PEFC CAN ST 1001:2025 – Public Summary Report

Certification Body:	PricewaterhouseCoopers LLP (PwC), an SCC-accredited and PEFC Canada-Notified Certification Body
Client Name:	The Teal Jones Group
Description of Client:	The Teal Jones Group is a privately owned BC Company operating sawmills in Surrey BC and harvesting operations on Tree Farm Licence 46 at the Honeymoon Bay Division on South-West Vancouver Island
Report Date:	October 19, 2026
Reporting Period:	July 2025-July 2026

Company - Division

As a component of The Teal Jones Group's ongoing commitment to sustainable forest management and forest certification, an assessment team from PricewaterhouseCoopers LLP (PwC) conducted a PEFC CAN ST 1001:2025 Registration Assessment on the Honeymoon Bay Division in July, 2026.

The assessment determined that Teal Jones Group had successfully implemented a Sustainable Forest Management System and developed a Sustainable Forest Management ("SFM") Plan that met the requirements of the PEFC CAN ST 1001:2025 Standard for Sustainable Forest Management. The assessment results demonstrate The Teal Jones Group's strong commitment to Sustainable Forest Management on the lands that it manages.

Background Information

Total Certified Area (hectares): 59,432 hectares

Description of Certified Area: Tree Farm Licence (TFL) 46 is located on South-West Vancouver Island near the town of Lake Cowichan. The bulk of the Certified Area is west of Cowichan Lake along with smaller areas surrounding the Lake. Of the Total Certified Area (59,432 hectares), 96% or 57,239 hectares is productive forest, while the Timber Harvesting Landbase is 42,622 hectares or 72%.

As TFL 46 has had a long history of forest harvesting, there is a good portion of area comprised of second growth stands of Douglas-fir and Hemlock with smaller amounts of Western Red Cedar, Yellow Cedar and Amabilis Fir in addition to old growth forests. The combination of topography, soils and climate have resulted in a full range of growing sites for commercial tree species, however, the majority of TFL 46 is situated on medium growing site.

There are 7 Biogeoclimatic Zones on TFL 46 containing managed and unmanaged ecosystems. The majority of the landbase where active harvesting occurs is located on the Coastal Western Hemlock Submontaine Very Wet and Moist Maritime Zones which typically leads to rapid regeneration of harvested areas. Unmanaged ecosystems are regions where forestry activities are not conducted or restricted due to regulation. These include old growth management areas, recreation zones and ungulate winter ranges.

Allowable Annual Cut (AAC): 360,000 m3

Teal Jones formed a Public Advisory Group (PAG) in June 2005 that corresponds to the geographical area within TFL 46. The PAG aids Teal Jones in soliciting public input from local groups of interested and affected parties on an ongoing basis.

A broad range of Interested Parties from various sectors of society participate in PAG meetings where possible including, but not limited to: Communities, First Nations, Government, Business, Tourism, Recreation, Wildlife, Fisheries and Labour.

The public's main role is to identify local values of specific environmental, social, economic, and cultural importance. Teal Jones works with the public to identify and select Sustainable Forest Management objectives, indicators, and targets, as well as reviewing planning documents to ensure that identified values and issues are addressed.

Certification to the PEFC CAN ST 1001:2025 requires independent third-party audits.

Audit Scope, Objectives, and Process:

Audit Scope: Honeymoon Bay Division for the past 12 month period including office and field activities carried out by company employees and contractors.

Audit Objectives: To assess conformity with PEFC CAN ST 1001:2025 and the client's SFM system.

Standards and Certification Criteria Applied: PEFC CAN ST 1001:2025 and applicable PEFC Canada requirements.

Summary of Risk Assessment: PwC takes a risk assessment approach during assessment planning to help determine assessment length and focus areas. Potential risks include past assessment findings, known historical resource challenges or new issues, First Nations or public complaints or feedback.

Audit Process: The PwC Assessment Team (Assessment Team) met with and interviewed Teal Jones staff and contractors, conducted field observations, and examined the SFM Plans, Forest Stewardship Plans, site plans, GIS data, block files including various assessments and First Nations Information Sharing processes, Standard Operating Procedures (SOPs), monitoring information, and the minutes and operating procedures of the Public Advisory Groups. The Assessment Team conducted field assessments to assess the company's planning, harvesting, silviculture, road construction, road maintenance, road deactivation, and fuel management.

