

# Supply Base Report for Enviva Pellets Amory, LLC

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## Completed in accordance with the Supply Base Report Template Version 1.3

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://www.sbp-cert.org)*

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# Contents

<b>1</b>	<b>Overview</b> .....	<b>1</b>
<b>2</b>	<b>Description of the Supply Base</b> .....	<b>2</b>
2.1	General description .....	2
2.2	Actions taken to promote certification amongst feedstock supplier .....	7
2.3	Final harvest sampling programme .....	8
2.4	Flow diagram of feedstock inputs showing feedstock type [optional] .....	8
2.5	Quantification of the Supply Base .....	9
<b>3</b>	<b>Requirement for a Supply Base Evaluation</b> .....	<b>11</b>
<b>4</b>	<b>Supply Base Evaluation</b> .....	<b>12</b>
4.1	Scope .....	12
4.2	Justification.....	14
4.3	Results of Risk Assessment.....	14
4.4	Results of Supplier Verification Programme .....	15
4.5	Conclusion.....	15
<b>5</b>	<b>Supply Base Evaluation Process</b> .....	<b>16</b>
<b>6</b>	<b>Stakeholder Consultation</b> .....	<b>17</b>
6.1	Response to stakeholder comments .....	18
<b>7</b>	<b>Overview of Initial Assessment of Risk</b> .....	<b>19</b>
<b>8</b>	<b>Supplier Verification Programme</b> .....	<b>20</b>
8.1	Description of the Supplier Verification Programme .....	20
8.2	Site visits .....	20
8.3	Conclusions from the Supplier Verification Programme.....	20
<b>9</b>	<b>Mitigation Measures</b> .....	<b>21</b>
9.1	Mitigation measures .....	21
9.2	Monitoring and outcomes .....	24
<b>10</b>	<b>Detailed Findings for Indicators</b> .....	<b>25</b>
<b>11</b>	<b>Review of Report</b> .....	<b>26</b>
11.1	Peer review.....	26
11.2	Public or additional reviews.....	26
<b>12</b>	<b>Approval of Report</b> .....	<b>27</b>

<b>13</b>	<b>Updates .....</b>	<b>28</b>
13.1	Significant changes in the Supply Base .....	28
13.2	Effectiveness of previous mitigation measures .....	28
13.3	New risk ratings and mitigation measures.....	28
13.4	Actual figures for feedstock over the previous 12 months .....	28
13.5	Projected figures for feedstock over the next 12 months .....	28
13.5	Projected figures for feedstock over the next 12 months .....	32
<b>14</b>	<b>References .....</b>	<b>33</b>
	<b>Appendix Listing of US Ratified ILO Conventions and Multi-lateral Environmental Instruments .....</b>	<b>34</b>
	<b>Annex 1: Detailed Findings for Supply Base Evaluation Indicators .....</b>	<b>35</b>

# 1 Overview

Producer name: Enviva Pellets Amory, LLC  
 Producer location: 7200 Wisconsin Ave Suite 1000 Bethesda, MD 20814  
 Geographic position: N 33.988894, W-88.494950  
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 Company website: <http://www.envivabiomass.com/>  
 Date report finalised: 17-SEP-2019  
 Close of last CB audit: 29-AUG-2019 Amory, MS  
 Name of CB: SCS Global Services  
 Translations from English: NA  
 SBP Standard(s) used: Standard 1 version 1.0, Standard 2 version 1.0, Standard 4 version 1.0 and Standard 5 version 1.0  
 Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>  
 SBP Endorsed Regional Risk Assessment: NA  
 Weblink to SBE on Company website: <http://envivabiomass.com/sustainability/responsible-sourcing/third-party-certifications/>

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
<input type="checkbox"/>	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Description of the Supply Base

### 2.1 General description

Enviva Holdings LP (“Enviva”) operates the Enviva Pellets Amory mill located in northeast Mississippi, USA. The Amory mill uses feedstocks that originate from three basic sources. Primary feedstock originating directly from the forest arrives in the form of in-woods chips, and secondary feedstock is received from two types of wood processing mills: primary wood processors and wood industry processors.

#### *Primary feedstock*

Primary feedstock arrives at the Amory mill delivered directly from forest settings. The wood is from pine plantation management operations called thinnings. A thinning is an intermediary harvest designed to remove poorer performing trees from the plantation to make sure the site nutrients are available for the remaining trees to improve growth and health.

#### *Secondary feedstock from primary wood processing mills*

Secondary feedstock is provided from primary wood processing mills that purchase logs from the forest and convert them into boards and other lumber products for higher end use. Amory purchases the saw dust, chips, shavings and other waste stream products from this type of mill to make wood pellets. This waste stream is best used in wood pelleting rather than going into landfills. Enviva's District of Origin process, local presence, expertise and knowledge of the region ensures the supply area and necessary attributes of the primary wood processing sources supplying the Amory pellet mill are known and their supply areas mapped within Amory's supply base area. The Amory supply base area includes portions of five states in the southern United States including; Alabama, Arkansas, Louisiana, Mississippi and Tennessee.

#### *Secondary feedstock from wood industry mills*

Amory also purchases a small amount of secondary feedstock from wood industry manufacturing mills within the scope of its Programme for the Endorsement of Forest Certification Chain of Custody. Wood industry manufacturers purchase hardwood lumber from regional saw mills to convert into furniture, trim and other higher end use products. As with primary wood processing the waste stream is ideal feedstock to use in wood pellet production rather than going into landfills. Enviva knows the location of these wood industry mills and their source saw mills though these supply systems are very complex. Legality of feedstock is easily proven because of the strong rule of law that exists in the United States (Group, 2018), Enviva's contractual requirement all suppliers abide by all applicable laws and regulations and Enviva's Program for the Endorsement of Forest Certification™ (PEFC) Due Diligence System. The barriers to assess this type of secondary supplier's feedstock systems against all of the sustainability criteria, however, are onerous. An SBP approved regional risk assessment in the United States to ensure the wood can be considered sustainably sourced and therefore SBP-compliant would potentially be one way to proceed. For this SBE, this type of feedstock has been placed in a sub-scope (described in Section 4) as SBP-controlled feedstock and is thus not included in the SBP-compliant feedstock supply base area described in this Report and Annex 1 document. Additional states from which wood industry feedstock suppliers source wood include portions of Florida, Georgia, Illinois, Indiana, Kentucky, Missouri, Oklahoma and Texas.

### Forest cover-types and growth/drain ratios

Forest cover type in the Amory SBP-compliant supply base area is 62% hardwood. The 38% pine portion is a combination of both naturally occurring and plantation pine (Table 1) (U.S. Department of Agriculture, 2018). Growth to drain is 1.94:1 for all species, 2.01:1 for pine species and 1.80:1 for hardwood species.

