person interviews and phone calls. Stakeholder consultation carried out during a SmartLogging audit provides evidence concerning harvester conformance with the SL standard. Stakeholders include loggers, foresters, workers landowners, government regulatory agencies, and academics.

No outstanding stakeholder issues or complaints were reported by FME or discovered by the auditor.

Findings regarding stakeholder interactions as part of regular forest management are Included under specific Criterion in Annex III.

Stakeholder Type (NGO, government bodies, local inhabitant, contractor etc.)	Stakeholders consulted directly or provided input (#)
Local businesses	
Contractors	11
Workers	1
Academics	1

### 3.1. Changes to Certification Standards

SmartLogging standard used in audit:	SmartLogging Generic Certification Standard, Version 6, SL-02 SmartLogging Group Certification Standard, Version 1, SL-03
Revisions to the standard since the last audit:	<input checked="" type="checkbox"/> No changes to standard. <input type="checkbox"/> Standard was changed (detail changes below)
Changes in standard:	None
Implications for SLO:	Conformance to new requirements verified

**APPENDIX I: List of visited sites (confidential)**

**APPENDIX II: List of stakeholders consulted (confidential)**

**APPENDIX III: SmartLogging standard conformance (confidential)**

**APPENDIX IV: Chain of Custody Conformance (confidential)**

**APPENDIX V: Group management conformance checklist (confidential)**

**APPENDIX VI: Certified Group Membership List**