As required by the Standard, PwC conducted a review of the client's process for engagement of Indigenous Peoples and affected stakeholders. This review was conducted prior to office and field assessments and helped to inform and identify areas of focus for the assessment. More detail regarding the review process and outcomes is found in the Stakeholder and Indigenous Review Process of this public summary report.

The team met with and interviewed staff and contractors and examined the SFM Plan, records, Standard Operating Procedures, monitoring information and the minutes and operating procedures of the Public Advisory Group (PRISM).

The team conducted field assessments on 7 harvest sites with 2 being active, 2 bridges and associated roads and 2 silviculture sites during the assessment to assess the company's planning, harvesting, silviculture, road construction, road maintenance, road deactivation, fuel management and facilities management.

Use of Remote Technology (if applicable): The team conducted a limited number of interviews using Microsoft Teams for some interviews with First Nations and other Stakeholder. These remote interviews were conducted in accordance with PwC's Information Communication Technology (ICT) policies and procedures.

Requirements Assessed:

Elements Assessed	Indicators Reviewed	Office/Field
Element 1.1 — Ecosystem diversity	**Indicator 1.1.1** Ecosystem area by type	Office
	Indicator 1.1.2 Forest area by type or species composition	Office/Field
	Indicator 1.1.3 Forest area by seral stage or age class	Office/Field
	Indicator 1.1.4 Degree of within-stand structural retention	Office/Field
	Indicator D1-1 Invasive Species	Office/Field
Element 1.2 — Species diversity	**Indicator 1.2.1** Degree of habitat protection for selected focal species, including species at risk	Office/Field
	Indicator 1.2.2 Degree of suitable habitat in the long term for selected focal species, including species at risk	Office
	Indicator 1.2.3 Proportion of regeneration comprised of native species that are well-adapted to site conditions	Office/Field
Element 1.4 — Protected areas and sites of special significance	**Indicator 1.4.1** Protection of sites of special significance	Office/Field
	Indicator 1.4.2 Proportion of identified sites with implemented management strategies	Office/Field
Element 2.1 — Forest ecosystem condition and productivity	**Indicator 2.1.1** Reforestation success	Office/Field
	Indicator 2.1.2 Proportion of regeneration comprised of native species	Office/Field

	Indicator 2.1.3 Additions and deletions to the forest area	Office
	Indicator 2.1.4 Proportion of the calculated long-term sustainable harvest level that is harvested	Office
	Indicator D2-1: Accidental Industrial Caused Fires	Office
	Indicator D2-2: Reportable Spills	Office/Field
	Indicator D2-3: Landslides	Office/Field
	Indicator D2-4: Stand Establishment	Office/Field
Element 3.1 — Soil quality and quantity	**Indicator 3.1.1** Level of soil disturbance	Office
	Indicator 3.1.2 Level of downed woody material	Office/Field
Element 3.2 — Water quality and quantity	**Indicator 3.2.1** Proportion of watershed or water management areas with recent stand-replacing disturbance	Office
	Indicator 3.2.2 Proportion of forest management activities consistent with prescriptions to protect identified water features	Office/Field
	Indicator D3-1: Road Building & Maintenance	Office/Field
	Indicator D3-2: Pesticide Free Zones	Office/Field
Element 4.1 — Carbon uptake and storage	**Indicator 4.1.1** Net carbon uptake	Office
	Indicator 4.1.2 Reforestation success	Office/Field
	Indicator D4-1: Long Term Products	Office
Element 4.2 — Forest conversion and afforestation	**Indicator 4.2.1** Additions and deletions to the forest area	Office
Element 5.1 — Timber and non-timber benefits	**Indicator 5.1.1** Documentation of the diversity of timber and non-timber resources, including products and services produced in the DFA	Office
	Indicator 5.1.2 Evidence of open and respectful communications with forest-dependent businesses, forest users, Indigenous peoples, and local communities to integrate non-timber resources into forest management planning	Office
	Indicator D5-1 Visual Quality Management	Office/Field
Element 5.2 — Communities and sustainability	**Indicator 5.2.1** Level of participation and support in initiatives that contribute to community sustainability	Office
	Indicator 5.2.2 Level of participation and support in training and skills development	Office
	Indicator C5.2.3: Level of Direct and Indirect Employment	Office
	Indicator D5-2: Public Safety	Office/Field
Element 6.1 — Fair and effective decision-making	**Indicator 6.1.1** Level of participant satisfaction with the public participation process	Office
	Indicator 6.1.2 Evidence of efforts to promote capacity development and meaningful participation in general	Office
	Indicator 6.1.3 Availability of summary information on issues of concern to the public	Office
	Indicator C6.2.1: Evidence of Co-operation with DFA-Related Workers and Unions to Improve Safety	Office/Field
	Indicator C6.2.2: Evidence That a Worker Safety Program Has Been Implemented, Reviewed and Improved	Office/Field
ELEMENT 7.1 — Aboriginal and Treaty Rights	**Indicator C7.1.1**: Evidence of a Good Understanding of the Nature of Aboriginal Title and Rights	Office
	Indicator C7.1.2: Evidence of Ongoing Open and Respectful Communications with Aboriginal Communities to Foster Meaningful Engagement	Office/Field
ELEMENT 7.2 — Respect for Aboriginal Forest Values, Knowledge, and Uses	**Indicator C7.2.1**: Evidence of Efforts to Promote Capacity Development and Meaningful Participation for Aboriginal Individuals, Communities and Forest-Based Companies	Office/Field