Table 1. Amory SBP-compliant Supply Base Area by Forest Type and State (forested hectares)

Forest Cover Type	Alabama	Arkansas	Louisiana	Mississippi	Tennessee	Totals
White/red/jack pine group	6,740	0	0	0	3,654	10,394
Longleaf/slash pine group	126,006	0	0	154,118	0	280,124
Loblolly/shortleaf pine group	2,763,321	237,357	44,031	2,832,529	218,082	6,095,319
Spruce/fir group	0	0	0	2	0	2
Other eastern softwoods group	23,660	0	0	21,865	33,401	78,927
Oak/pine group	832,258	30,190	11,678	680,363	140,872	1,695,361
Oak/hickory group	2,134,226	115,791	45,647	1,688,173	1,533,570	5,517,408
Oak/gum/cypress group	573,702	257,142	139,161	831,479	126,225	1,927,710
Elm/ash/cottonwood group	212,688	166,889	122,138	440,789	245,209	1,187,713
Maple/beech/birch group	0	0	0	0	28,440	28,440
Other hardwoods group	2,638	2,405	732	5,684	6,183	17,642
Exotic hardwoods group	15,009	98	0	21,551	4,887	41,544
Nonstocked	32,945	16,362	8,692	84,483	4,923	147,405
Totals	6,723,193	826,233	372,080	6,761,037	2,345,445	17,027,989

In the Gulf region of the U.S. south, total pine inventory has increased 2.1% annually since 2000 (Forest2Market, 2015) (Figure 1). Reduced demand for hardwood pulpwood due to a weakening of demand from the paper industry means that young hardwood pulpwood stands are "aging out" and becoming hardwood saw timber stands. Hardwood saw timber has demonstrated an annual increase of 1.3% since 2000 (Figure 2) (Forest2Market, 2015). Annual hardwood pulpwood removals have declined by 2.6%, and annual hardwood saw timber removals declined by 5% for the same time frame (Forest2Market Inc., 2015).

Figure 1. U.S. South Gulf Region Pine inventory 2000 – 2014

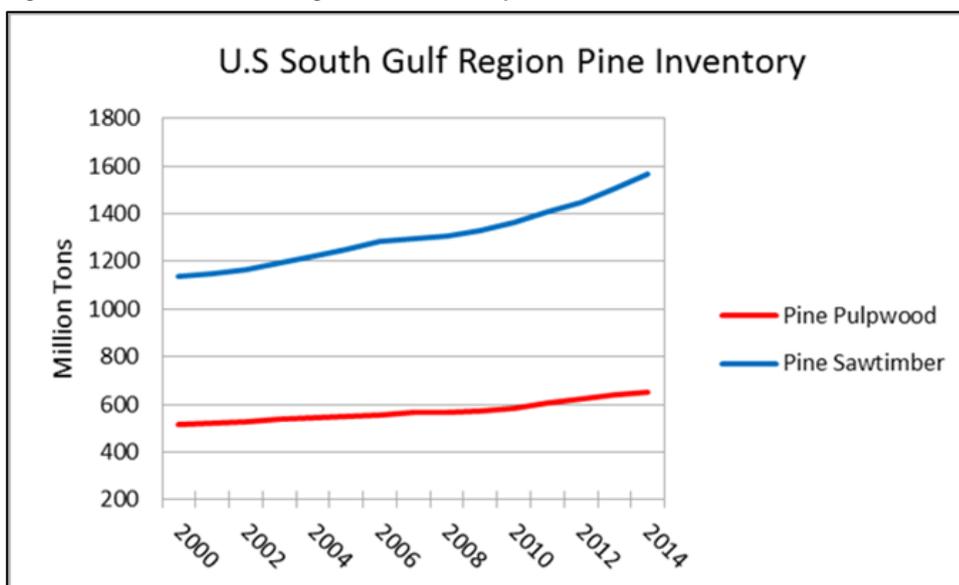
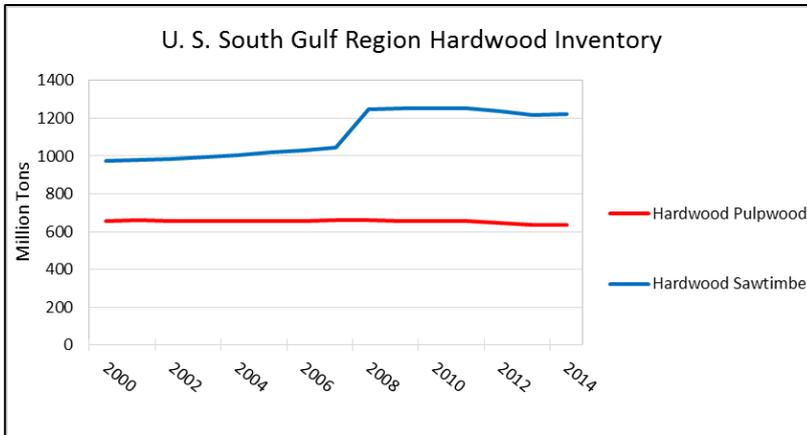


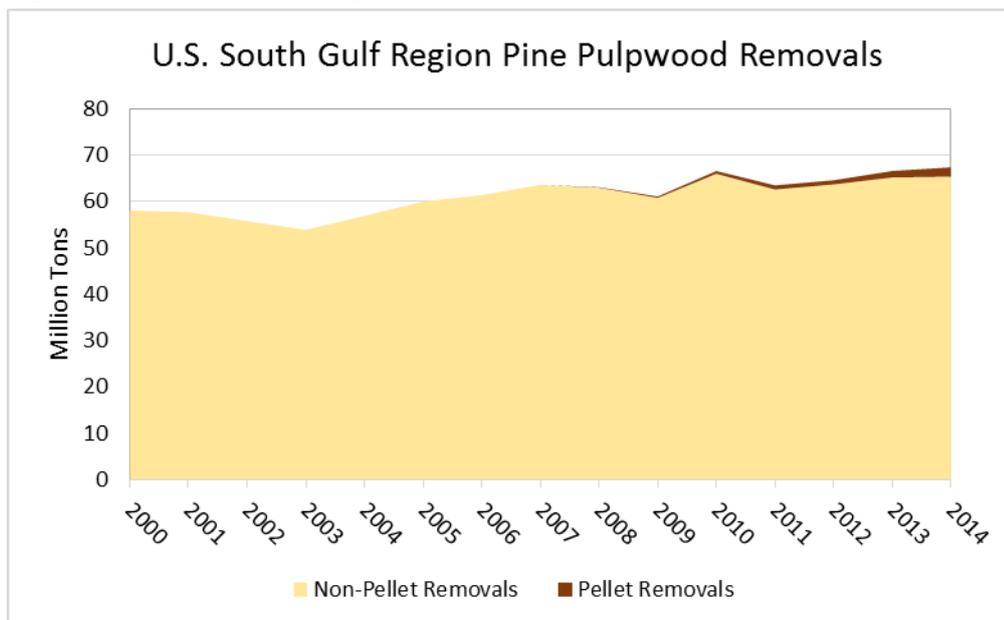
Figure 2. U. S. South Gulf Region Hardwood Inventory 2000 - 2014



**Operating Scale**

Low value forest product removals of both pine and hardwood for pellet export in the region comprised only 3.88% of total harvest volume during 2014 (Forest2Market, 2015) (Figure 3). Primary harvesting activity and wood consumption in the southern US is driven by saw-timber markets with a total estimate of removals for the pellet industry comprising only 0.09% of the total pine inventory and 0.06% of the total hardwood inventory. In 2014, total wood consumption by all markets in the south accounted for 3.3% of total forest inventory (Forest2Market, 2015). 85% of the feedstock at AMO is obtained as secondary sources from sawmills. Sawmills purchase high-quality timber that is used for purposes such as products such as furniture and construction, and they produce residues as a by-product of their operations.

