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Company Legal Name:	Balungstrands Sågverk AB
Division Name:	-
Legal Registration Address:	Balungstrand 125
State/Prov, Country:	Enviken
Postal Code/ZIP:	790 26
Contact person:	Lars Mattsson

SAI File number: CPRJ-2016-051364 / ACTY-2021-512971

Audit type: S3

Date of the report: 28/06/2023

FSC® certification code: SAI-COC-010627, SAI-CW-010627

Certificate registration date: 06/12/2010

Certificate expiry date: 05/12/2025



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1 Scope of the evaluation

1.1 Audit Team

Auditor(s)	Qualifications
Tony Axelsson Intertek	Qualified as Lead Auditor for ISO 9001 since 2019 and CW Senior Lead Auditor for FSC CoC, PEFC CoC and PEFC FM since 2022. Experience in group/single certification for COC and FM since 2009. Experience in forestry since 1984

1.2 Audit Overview

SAI File #	Site(s) name	Evaluation Date(s)	Onsite auditing time
ACTY-2021-512971	Balungstrand	2023-06-27, 28	2 days

1.3 Normative documents

FSC-STD-40-004 V3-1,

FSC-STD-40-005 V3-1,

FSC-STD-50-001 V2-1

Changes in the scope of the certificate

No changes

2 Certificate Scope Information

2.1 Certificate Scope details

Product Types: W1.1 Roundwood (logs); W3 Wood in chips and particles; W5.2 Solid Wood board; W6.1 Dimensional timber and lumber finished.

Claims: FSC 100%, FSC Mix, FSC Controlled Wood.

System Used: Credit.

Certificate Type: Single CoC Certificate – Single Site.

Standard Versions: FSC-STD-40-004 V3-1, FSC-STD-40-005 V3-1, FSC-STD-50-001 V2-1.

2.2 FSC Product Groups

Output Product Type	Product Group Name	Species (Scientific and common names)	Primary Activity	Secondary Activity	Main Output Category	Control System
W1.1 Roundwood (logs)		Pine, spruce, birch, aspen. Pinus sylvestris, Picea abies, Betula pendula, Betula pubescens, Populus tremula	Logging	Brokers/traders with physical possession	FSC Mix Credit FSC Controlled Wood	Credit
W3 Wood in chips and particles		Pine, spruce Pinus sylvestris, Picea abies	Primary processor	Choose item	FSC Mix Credit FSC Controlled Wood	Credit
W5.2 Solid Wood board		Pine, spruce Pinus sylvestris, Picea abies	Primary processor	Choose item	FSC Mix Credit FSC Controlled Wood	Credit
W6.1 Dimensional timber and lumber finished		Pine, spruce Pinus sylvestris, Picea abies	Primary processor	Choose item	FSC Mix Credit FSC Controlled Wood	Credit

3 Certificate Sites details

FSC Sub-code	SAI File #	Site legal name	Site Legal registration address	Site Address (if different than legal address)	Site Activity	Volume Summary		AAF class (Per site)	Project Members (only applicable for FSC-STD-40-006)
						Total FSC input	Total FSC output		
NA	CPRJ-2016-051364	Balungstrands Sågverk AB	Balungstrand 125 790 26 Enviken	NA	Primary processor Logging Brokers/traders with physical possession	56698,23 m3	74064,77	4	NA

4 Complaints

4.1 Complaints received

A description and review of any complaints, disputes or allegations of non-conformities received by the Organization and/or SAI Global, is presented here.

4.1.1 Complaint received since last evaluation

No complaints regarding the FSC Chain of Custody or Controlled Wood certification have been received by the Organization and/or SAI Global since the last evaluation.

4.1.2 Description of actions taken to address the complaint

Not applicable

5 Outsourcing

5.1.1 Outsourcing Contractors information

Outsourcing Contractor name	Address	Activities outsourced	Risk level ¹	Justify the risk level (specify Risk factor and the Mitigation factor ² as applicable)
Johan Adolfssons skogstjänst AB	Kyrkbyn 50, Svärdsjö	Harvesting	Low Risk	Product is palletized or otherwise maintained as a secure unit that is not broken apart during outsourcing

¹Risk Factors:

Outsourcing with a certified or non-certified contractor is classified as 'high risk' if any of the following applies:

- A) contractor is responsible for all or most of the manufacturing processes of a product; or
- B) contractor mixes different input materials (e.g. FSC 100%, controlled material, FSC controlled wood); or
- C) contractor applies the FSC label to the product; or
- D) Contractor does not physically return the FSC-certified product to the contracting organization after outsourcing; or
- E) Contractor is located in another country with a Transparency International Corruption Perception Index (CPI) lower than 50.

²Mitigation factors:

Unless a low risk of contamination can be demonstrated due to one of the following factors:

- I) Product is permanently labelled or marked in a way that the contractor cannot alter or exchange products (e.g. heat brand, printed materials); or
- II) Product is palletized or otherwise maintained as a secure unit that is not broken apart during outsourcing; or

III) Contractor is employed for services that do not involve manufacture or transformation of certified products (e.g. warehousing, storage, distribution, logistics); or
 IV) Contractor is an FSC-certified organization that includes documented procedures for outsourcing services within the scope of its certificate.