	Indicator C7.2.2: Evidence of Understanding and Use of Aboriginal Knowledge Through the Engagement and Identification and Management of Culturally Important Resources and Values	Office/Field
	Indicator C7.2.3: Level of Management and/or Protection of Areas Where Culturally Important Practices and Activities Occur	Office/Field

Audit Plan Summary

Audit Dates: July 13-16 Indigenous Peoples and Stakeholder Review; July 20-22, 2026 – On site Assessment

Stakeholder and Indigenous Engagement Process: The PEFC CAN ST 1001:2025 requires a review with Indigenous Peoples and Affected Stakeholders prior to the on-site assessment. The purpose of this review is to assess the certified organization's identification, notification and engagement of Indigenous Peoples and Affected Stakeholders in the DFA's within the scope of the assessment.

As part of the assessment process, PwC reviewed the traditional territories within TFL 46, sampled and remotely interviewed selected First Nations communities within those DFA's. In total, three First Nations were contacted and one First Nations Forest Manager was interviewed. A list of Affected Stakeholders was also provided to PwC and interviews with these stakeholders as well as other potential stakeholders were held.

Locations and Activities Assessed:

Head Office
- 17897 Triggs Road, Surrey, British Columbia, Canada V4N 4M8

Honeymoon Bay DFA
- 9376 South Shore Rd, Mesachie Lake, BC, V0R 2N0

Assessment Duration: A total of 5 assessor days were spent during the assessment which includes office and field time. The assessment was conducted in person. An additional 0.5 day was spent during the Indigenous Peoples and Stakeholder review process.

Assessment Team: A two-person team of assessors from PwC conducted the assessments.

- **Lead Assessor:** James Lucas, RPF, MF, EMS(LA)
- **Assessor:** Stephen Vinnedge, RPF
- **Specialist:** N/A
- **Observers:** Multiple Public Advisory Group members

Audit Results Summary:

Conformity Summary

Clause	Conformity Statement	Non-conformity #
4. Sustainable forest management requirements	Non-conforming	Minor NC#02
5. Indigenous and public participation requirements	Conforming with Opportunities for Improvement	N/A
6. SFM performance requirements	Conforming with Opportunities for Improvement	N/A
7. SFM system requirements	Conforming with Opportunities for Improvement	Major NC#01

Good Management Practices

The assessment team identified a number of Sustainable Forest Management practices that exceeded expectations. A sample of the good management practices are listed below:

Riparian protection including tree retention, stubbing and crossings, particularly on ground-based units, were effective in protecting water quality and quantity.

Planting of Western red cedar content, up to 50% in the CWH vm1, is ecologically and culturally appropriate, particularly for First Nations values and objectives.

Interviews with contractor operators and management staff showed a strong level of CMS awareness and responsibilities. For example, the feller buncher operator in one block avoided ground-based felling due to soft ground, leaving the area for hand fallers.