Figure 3. U.S. South Gulf Region Pine Pulpwood Removals 2000 – 2014.



**CITES, IUCN Species**

The International Union for the Conservation of Nature (IUCN) species list includes *Pinus palustris* (Longleaf pine), which does occur in the supply base region (International Union for the Conservation of Nature, 2015). Longleaf pine is included in the IUCN list because its current extent is much reduced from its historical dominance in the southeast US. However, conservation groups, such as the Longleaf Alliance, agree that creating commercial viability of longleaf pine is crucial to its restoration (Longleaf Alliance, 2016). Enviva’s use of material from longleaf stand thinnings or other harvest residuals supports the commercial viability of the species and encourages landowners to restore longleaf stands. Enviva does not source from natural longleaf stands that are being converted to another forest type.

Further, Enviva maintains a third party certified Controlled Wood Risk Assessment/Due Diligence System which satisfies the Forest Stewardship Council® (FSC®), Programme for the Endorsement of Forest Certification™ (PEFC™) and Sustainable Forestry Initiative® (SFI®) Chain of Custody requirements. These certifications address the controls needed to avoid the use of CITES and/or IUCN species concerns. None of the species converted to wood pellets at the Amory pellet mill appear in the Convention on International Trade in Endangered Species (CITES) Appendices (CITES, 2015).

**General Forest Management Techniques**

General forest management practices vary by landowner and location within the supply base and are conducted on both pine and hardwood sites. Typically, hardwood management relies on natural regeneration of stands where forest tracts are harvested and the natural processes of seedling establishment and sprout growth from the remaining stumps (called “coppice”) produce the next forest, and little management takes place until the next harvest. Pine stands can be naturally regenerated or planted after harvest. Planted pine management includes various regimes designed to produce a variety of forest products. Typical management scenarios include a thinning between age 10 and 15, and a final harvest occurring between age 25 and 35. Pine management intensity depends on landowner objectives and resources, and could include additional treatments, and/or additional thinning. Overall, though many pine stands are “planted” they are not intensively managed plantations with little or no understory; instead, once established they are left to grow and routinely have a hardwood dominated understory.

**Ownership, Land Use and Certification**

Forest ownership patterns within the supply base are typical for the southern US, with the highest percentage of the forest owned by private landowners. Based on data obtained from the United States Forest Service Forest Inventory and Analysis program, forest land ownership categories for each state in the supply base are presented in Table 2 (U.S. Department of Agriculture, 2018). The most common land uses in the supply base area are agriculture and forestry (Table 3) (USDA Economic Research Service, 2017).

Table 2. Amory SBP-compliant Supply Base Area by State and Ownership (forested hectares)

Land Owner Type	Alabama	Arkansas	Louisiana	Mississippi	Tennessee	Totals
Private	6,283,871	677,726	297,118	6,087,755	2,147,239	15,493,709
Federal	280,529	88,526	41,552	551,159	79,409	1,041,175
State	112,579	50,218	8,235	64,689	98,743	334,463
Local	46,212	9,764	25,177	57,431	20,056	158,640
Totals	6,723,191	826,233	372,082	6,761,034	2,345,447	17,027,989

Table 3. Land Use by State (State-wide Basis)

	Cropland	Grassland pasture and range	Forest-use land	Special-use areas	Urban areas	Miscellaneous other land
Alabama	9%	9%	70%	5%	5%	3%
Arkansas	25%	12%	56%	5%	2%	0%
Louisiana	17%	8%	53%	7%	5%	10%
Mississippi	17%	9%	65%	3%	2%	3%
Tennessee	20%	13%	51%	8%	7%	1%

**Regional Socio-economic Conditions**

Annually the forest products industry in Mississippi generates over \$11 billion in revenue impacts. In 2014 over 59,000 people were employed in forestry in Mississippi earning over \$2.7 billion in wages (Mississippi Forestry Association, 2019). The mean hourly wage for the farming, fishing and forestry occupational group in southeast Mississippi in 2014 was \$14.13, compared to the United States average of \$12.09 for this same group (US Bureau of Labor Statistics, 2019). Forestry related industries are a leading economic driver in many Mississippi counties, providing employment opportunities for loggers, foresters, consultants, truck drivers and mill workers. Enviva Amory provides opportunities for local residents to gain employment and currently directly employs approximately 25 people. As part of feedstock procurement, pellet manufacturing, and pellet transport, Enviva Amory creates numerous spin-off jobs in the region.

According to a recent study, 50 indirect jobs in the region are created by Enviva’s operations. Further, employees at the Enviva Amory plant, on average, earn wages that are 12% higher than other comparable jobs in the area. The same study found that Enviva Amory has a total direct and indirect economic contribution to the region of over \$32 million dollars (Chumura Economics & Analytics, 2016).

**Pellet Feedstock Profile**

Enviva Amory purchases primary feedstock in the form of pine in-woods chips and all of Amory’s primary material is from SFI certified forests that are not managed on rotations over 40 years. The SFI Forest Management System is accepted by PEFC as an approved forest management system and wood from SFI managed forests can be considered legally and sustainably sourced.

Enviva also sources secondary feedstock in the form of sawdust, chips and shavings from primary wood processing mills and wood industry manufacturing. Sawmills source high-quality logs from the forest and mill them into products like two-by-fours. The saw dust, chips and shavings produced during the milling process are considered to be a waste stream. Using this material for wood pellets is ideal and keeps this wood from going into landfills.

Another type of secondary feedstock comes from wood industry suppliers, who use the products created by sawmills to produce products such as furniture or other assembled wood products. These feedstocks are most commonly in the form of sawdust or shavings and may be green or kiln-dried. The saw dust, chips and shavings produced during the milling process are considered part of the waste stream. Using this material for wood pellets is ideal and keeps this wood from going into landfills.

SBP Compliant feedstock originates within the defined supply base and meets all relevant SBP standards as demonstrated by the Supply Base Evaluation (SBE). SBP-controlled feedstocks are those purchased within Amory’s PEFC Due Diligence System and Chain of Custody system.

