

Enviva's Global Responsible Sourcing Policy and Pledges in Conservation Leadership Adopted December 18th, 2018

Introduction

This policy will serve as the guiding principle for Enviva's global sourcing, applying to our purchasing of trees and other forms of wood from forests, residues from forest product facilities, and biomass produced by other companies. Enviva seeks to preserve soil and water quality; to protect rare, threatened, and endangered species, habitats, and ecosystems; to promote the continuous growth of diverse, natural forests; and to contribute toward building a forest products industry that thrives on good practices.

With this policy, we build on our previous standards of sustainable forestry to better conserve key ecological values. We also adopt into this policy our critical view of Enviva as a steward of diverse, thriving forested landscapes and as a key player in collaborative efforts to address landscape-level conservation priorities at scale.

We will define and communicate our continuous improvement process through annual implementation plans, which will include measurable goals and timelines, as we work to more fully realize our ambitions. We will work deliberately over time to ensure that 100 percent of our sourcing meets our expectations.

Our policy and pledges reflect our core commitments to the highest standards of sustainability, stewardship, and integrity. For years to come, our policy and pledges will guide our work and be the measure of our progress.

1. Legality

Enviva's employees, suppliers, and subcontractors comply with all applicable federal, state, and local laws and regulations, including those pertaining to harvesting and exporting, environmental standards, and employment conditions. All Enviva contracts with suppliers require that wood is legally logged.

At Enviva, we understand that legality is only a first step to ensure responsible harvesting; therefore, we have additional policy criteria that go above and beyond legal requirements.

2. Respect for Human Rights

Enviva has a strong commitment to ethical business practices and is committed to treating people with dignity, respect, and equal opportunity. We expect the same commitment from our suppliers. All suppliers are required to comply with our expectations regarding human rights and labor, health and safety, and business conduct and ethics. In keeping with our supply-chain sustainability certifications, Enviva holds our suppliers accountable to the International Labour Organization Declaration on Fundamental Principles and Rights at Work and the United Nations Declaration on the Rights of Indigenous Peoples. Enviva also respects the rights of Indigenous Peoples and communities to the ownership and control of their titled or customary lands, including their right to give or withhold their free, prior and informed consent (FPIC) to proposed developments on their lands.

3. Sustainable Forestry Standards

The primary wood we purchase must be sourced from sustainably-managed forests and harvesting operations. Enviva will only source primary materials from a supplier when:

- A. The forest source will be replanted or regrown as forests and will not be converted to non-forest uses;
- B. Water quality in a harvest area is protected through adherence with forestry Best Management Practices (BMPs) (or equivalent practices outside the U.S.);
- C. High Conservation Values (HCVs) are not threatened by harvest activities.¹

We understand that not all suppliers of residues or third-party pellet manufacturers will be able to fully and immediately comply with all our Sustainable Forestry Standards. We will work with our residue and third-party pellet suppliers to set ambitious but realistic timelines for them to achieve compliance and support them as necessary and feasible to reach our standards.

4. Verification

We will monitor suppliers' performance to ensure that we are making measurable, timely progress on implementing the policy criteria. Suppliers failing to meet our time-bound requirements will go through a review process and may be subject to non-renewal or termination of contracts. The policy criteria will increasingly be included in our supplier selection and evaluation process.

Independent forest product certification programs can provide a consistent and transparent framework for evaluating the sustainability of a company's operations, from forest to product. Enviva is chain-of-custody certified through several organizations, and we highly value sustainable forest management certification. We engage in ongoing landowner outreach and make direct investments to support landowners achieving sustainable forest management certification of their forestlands. We give preference in our procurement to wood from forests certified to be sustainably managed.

We recognize that other verification systems can provide important insight into our wood sources. We will continue to seek out innovative and credible methods of verifying that our supply base meets and exceeds our standards.

¹ Enviva's commitment to protecting HCVs is clear and strong. As we said in our prior responsible sourcing policy: "We also know that there are special places in the woods that should remain so. That can be subjective, so we have drawn some bright lines: We do not harvest or source from primary forests or other areas of special concern that we have identified in partnership with leading conservation organizations." For our primary sourcing, we will use the [High Conservation Value Network](#) approach to determining and protecting HCVs, including old-growth forests. In cases where biomass removals could support the maintenance or restoration of HCVs, such as in longleaf pine forests or other open-canopy pine savannahs, we will work closely with the conservation community to ensure our sourcing is compatible with accepted ecosystem restoration practices and long-term HCV-maintenance plans. For our secondary sourcing (mill residues), we will use country or regional risk-based approaches included in supply-chain certification and other means of identifying and protecting HCVs. For pellets we purchase, we will work with third-party manufacturers to implement the High Conservation Value Network approach or equivalent approaches to identifying and protecting HCVs. In addition, we will regularly seek guidance from wildlife and conservation experts regarding appropriate management of HCVs, and we will then work with our suppliers to increase their HCV protections.

5. Traceability, Transparency, and Reporting

We currently identify and publish the source of our primary wood supply through our Track & Trace® platform. We monitor and audit our primary purchases and supplier practices based on the data that we collect and publish, and we commit to report twice annually on the progress that we and our residue suppliers and third-party pellet producers have made against our Sustainable Forestry Standards, as well as the progress we've made on our annual implementation plans related to our Sustainable Forestry Standards and Pledges in Conservation Leadership.

We expect the percentage of our supply that fully meets our expectations to gradually increase year over year, with a goal of eventually achieving 100 percent.

6. Pledges in Conservation Leadership

As a leader, we pledge to go beyond our tract-level sustainability standards and progress toward our vision of sourcing wood and biomass in ways that promote the sustainability of forest ecosystems at the landscape level. For us, sustainability at the landscape level means doing what we can to conserve species, forest communities, and ecological processes and functions. Our pledge to lead on landscape-scale sustainability issues means that our responsibility doesn't end once we have purchased wood. We support ongoing sustainable forest management after harvest by helping family forest owners obtain management plans and sustainable forest management certification. In addition, when we buy a larger portion of the volume from a harvested tract, we will make extra efforts to ensure that we are supporting sustainability at the tract and landscape level.

We recognize we can't accomplish our landscape conservation goals alone, so we pledge to collaborate with stakeholders to help:

- A. Keep the amount of forestland stable or increasing at regional scales;
- B. Conserve wetland forest ecosystems, peatland forests, and high-carbon tropical forests;²
- C. Address the conversion of forest types that provide high-quality habitat for at-risk species; and
- D. Restore critical, threatened, or declining forest types.

Conclusion

We recognize that our wood purchasing impacts a wide range of sustainability indicators and even land use. Because we take the responsibilities of leadership seriously, we will innovate our own sourcing practices and collaborate with stakeholders as we work to implement our policy and continuously improve.

² We will use the [High Carbon Stock Approach](#) to determining and protecting high-carbon tropical forests