Teal have recently updated the Equivalent Clearcut Area (ECA) tracking method to include forest recovery and allow the tracker to updated annually.

A Public Advisory Group (PAG) member accompanied the internal audit team which is a progressive practice and shows the level of support for and from the PAG.

Post-harvest deactivation measures for water management were noted to be prompt, well implemented, and appropriate for the level of risk.

Nonconformities

The assessment team identified two nonconformities against the Standard and/or Teal Jones Group policies. The Client has subsequently provided PricewaterhouseCoopers LLP with action plans, including timelines, for addressing these issues:

The status' of the nonconformities are listed below.

NC #	Major/ Minor	Description	Corrective Actions	Effectiveness Verification	Status
463-TA-NC-01	Major	Due to financial challenges associated with Teal being subject to the Companies Creditor's Arrangement Act (CCAA), Teal has a backlog of mandatory Waste and Residue Surveys and Post-Harvest Appraisal Reviews. Both of these requirements are regulatory matters and at present, Teal is not in compliance with the Waste Assessment Regulation and the Forest Act. These issues must be addressed through clear communication and resolution with the BC Ministry of Forests and Revenue Branch, as appropriate.	Teal's Appraisal Forester completed and submitted all remaining Waste and Residue Assessments and PHADs.	The Client has completed and submitted all outstanding Waste & Residue Surveys as well as Appraisal Data Submissions. An email from the MoF confirmed that all submissions have been completed and that there are/were no outstanding fees.	CLOSED
463-TA-NC-01	Minor	While there is currently a high level summary of the SFMP on the Teal-Jones website, the Standard requires the complete current SFMP and public summary report(s) to be publicly available.	Teal posted the current SFMP and the public summary report on Teal's website. Teal's website was updated to provide these 2 documents	The verification of the corrective action was completed and the SFMP is now publicly available as noted.	CLOSED

Opportunities for Improvement

The assessment team also identified seven opportunities for improvement for The Teal Jones Group's consideration. The following list is a representative sample of their suggestions:

- SFM Indicator C7.2.1 requires Teal-Jones to show Evidence of Efforts to Promote Capacity Development and Meaningful Participation for Aboriginal Individuals, Communities and Forest-Based Companies. While Teal has met the target for their most recent calendar year (2025), the number of economic opportunities provided to First Nations has fallen over the past two years. There is an opportunity to examine how the company may be able offer more economic capacity building opportunities for First Nation's.

- Due to resource challenges, Teal-Jones' Logging Contractor has agreed to pay for engineering contract services at the HBO Operation. The services included all engineering and site plan production while

adhering to Teal's CMS. While the file reviews during the assessment showed that site plans were in conformance with Teal's CMS, there were challenges with some of the original work produced. Teal should ensure that all future work by contractors conducting planning/writing SP's is performed using their CMS, ensuring a professional standard of work and any document sharing platforms easily accessible and efficient.

- While the requirements of the Public Advisory Group (PAG) Terms of Reference (TOR) were found in a variety of documents, Teal may wish to update the PAG TOR to reflect the order of requirements in the new Standard.

- While Teal reports out on training of staff and layout consultants, they may wish to consider adding logging contractors and road builders to training (C 5.2.2) indicators.

- Teal lists a variety of Federal and Provincial regulations they are subject to in their CMS documentation. They may wish to consider adding the Provincial Weed Act to their legal compliance table.

- Teal may wish to consider reviewing Indicator 4.1.1 (Forest Carbon) on long-term forest product storage as the present calculation appears to overestimate carbon storage.

- The PEFC CAN FM Standard requires Teal to establish, implement, and maintain procedures for preventing and responding to environmental emergencies and accidents. A review of contractor records from 2023 to present showed some emergency response drills but nothing for spill response. Teal may wish to consider asking their logging contractor to conduct some spill response drills.

All of the Nonconformities and Opportunities for Improvement will be followed up by the assessment team at the next assessment.

Conclusion & Recommendation

The Teal-Jones Group has maintained conformance with the requirements of the PEFC CAN ST 1001:2025 Standard. More information on Teal Jones' sustainable forestry program can be found at: http/:teal-jones.com along with a copy of the current Certificate.

The next assessment will be a Maintenance Assessment in the Summer of 2027, the registration expires on October 17, 2031.