### **Enviva's Commitment to Responsible Wood Sourcing**

Enviva purchases sawmill and wood industry residues in the form of sawdust, shavings, or other waste products from the milling process (Figure 4). Secondary feedstock suppliers receive an initial visit prior to beginning deliveries, to verify their operations and products. Annually, sawmills and wood industry suppliers complete a District of Origin Residual Supplier Reporting Form, providing Enviva with information on the source of their wood, any certifications they hold, species used at the mill and other attributes of their supply system. Enviva ensures their supply areas in our supply base evaluation and provides each supplier with feedback on their supply area, noting any areas of risk that may be present. Enviva may choose to cease deliveries from a supplier that refuses to provide the necessary data for us to properly include their supply area in our risk assessment.

Enviva periodically audits each primary wood processing mill to ensure their reporting is accurate. With this information, in addition to our internal expertise and knowledge of the location of the mill and the products it produces, Enviva can evaluate each supplier's ability to provide wood that meets the SBP Feedstock Standard. Enviva works with its suppliers to ensure the data they have provided are complete and accurate and will regularly check to ensure they are providing the material they have reported. In addition to an initial visit before signing a contract with a residual supplier to verify their operations and products are as stated, Enviva monitors the incoming products to ensure they are consistent with the data submitted annually in the Residual Supplier Data Sheet.

The system Enviva uses to evaluate and approve secondary feedstock primary processing mills as described above meets the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant.

This approach is also in alignment with "SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US." The process Enviva employs through its District of Origin Process and annual Residual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk.

## **2.2 Actions taken to promote certification amongst feedstock supplier**

Enviva actively pursues feedstock from certified sources to encourage those landowners to maintain and expand their certified holdings. Enviva is active in the Mississippi Forestry Association and the Mississippi committee of the American Tree Farm System®, both of which promote forest sustainability and certification.

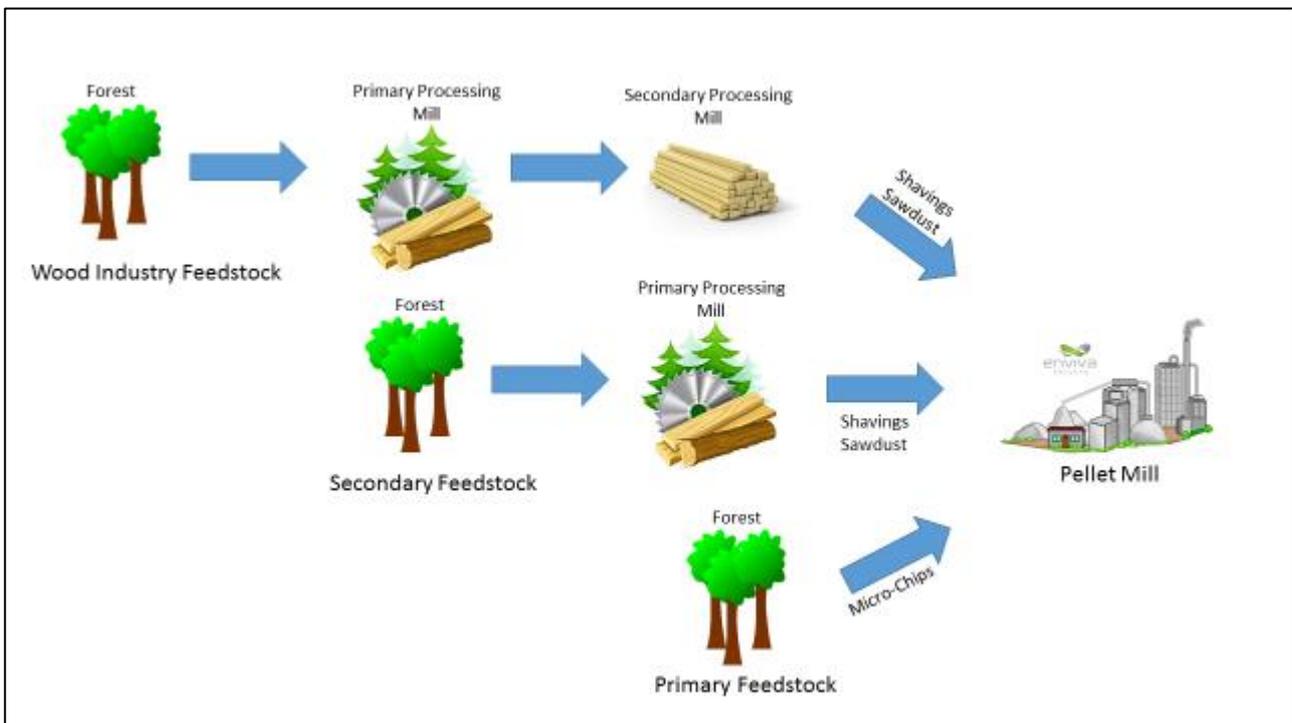
Enviva is third party certified in the three-major chain of custody systems (FSC, PEFC & SFI) and approximately 40% of Amory's feedstock supply comes from lands that are certified to an SBP approved forest management system. Enviva also maintains certification under the SFI Fiber Sourcing Program. SFI Fiber Sourcing requires Enviva to promote sustainable forestry activities and forest certification to our suppliers and landowners. Enviva encourages secondary feedstock suppliers to consider chain of custody certification as a means to further supply chain transparency.

## 2.3 Final harvest sampling programme

All of the primary feedstock used at Enviva's Amory mill comes from pine plantation thinnings. The requirement for a final harvest sampling program does not apply.

## 2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

Figure 4. Feedstock Flow Chart



## 2.5 Quantification of the Supply Base

### Supply Base

- a. Total Supply Base area (ha): 17,027,989 forested hectares
- b. Tenure by type (ha):

Land Owner Type	Alabama	Arkansas	Louisiana	Mississippi	Tennessee	Totals
Private	6,283,871	677,726	297,118	6,087,755	2,147,239	15,493,709
Federal	280,529	88,526	41,552	551,159	79,409	1,041,175
State	112,579	50,218	8,235	64,689	98,743	334,463
Local	46,212	9,764	25,177	57,431	20,056	158,640
Totals	6,723,191	826,233	372,082	6,761,034	2,345,447	17,027,989

- c. Forest by type (ha): Temperate forest type: 17,027,989 ha
- d. Forest by management type (ha):

	Natural Forest	Plantation
Alabama	70%	30%
Arkansas	76%	24%
Louisiana	79%	21%
Mississippi	71%	29%
Tennessee	92%	8%
Total	74%	26%

- e. Certified forest by scheme (ha): State-wide basis

	FSC	SFI	ATFS
Alabama	257,656	1,191,749	1,117,864
Arkansas	495,752	1,294,992	226,428
Louisiana	256,686	1,198,979	425,781
Mississippi	102,819	851,851	534,446
Tennessee	72,937	192,313	137,948
Total	1,185,850	4,729,884	2,442,467

### Feedstock

- f. Total volume of Feedstock: 235,087 metric tons
- g. Volume of primary feedstock: 31,783 metric tons
- h. List percentage of primary feedstock (g), by the following categories. Forest Management Schemes:
  - Certified to an SBP-approved Forest Management Scheme: 100.0%
  - Not certified to an SBP-approved Forest Management Scheme: 0%
- i. List all species in primary feedstock, including scientific name
  - Loblolly pine (*Pinus taeda*)
- j. Volume of primary feedstock from primary forest
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0

- l. Volume of secondary feedstock: 86% of the total feedstock, 45% of the total are pine species
- m. Volume of tertiary feedstock: 0%

### 3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
X	<input type="checkbox"/>

Enviva has chosen to complete an SBE to ensure all of the secondary feedstock purchased from primary mill processors is SBP-compliant feedstock. Enviva has implemented procedures to address determination of origin, Supply Base Report (SBR) development and credibility, management systems and operations as well as procedures for handling comments or complaints.

