

Forest Management System – Summary Audit Report			
Client name:	HVP Plantations Pty Ltd	Certificate #	AFS 603858
Client address:	World Trade Centre L12, Tower 4 MELBOURNE VIC 3005	Website:	www.hvp.com.au
Audit type:	Surveillance Assessment	Audit date:	18-22 Sep 2017
Standard:	AS4708:2013	Auditor:	Ross Garsden
<p>This document provides a summary of the findings contained in a report to this client with respect to the implementation of the client's management system as determined during an audit conducted by BSI.</p>			

Scope of certification:
<p>Activities associated with the sustainable management of HVP Plantations' softwood and eucalypt plantations, including the planning and management of forest operations; the delivery and sale of forest products, the management of planned and un-planned fires and the management of Custodial Lands for conservation purposes.</p>

Executive summary:
<p>This report presents a summary of the findings of a routine surveillance assessment of HVP Plantations Pty Ltd, conducted by BSI in September 2017. The scope of the audit was the organisation's activities with respect to the requirements of AS 4708:2013 as detailed in the company's Forest Management System. The audit assessed activities associated with the central management of the system at Head Office, with a focus on the operational performance in the Norther Region (Myrtleford, Shelley and Benalla). The aim of the audit was to verify continuing compliance with the Standard and assess progress towards achievement of the company's objectives.</p> <p>The audit assessed a number of operational sites and activities including ground-based clearfall and thinning operations; research activities; internal audit of forest operations; road maintenance; fire management and fire season-preparedness including the management of depots at Myrtleford, Shelley and Benalla; management of illegal activities; chain of custody and chain of responsibility procedures.</p> <p>Planned stakeholder consultation included interviews with a range of contractors involved in harvesting, haulage and road maintenance particularly with respect to insurance arrangements.</p> <p>Strengths of the HVP Forest Management System (FMS) system identified in this assessment include:</p> <ul style="list-style-type: none"> • Strategic approach to risk management and mitigation, e.g. Fire Strategic Plan; HSE and Risk Strategic Plan; External Relations Strategic Plan; and Corporate Business Plan (in development); • Continuing focus on safety and improvement in systems, e.g. Velocity EHS; • Corporate support for ongoing high quality, in-house research underpinning forest management; • Stakeholder engagement and external relations processes, e.g. On-line Public Access System and complaints management procedures; • Continuing development and application of mobile technologies and supporting systems, e.g. REMSoft and STICKS. • Effectiveness of the management review processes with greater engagement and participation, and the linkages between management review and delivery of corporate objectives.

While one minor non-conformance was identified in this assessment in relation to depot management, it is acknowledged that a significant review of depot functions and activities has been undertaken and the range of activities at depots is currently being rationalised.

HVP has responded positively to the minor non-conformance noted in the previous report in relation to asset management. HVP has recruited additional resources and implemented a Road GIS Data Consistency Project along with a suite of other measures to more effectively manage and maintain the road assets. This minor non-conformance is now closed.

Likewise, HVP has reviewed the range of opportunities for improvement noted in the previous report and these have been actioned appropriately.

A number of opportunities for improvement were identified during this audit in relation to:

- Emergency preparedness and testing processes for contractors;
- Systematic approach to pre-season checks for fire-fighting units;
- THP details, e.g. agreed alternative haulage routes; and operational requirements in modified harvest zones.

As noted previously, HVP continues to take a strong lead in safety through a range of initiatives including an independent safety review and development of a program to drive improvements. Improvement initiatives are being integrated into the development and implementation of the 5-Year Safety Improvement Plan. Contractors demonstrated a consistently high level of awareness with respect to safety and operational controls. Site inductions were carried out as a matter of routine at all operational sites and inductions focused in site-specific hazards and controls.

HVP continues to demonstrate effective processes for planning and conduct of forest operations. As reported previously, the processes for management of social and environmental impacts of these activities are effective. The system provides a robust framework for identification and protection of biodiversity values in the forest landscape; protection of soil and water; management of cultural heritage values; fire, forest productivity and forest health. Likewise, the company demonstrates effective stakeholder engagement at both strategic planning and operational levels.

As with the previous audit, all personnel involved in this assessment provided positive and constructive support throughout the audit process. HVP's management system continues to evolve with continual improvement clearly evident. HVP continues to meet the requirements of AS4708:2013.

Defined forest area statement

The defined forest area comprises 134,954 hectares of pine plantations (mostly *Pinus radiata*), 18,000 hectares of hardwood (eucalypt) plantations and over 50,000 hectares of custodial lands (mostly native forest) in three geographical areas (Gippsland, Northern and Western Regions) of Victoria.

Defined forest area (in hectares):	239,309 ha
Advised to AFS Limited on:	1 July 2016
Certificate expires on:	31 March 2019

Report prepared by:

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<i>Name of person who prepared this report</i>	<i>Position</i>

END OF REPORT