5.1.2 Sampling methodology for high risk contractors

Not applicable (the organization outsource to low risk contractors only)

6 Group and Multi-site (FSC-STD-40-003)

Not applicable (The organization has a single site CoC certificate).

7 Controlled Wood (FSC-STD-40-005)

A detailed description of the organization Due Diligence System (DDS) is provided in a separate report (FSC® – Controlled Wood FSC-STD-40-005 Public audit report) and will also be available on the FSC database.

8 Evaluation of findings

8.1 Description of the system and critical control points

The following is a brief description of the system by which the organization maintains control over the Chain of Custody for all products included on its FSC product group list. Critical control points are those places or situations in the supply chain where materials from uncertified/uncontrolled sources could enter or where certified/controlled materials could leave the system.

Control Points	Description of the critical control points	Non-compliance
Management System	The managements system are in place, but some routines are missing clear information about requirements	Minor NC
Purchasing/Sourcing	You have a good system for managing purchases and sales, supplier list need to be updated	Minor NC
Receiving/Storage	You have control over the reception and storage of products	None

Volume control and System for controlling FSC claims	Review the credit systems. Review input, output and balance for several month for all actual product group, all in place	None
Sales/Shipping	Routines in place, but they have sold FSC controlled wood to and end consumer. The routine for import/export are missing clear information	Minor NC
Labelling (If applicable)	Only use promotional label	None
Outsourcing (if applicable)	Routines and agreement are in place	None
FSC trademark (if applicable)	Only use promotional label	None
Control of project Members (if FSC-STD-40-006 is in scope)	N/A	----

9 Audit Findings

9.1 Follow-up on Non-Conformities issued by the certification body during the previous evaluation



Not applicable (No open NC from previous evaluation)

9.2 Non-Conformities issued during the present evaluation and/or non-conformities issued by SAI Global following a complaint investigation.

NC #:	1	Grade:	Minor
Standard Requirement:	FSC-STD-40-004 V3-1 section 1.6		
Description of Non-conformity and Objective Evidence:			
Review signed Self assessment by Lars Mattsson 2022-02-22. Are in place but not updated since last year			
Justification for Major or Minor:			

Minor: Impact is limited in time and/or scale	
Justification for closing the non-conformity:	
Timeline for Conformance:	By the next annual audit or twelve (12) months from closing meeting date, whichever comes first.
NC Status:	Open

NC #:	2	Grade:	Minor
Standard Requirement:	FSC-STD-40-004 V3-1 section 1.7		
Description of Non-conformity and Objective Evidence:			
The routine misses clear information about how to respond the complaints and how to notify complaints/certification body when the complaint is successfully addressed and closed (b, d)			
Justification for Major or Minor:			
Minor: Impact is limited in time and/or scale			
Justification for closing the non-conformity:			
Timeline for Conformance:	By the next annual audit or twelve (12) months from closing meeting date, whichever comes first.		
NC Status:	Open		

NC #:	4	Grade:	Minor
Standard Requirement:	FSC-STD-40-004 V3-1 section 2.1		
Description of Non-conformity and Objective Evidence:			
Supplier list are missing product groups for purchases			
Justification for Major or Minor:			
Minor: Impact is limited in time and/or scale			
Justification for closing the non-conformity:			
Timeline for Conformance:	By the next annual audit or twelve (12) months from closing meeting date, whichever comes first.		

NC Status:	Open
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NC #:	5	Grade:	Minor
Standard Requirement:	FSC-STD-40-004 V3-1 section 6.1a		
Description of Non-conformity and Objective Evidence:			
<p>Routine missing clear information about export rules. Have sold FSC controlled wood to and end consumer.</p> <p>Checked, "8.2 Rutin för inköp av FSC timmerråvara" and "8.3 Rutin för inköp kontrollerad timmervara" and organizations DDS</p>			
Justification for Major or Minor:			
Minor: Impact is limited in time and/or scale			
Justification for closing the non-conformity:			
Timeline for Conformance:	By the next annual audit or twelve (12) months from closing meeting date, whichever comes first.		
NC Status:	Open		

9.3 History of Non-Conformities for this audit cycle

2023-03 and 2023-06 were raised as observations (FSC-STD-40-004 V3-1 section 1.8 & FSC-STD-40-005 V3-1 section 1.1)

NC #	Standard requirement	I/RR	S1	S2	S3	S4
2023-01	FSC-STD-40-004 V3-1 section 1.6				Minor	
2023-02	FSC-STD-40-004 V3-1 section 1.7				Minor	
2023-04	FSC-STD-40-004 V3-1 section 2.1				Minor	
2023-05	FSC-STD-40-004 V3-1 section 6.1a				Minor	

10 Certification Decision

Based on the review of the company's documentation, and the audit results, the following recommendation is made:

Surveillance audit – with NCs

Based on the results of this surveillance audit it has been determined that the Chain of Custody system is not effectively implemented and does not fully meet the standard requirements based on the area(s) of non-conformance documented in the attached Non-conformity Report(s), and summarized in this report. As discussed during the closing meeting, please submit a root cause analysis with an action plan within 30 days for both major and minor non-conformance for approval by the Lead Auditor. Major non-conformities must be closed within 90 days. Implementation of the action plans for minor conformities will be verified at the next surveillance audit, or at the latest 12 months following the issuance of the non-conformance. A recommendation to maintain the registration to the standard requirements and to the scope of registration identified in this report is on hold pending the receipt, review, and acceptance of the corrective action plan and closure of the major non-conformances. Once received, recommendation for continued registration to the standard requirements and to the scope of registration identified in this report will be made to SAI Global review team.