There currently is no SBP-endorsed Regional Risk Assessment (RRA) in the United States.

## 4 Supply Base Evaluation

### 4.1 Scope

Enviva's SBE includes secondary feedstock suppliers who are primary processors, meaning they utilize wood delivered to their mill directly from the forest. The Enviva SBE in conjunction with conformance to the SBP Chain of Custody Standard provides confidence that Enviva can determine if a source is SBP-compliant or SBP-controlled.

Based on the information collected by Enviva from its suppliers' completed District of Origin Data Request Forms, Enviva first developed 4 sub-scopes based on whether the feedstock is certified or uncertified and supplier type. Once the sub-scopes were set, Enviva used the information provided by the secondary feedstock suppliers with only process logs delivered directly to them from the forest to establish the geographical bounds of the Amory supply base area.

Enviva has developed the following supplier sub-scopes.

#### **Sub-scope 1. Primary Feedstock Suppliers**

Amory's primary wood suppliers harvest exclusively on Sustainable Forestry Initiative Forest Management (SFI FM)) certified properties. Since SFI FM is recognised by PEFC as an approved forest management scheme, the approximately 14% of wood delivered by these suppliers is not required to be part of the supply base evaluation and is outside the scope of the SBE.

#### **Sub-scope 2. Certified Secondary Feedstock Suppliers**

Approximately 86% of Amory's feedstock is provided by secondary sources. These sources include sawmills who purchase wood directly from active harvest sites. Many of Amory's secondary feedstock suppliers maintain third party certified chain of custodies. These chain of custodies require the holder to verify that wood sourced to their mills meets legal and sustainability requirements. Secondary suppliers providing certified feedstock comprise over 29% of Amory's feedstock supply. The certified feedstock delivered by these suppliers is outside the scope of the SBE.

#### **Sub-scope 3. SBP-Controlled Feedstock**

Amory also purchases a small amount of SBP-controlled feedstock from wood industry manufacturing mills through its PEFC Chain of Custody. Wood industry manufacturers purchase hardwood lumber from regional saw mills to convert into furniture, trim and other higher end use products. As with primary wood processing mills, the waste stream is ideal feedstock to use in wood pellet production rather than going into landfills. These suppliers are further removed from the primary harvesting site and have less visibility to ensure the sustainability criteria are met. These suppliers purchase wood from suppliers whose operations extend into portions of states beyond the Amory supply base area. Enviva knows the location of these wood industry mills and their source primary saw mills but these supply systems are complex. Legality of feedstock is easily proven because of the strong rule of law that exists in the United States (Group, 2018), Enviva's PEFC Due Diligence System and Master Wood Product Agreement requirements ensure the legality indicators of SBP

are met but there currently is not an SBP approved regional risk assessment in the United States to ensure the wood can be considered sustainably sourced and therefore SBP-compliant.

Wood industry suppliers are required to complete a District of Origin Data Request Form annually. The information is tracked and monitored to ensure Enviva's PEFC Due Diligence System is managing the supply area.

*Potential mitigation measures*

- Wood industry suppliers can become SBP-compliant if they agree to follow the guidance requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 permits a secondary feedstock supplier to implement controls on behalf of a Biomass Producer to meet specific requirements of SBP-compliant feedstock sourcing.
- There is not an SBP-approved regional risk assessment in the United States. If one is developed this type of supply system will be re-evaluated.
- Re-evaluation will occur as more favourable interpretations regarding the strength of various United States Federal and state programs develop.

Even though other Enviva pellet mill supply base areas where Enviva does purchase primary feedstocks overlap with much of the supply areas of this sub-scope type, proving supply chain connectivity is difficult. This feedstock is not included in the SBP-compliant feedstock supply base evaluation found in Annex 1. Additional states from which wood industry feedstock suppliers source wood include portions of; Florida, Georgia, Illinois, Indiana, Kentucky, Missouri, Oklahoma and Texas.

**Sub-scope 4. Secondary feedstock suppliers sourcing directly from the forest**

Secondary feedstock suppliers sourcing wood directly from the forest make up the largest group in Amory's supply base. All of these mills are within 161km of Enviva's Amory mill. Each mill is required to complete an annual district of Origin Data Request Form to provide Enviva the needed transparency into their supply chain to ensure they are SBP-compliant sources.

Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers' sourcing area and other information collected in the District of Origin process and is compared to the location and description of the specified risks described in the FSC US Controlled Wood National Risk Assessment (FSC US CWNRA). Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.

Enviva's supplier audit process provides the assessment tools necessary to evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a supplier's risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.

Enviva’s annual District of Origin and Residual Supplier Data Request Form process allows secondary feedstock primary processing mills as described above meets the requirements described in SBP’s Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is also in alignment with “SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US” and “SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US.” The process Enviva employs through its District of Origin Process and annual Residual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk. Enviva engages with suppliers, harvesting companies and landowners directly and through its participation in various state forestry associations and SFI State Implementation Committees. These regular interactions permit Enviva to stay informed of changes in forestry laws and regulation governing timber harvesting and other forest sector activities. These suppliers are included in the Amory SBE.

## 4.2 Justification

Landownership in the supply area is predominately private. The forest industry is well established, and logger training and forestry best management practices are required by all large wood consuming mills. All of the states in the Amory supply base area have adequate laws and regulations governing forestry practices. The rule of law in the United States, strong environmental laws and regulations and proven enforcement provide strong means of verification. Enviva’s PEFC Due Diligence System and use of reliable sources of research and data were used in making each risk level determination.

## 4.3 Results of Risk Assessment

Each criterion was evaluated and measured against Enviva’s existing forest certification and chain of custody programs and Enviva identified LAV’s were provided for public consultation. Information from the FSC US CWNRA was used as a baseline to determine if areas of high conservation value, biodiversity and conversion exist in Enviva’s supply base area. Based on this work and local knowledge Enviva determined a rating of "low risk" for each indicator with the exception of 2.1.1, 2.1.2, 2.1.3, 2.2.3, 2.2.4 and 2.4.1.

Indicator	Risk Assessment
2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	The US does not have an SBP approved regional risk assessment that fully considers all of the indicators.

<p>2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</p>	<p>Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management systems or mitigation measures cannot be implemented to reduce risk.</p>
<p>2.1.3 The BP has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.</p>	<p>Related to 2.1.1 Areas of conversion to production plantation (as defined by SBP) is low in Enviva’s supply base area. Conversion to non-forest after January 2008 may occur in the supply base area</p>
<p>2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	<p>Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside</p>
<p>2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</p>	<p>Related to 2.1.1 Identification of areas with biodiversity concerns is necessary to begin the process of identifying if they are properly protected</p>
<p>2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).</p>	<p>Related to 2.1.1 Identification of forest ecosystems that provide key services is necessary to ensure proper control systems are employed to ensure forest health, vitality and other services are maintained</p>

## 4.4 Results of Supplier Verification Programme

No indicators were defined as unspecified risk so therefore a Supplier Verification Program is not required.

## 4.5 Conclusion

Enviva completed a robust supply base evaluation that fully meets the SBP requirements. Enviva determined 6 indicators have a specified risk rating that will require additional mitigation through management systems. Further, Enviva used the FSC US CWNRA as a basis for establishing risk for the Amory supply base area because there is no SBP-approved RRA for the southeast US. Enviva’s use of the FSC US CWNRA to assign risk is in alignment with “SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US.” Additional guidance used in the development of Amory’s supply base evaluation includes: “SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US and interpretations found in SBP’s Normative Interpretations” (June 2018)

## 5 Supply Base Evaluation Process

Enviva has a well-rounded competent staff of professionals with many years of experience in forest certification programs, policy and procedure development and natural resource management. These collective experiences and talents provided Enviva the ability to conduct its own supply base evaluation and risk assessment.

Enviva used the FSC US Controlled Wood National Risk Assessment V1-0 D3-0, stakeholder engagement, its third party certified PEFC/SFI Due Diligence System and FSC Controlled Wood Risk Assessment to continually improve the SBE. Various third-party data sources were also used for research in the region such as:

- Forest Stewardship Council
- The Nature Conservancy
- United States Forest Service
- United States Department of Labor
- United States Department of Environmental Protection
- State Forest Service Divisions, National Council for Air and Stream Improvement
- World Wildlife Fund
- World Bank Governance Index
- Illegal Logging Portal, Transparency International
- Green Peace, Conservation International
- World Resources Institute, Convention on International Trade in Endangered Species
- International Union for Conservation of Nature
- Databasin

Continued stakeholder engagement has helped Enviva to identify forest types and habitats that can benefit from forest management. Section 6 contains additional information.

## 6 Stakeholder Consultation

*Give a general description of the process of Stakeholder Consultation, including stakeholders contacted and method of communication.*

2018

In late summer of 2017, as part of our plan to improve our Responsible Sourcing Policy, we solicited and received detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:

- The Association of Fish and Wildlife Agencies and The National Wildlife Federation
- The Nature Conservancy
- Audubon
- World Wildlife Fund
- National Council for Air and Stream Improvement
- The Conservation Fund
- The Forest Trust

We integrated many suggestions we received into our draft policy and the associated plans through which we will implement our policy, including: adding more robust protections of upland as well as bottomland forests, supporting restoration of longleaf and other critical forest types, driving FSC forest management certification, scoping the development of a broader sustainability policy, among others. We anticipate releasing our revised responsible sourcing policy in early 2019.

*Work in other regions where Enviva operates*

- Track & Trace Program Improvements
  - Enviva worked closely with Rainforest Alliance on improvements to our Track & Trace program, including improving our processes so that Track & Trace data can be audited for accuracy. And Enviva is currently working with NEPCo in building a Track & Trace Standard, for future audit of the T&T program.
- Bottomland Hardwood (BLHW) Task Force
  - We had numerous calls and held the last in-person meeting of our BLHW Task Force in June 2018, which provided detailed, constructive feedback on ways we could expand our BLHW HCV policy.
  - Our work with the Task Group helped refine our High Conservation Tract Approval Process
- Longleaf pine restoration work
  - Building on our project with AFF and TNC to certify and restore longleaf in the FL panhandle, we consulted with Longleaf Alliance as we developed our thinking of how we could support longleaf restoration more broadly.

- In June, we presented our interest to support longleaf restoration around our new plant at Hamlet, NC to the NC Sandhills Conservation Partnership
- In 2017 Enviva's Forest Conservation Fund has help secure conservation easements on over 8,000 acres. To date the program has helped landowners secure conservation easements covering over 13,200 acres of sensitive forestland.

Enviva appeared in GreenBiz article, Stakeholder engagement: How Enviva moved from crisis to collaboration (<https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration>). The author describes Enviva's path of learning and growth in the realm of stakeholder engagement. The Author concluded, "What began as a crisis management exercise has evolved into a collaborative stakeholder platform that feeds into Enviva's business operations and strategy, enabled by formal policies, governance structure, performance indicators, internal capacity to respond and an ongoing enterprise-wide learning process....."

2017

Starting February 13, 2017 and ending on March 27, 2017, Enviva conducted a public consultation on the draft Amory SBE. Stakeholders received an email which contained a copy of the Draft SBE and directions on how to comment. Emails were sent to over 150 individuals representing ENGOS, academic organizations, public agencies, landowners, and private companies. The same draft SBE and directions for commenting were available on the Enviva website during the consultation.

Enviva received no comments regarding the Amory pellet mill during the consultation.

## 6.1 Response to stakeholder comments

2018

Enviva has received no direct or indirect stakeholder comments or feedback for its Enviva Amory Pellets, LLC mill.

2017

Enviva received no comments directly related to Amorys stakeholder consultation.

# 7 Overview of Initial Assessment of Risk

Table 1. Overview of results from the risk assessment of all Indicators (prior to SVP)

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1	X		
2.1.2	X		
2.1.3	X		
2.2.1		X	
2.2.2		X	
2.2.3	X		
2.2.4	X		
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1	X		
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

## 8 Supplier Verification Programme

### 8.1 Description of the Supplier Verification Programme

Enviva did not identify any indicators as unspecified risk negating the requirement to establish Supplier Verification Programs.

### 8.2 Site visits

NA

### 8.3 Conclusions from the Supplier Verification Programme

NA

# 9 Mitigation Measures

## 9.1 Mitigation measures

To read full details for each indicator please see Annex 1.