11 Next Scheduled Audit

Date(s): 202306

Type of Audit: S-4

Appendix 1: Checklists

Systematic presentation of findings demonstrating conformity or nonconformity to each element of all applicable FSC normative document(s) used for the evaluation are included in the checklists below.

Standard	Insert the applicable checklist as “object”
FSC-STD-40-003 Multisite or Group	
FSC-STD-40-004 Chain of Custody	 F101-FSC-COC-3 FSC CoC - Checklist -
FSC-STD-40-005 Controlled Wood	 F103-FSC-CW-1 FSC-CW-Checklist_40
FSC-STD-40-006 Project Certification	
FSC-STD-40-007 Reclaimed	
Other	

Appendix 3: FSC Annual Administration Fee (AAF)

Revenue and Forest Products Turnover in USD

The auditor shall confirm with the CH the annual Forest Products Turnover in **USD** for the most recent completed fiscal year. A documented evidence (ex: financial statement, annual report) must support the information provided and be referenced below.

Currency converter provided by OANDA shall be used www.oanda.com or the figure from the National bank in the country if OANDA site is not available.

Initial RR	Start and End date of the company fiscal year (Day /Month/Year):	2022-01-01 – 2022-12-31
S1	Total Revenue ¹ :	39, 82 million USD
S2	Total Forest Product Turnover in USD:	39, 82 million USD
S3	Source of information:	Annual accounts and business systems
S4	Organization type (Processor or Trader):	Processor
SA	For company that do not want to provide either the Forest Products Turnover or Revenue, insert what the AAF class was from the previous year ²	

Forest Products Turnover: Forest Products Turnover means the Revenue of all certified and uncertified forest products and products containing wood or fibre components. (i.e., all wood products, pulp and paper products, and non-timber forest products according to FSC-STD-40-004a). It does not refer to 100% non-forest products companies might produce. For clarification, Forest Products Turnover does not refer to related services.

Revenue: Revenue means the total revenue of an organization derived from the provision of goods and services, less trade discounts, VAT, and any other Taxes based on this Revenue. This is also less intracompany sales (i.e., after any consolidation where a financial group is existing). Revenue refers to the most recently completed fiscal year and means the total Revenue, which is the exact number to the nearest whole USD. The conversion rate upon entering the data into the FSC Certification Database is the respective rate on the date of the CH's fiscal year-end as per the mid-market rate on OANDA.

¹**Note to Auditors:** If the Forest Products Turnover figure does not involve an element of estimation, meaning there is clear and convincing evidence that it is accurate and has been obtained through a proven reliable process, we may waive the requirement to collect the Revenue.

²**Note to Auditors:** If the organization does not want to provide the information about the **Forest Products Turnover** and/or the **Revenue**, SAI Global will use the process elaborated by FSC to calculate the AAF. Process is described in FSC-FAQ-20-005

Appendix 4: FSC Database Management Information Sheet

Instructions:

1. Auditor shall verify the FSC database annually (info.fsc.org) to ensure the information is up-to-date
2. Indicate with an **X** in the table below the type of changes require and briefly explain the changes needed as well as where the information can be found in this report.

Please select:

- Initial audit. Database entry needs to be created
- No update required. FSC database information is accurate and up-to-date.
- Update required:

Type of update required	Check	Indicate precisely what need to be added or removed, and where the information can be found in this report.
Certificate holder name or main address	<input type="checkbox"/>	
Normative standards listed	<input type="checkbox"/>	
Product type	<input type="checkbox"/>	
Species	<input type="checkbox"/>	
Main Output Category	<input type="checkbox"/>	
Change in the list of participating sites (addition, removal, address change)	<input type="checkbox"/>	
Change in the FSC AAF class (not visible, but must be entered into FSC database)	<input type="checkbox"/>	
Others (specify)	<input type="checkbox"/>	

Appendix 5: Standard Conversion Factors (Informative)

1 mfbm = 2.36 m ³ 1 cord = 2.55 m ³ 1 inch = 2.54 cm 1 foot = 0.3048 m 1 yard = 0.9144 m 1 gallon (US) = 3.78541 liters	1 pound = 0.4536 kg 1 US ton = 907.185 kg 1 UK ton = 1016.047 kg	1 square foot = 0.0929 m ² 1 acre = 0.405 hectares 1 mile = 1.60934 km Other:
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