2019 report findings

Indicator	Management System	Means of Verification
2.1.1 2.1.2 2.1.3	<p>Use FSC US CWNRA and stakeholder engagement to develop appropriate maps of high conservation value areas</p> <p><u>Control system/Procedures</u></p> <p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>• <u>Illegally harvest wood;</u></li> <li>• Wood harvested in violation of traditional and civil rights;</li> <li>• <u>Wood harvested from forests where high conservation values are threatened by management activities;</u></li> <li>• <u>Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</u></li> <li>• Wood from forests were genetically modified trees are planted;</li> <li>• Wood in which there was a violation of the ILO</li> </ul>	<ul style="list-style-type: none"> <li>• ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</li> <li>• ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</li> <li>• ENV-COC-03 Controlled Sources Risk Assessment</li> <li>• FSC US Controlled Wood National Risk Assessment</li> <li>• Stakeholder engagement</li> <li>• Master Wood Purchase Agreement</li> <li>• Supplier audit process</li> <li>• District of Origin Process</li> <li>• World Bank Governance Index</li> </ul>

	<p>Declarations on fundamental principle and rights at work.</p> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. The Agreement requires suppliers to abide by forest management activities regulations.</p> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. The Agreement requires suppliers to avoid feedstock sources from land use change.</p> <p>Enviva uses its District of Origin and supplier audit processes to assess feedstock purchases conformance to these indicators</p> <p>Enviva uses a supplier auditing process that assesses primary wood processor suppliers based on their risk profile</p> <p>World Bank Governance Index places the US in the top 90<sup>th</sup> percentile on Government Effectiveness and Regulatory Quality.</p>	
<p>2.2.3 2.2.4 2.4.1</p>	<p>Use FSC US CWNRA and stakeholder engagement to develop appropriate maps of high conservation value areas</p> <p><u>Control system/Procedures</u></p> <p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources</p>	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. ENV-SFIS-01 Certified Sourcing Implementation Manual</li> <li>d. Track &amp; Trace Program</li> <li>e. ENV-COC-01 Implementation Manual</li> <li>f. ENV-COC-02 CS Procedure</li> <li>g. ENV-COC-03 CS Risk Assessment</li> </ul>

	<p>wood: (items related to this indicator are underlined)</p> <ul style="list-style-type: none"> <li>• Illegally harvest wood;</li> <li>• Wood harvested in violation of traditional and civil rights;</li> <li>• <u>Wood harvested from forests where high conservation values are threatened by management activities;</u></li> <li>• <u>Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</u></li> <li>• Wood from forests were genetically modified trees are planted;</li> <li>• Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement requires suppliers to avoid key ecosystems and habitats such as old growth forests and forest that could be threatened by forest management activities.</p> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. The Agreement requires suppliers to abide by forest management activities regulations.</p> <p>Enviva uses its District of Origin and supplier audit processes to assess feedstock purchases conformance to these indicators</p>	<ul style="list-style-type: none"> <li>h. Master Wood Purchase Agreement</li> <li>i. District of Origin Process</li> <li>j. Supplier audit process</li> <li>k. State BMP Manuals and BMP monitoring data</li> </ul>
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	<p>Enviva uses a supplier auditing process that assesses primary wood processor suppliers based on their risk profile.</p> <p>Use publicly available third-party information on BMP implementation to assess supplier FMU audit results</p> <p>World Bank Governance Index places the US in the top 90th percentile on Government Effectiveness and Regulatory Quality.</p>	
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## 9.2 Monitoring and outcomes

Enviva identified and mapped the areas of specified risk identified in the FSC US CWNRA. The annual supplier District of Origin Data Request Form and continued stakeholder engagement audit process are used to monitor and identify other areas of potential specified risk. No new areas were identified in 2018.

Enviva’s supplier auditing process uses a risk profile that is based on the suppliers sourcing area and other information collected in the District of Origin process and is compared to the location and description of the specified risks described in the FSC US Controlled Wood National Risk Assessment (FSC US CWNRA). Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU’s as part of their supplier audit. In 2019 seven suppliers were audited. No issues or concerns were identified, and no new areas of risk were identified.

## 10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1.

## 11 Review of Report

### 11.1 Peer review

NA

### 11.2 Public or additional reviews

The supply base evaluation is reviewed annually and revised to include credible third-party information and internally generated information developed through Enviva's robust suite of programs and processes.

Enviva maintains a third party certified SFI Fiber Sourcing Program and FSC/PEFC/SFI Chain of Custody systems. All of these programs are reviewed internally and by our third party certifying bodies on an annual basis.

The Supply Base Evaluation was developed internally by qualified personnel using credible third-party data sources such as; Forest Stewardship Council®™, The Nature Conservancy, United States Forest Service, United States Department of Labor, United States Department of Environmental Protection, State Forest Service Divisions, National Council for Air and Stream Improvement among others. Last, the draft SBE was included in the most recent stakeholder consultation, so anyone who was interested had the ability to review and comment on the document.

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Don Grant</i>	<i>Manager, Sustainability Standards</i>	<i>August 26, 2019</i>
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation’s senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	<i>Jennifer Jenkins</i>	<i>Vice President &amp; Chief Sustainability Officer</i>	<i>Sept. 15, 2019</i>
	Name	Title	Date
Report approved by:	<i>Thomas Meth</i>	<i>Executive Vice President for Sales and Marketing</i>	<i>Sept. 17, 2019</i>
	Name	Title	Date

## 13 Updates

### 2019 update

#### 13.1 Significant changes in the Supply Base

NA

#### 13.2 Effectiveness of previous mitigation measures

Enviva audited seven secondary suppliers with no findings of non-conformity.

#### 13.3 New risk ratings and mitigation measures

NA

#### 13.4 Actual figures for feedstock over the previous 12 months

Feedstock

- f. Total volume of Feedstock: 235,087 metric tons
- g. Volume of primary feedstock: 31,783 metric tons
- h. List percentage of primary feedstock (g), by the following categories. Forest Management Schemes:
  - a. Certified to an SBP-approved Forest Management Scheme: 100.0%
  - b. Not certified to an SBP-approved Forest Management Scheme: 0%
- i. List all species in primary feedstock, including scientific name
  - a. Loblolly pine (*Pinus taeda*)
- j. Volume of primary feedstock from primary forest
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0
- l. Volume of secondary feedstock: 86% of the total feedstock, 45% of the total are pine species
- m. Volume of tertiary feedstock: 0%

#### 13.5 Projected figures for feedstock over the next 12 months

Feedstock

- f. Total volume of Feedstock: 235,087 metric tons
- g. Volume of primary feedstock: 31,783 metric tons
- h. List percentage of primary feedstock (g), by the following categories. Forest Management Schemes:
  - a. Certified to an SBP-approved Forest Management Scheme: 100.0%
  - b. Not certified to an SBP-approved Forest Management Scheme: 0%
- i. List all species in primary feedstock, including scientific name
  - a. Loblolly pine (Pinus taeda)
- j. Volume of primary feedstock from primary forest
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0
- l. Volume of secondary feedstock: 86% of the total feedstock, 45% of the total are pine species
- m. Volume of tertiary feedstock: 0%

**2018 updates**

**Significant changes in the Supply Base**

Re-instated a supply base area and supply base evaluation to source uncertified wood as SBP-compliant for a defined sub-scope. The supply base area includes 183 counties in Alabama, Arkansas, Louisiana, Mississippi and Tennessee.

**13.1 Effectiveness of previous mitigation measures**

NA

**13.2 New risk ratings and mitigation measures**

Enviva identified and mapped the areas of specified risk identified in the FSC US CWNRA. The annual supplier District of Origin Data Request Form and continued stakeholder engagement audit process are used to monitor and identify other areas of potential specified risk. No new areas were identified in 2018.

Specified risk indicators

Indicator	Risk Assessment
2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	The US does not have an SBP approved regional risk assessment that fully considers all of the indicators.
2.1.2 The BP has implemented appropriate control systems and procedures to identify and address	Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management

potential threats to forests and other areas with high conservation values from forest management activities.	systems or mitigation measures cannot be implemented to reduce risk.
2.1.3 The BP has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.	Related to 2.1.1 Areas of conversion to production plantation (as defined by SBP) is low in Enviva's supply base area. Conversion to non-forest after January 2008 may occur in the supply base area
2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside
2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).	Related to 2.1.1 Identification of areas with biodiversity concerns is necessary to begin the process of identifying if they are properly protected
2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).	Related to 2.1.1 Identification of forest ecosystems that provide key services is necessary to ensure proper control systems are employed to ensure forest health, vitality and other services are maintained

Enviva's supplier auditing process uses a risk profile that is based on the suppliers' sourcing area and other information collected in the District of Origin process and is compared to the location and description of the specified risks described in the FSC US Controlled Wood National Risk Assessment (FSC US CWNRA). Suppliers with a risk profile score placing them outside of the top 90th percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit. In 2018 eight suppliers were audited, three required supplier FMU field audits. No issues or concerns were identified, no new areas of risk were identified.

**13.3 Actual figures for feedstock over the previous 12 months**

**Feedstock**

- f. Total volume of Feedstock: 220,061 metric tonnes
- g. Volume of primary feedstock: 33,127 metric tonnes
- h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Program for the Endorsement of Forest Certifications: 100.0%
  - b. Not certified to an SBP-approved Forest Management Scheme: 0%
- i. List all species in primary feedstock, including scientific name  
Loblolly pine (Pinus taeda)

- j. Volume of primary feedstock from primary forest: 0.0 metric tonnes
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0
- l. Volume of secondary feedstock: 85% of the total feedstock, 47% of the total are pine species.
- m. Volume of tertiary feedstock: 0%.

#### **13.4 Projected figures for feedstock over the next 12**

##### **Feedstock**

- f. Total volume of Feedstock: 220,061 metric tonnes
- g. Volume of primary feedstock: 33,127 metric tonnes
- h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Program for the Endorsement of Forest Certifications: 100.0%
  - b. Not certified to an SBP-approved Forest Management Scheme: 0%
- i. List all species in primary feedstock, including scientific name  
Loblolly pine (*Pinus taeda*)
- j. Volume of primary feedstock from primary forest: 0.0 metric tonnes
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0
- l. Volume of secondary feedstock: 85% of the total feedstock, 47% of the total are pine species.
- m. Volume of tertiary feedstock: 0%.

#### **2017 updates**

##### **13.1 Significant changes in the Supply Base**

NA

##### **13.2 Effectiveness of previous mitigation measures**

NA

##### **13.3 New risk ratings and mitigation measures**

NA

#### **13.4 Actual figures for feedstock over the previous 12 months**

##### **Feedstock**

- n. Total volume of Feedstock: 220,061 metric tonnes
- o. Volume of primary feedstock: 33,127 metric tonnes
- p. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:

- a. Program for the Endorsement of Forest Certifications: 100.0%
- b. Not certified to an SBP-approved Forest Management Scheme: 0%
- q. List all species in primary feedstock, including scientific name  
Loblolly pine (*Pinus taeda*)
- r. Volume of primary feedstock from primary forest: 0.0 metric tonnes
- s. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - a. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0
- t. Volume of secondary feedstock: 85% of the total feedstock, 47% of the total are pine species.
- u. Volume of tertiary feedstock: 0%.

## 13.5 Projected figures for feedstock over the next 12 months

*Using the categories in Section 2.5 'Quantification of the Supply Base' (above), give an updated projection for the coming 12 month period. Volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m<sup>3</sup> if a compelling justification is provided\**

## 14 References

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## **Appendix Listing of US Ratified ILO Conventions and Multi-lateral Environmental Instruments**

### US ratified ILO Conventions

- C053 Officers Competency Certificates Convention, 1936
- C055 Shipowners' Liability (Sick and Injured Seamen) Convention, 1936
- C058 Minimum Age (Sea) Convention (Revised), 1936
- C074 Certification of Able Seamen Convention, 1946
- C080 Final Articles Revision Convention, 1946
- C105 Abolition of Forced Labor Convention, 1957
- C147 Merchant Shipping (Minimum Standards) Convention, 1976
- C150 Labor Administration Convention, 1978
- C160 Labor Statistics Convention, 1985
- C176 Safety and Health in Mines Convention, 1995
- C182 Worst Forms of Child Labor Convention, 1999

### US ratified multi-lateral Environmental instruments include:

- Convention for the Long-range Transboundary Air Pollution
- Vienna Convention for the Protection of the Ozone Layer
- United Nations Framework Convention on Climate Change
- Convention for the Protection and Development of Marine Environment of the Wider Caribbean Region
- London Convention
- International Convention for the Prevention of Pollution from Ships, 1973 and subsequent six Protocols
- Protocol on Environmental Protection to the Antarctic Treaty
- The North American Agreement on Environmental Cooperation

# Annex 1: Detailed Findings for Supply Base Evaluation Indicators

## Preamble

Enviva's Amory Pellet mill is located in the United States. The country has a robust legal system developed using democratic processes. The "rule of law" social system is acknowledged by the World Bank as ranking in the top 90th percentile in *Government Effectiveness* and *Rule of Law and Regulatory Quality*, indicating that the United States has proven that it possesses effective means to ensure all laws and regulatory requirements are met or addressed if lacking through legal recourse. All verifiers were reviewed by third party auditors. **Internal verifiers** (identified in bold text) may contain sensitive information that cannot be made publicly available. External verifiers are publicly available.

Enviva used the FSC US Controlled Wood Risk Assessment V1.0 D3.0 (FSC US CWNRA) as the basis for its risk assessment and supply base evaluation. SBP has yet to receive a Regional Risk Assessment (RRA) for the US to evaluate for approval and considers all of the currently available assessment resources in and of themselves to be only partially adequate in assessing high conservation value and conversion indicators.

If a BP is referencing a publicly available third party multi-stakeholder risk assessment such as the FSC US CWNRA, and where the nature and location of the specified risk are located within the BP's Supply Base, and the assessment of risk has been completed, the risk rating assigned by the authors should be used unless the BP can provide additional new verification data to prove low risk.

## Supplier Sub-scopes

Enviva has developed the following supplier sub-scopes. This Supply Base Evaluation is applicable to Sub-scope 4. The definitions are included here for reference and appear in the *Amory Supply Base Report Section 4 Supply Base Evaluation, sub-section 4.1 Scope.*

### Sub-scope 1. Primary Feedstock Suppliers

Amory's primary wood suppliers harvest exclusively on Sustainable Forestry Initiative Forest Management (SFI FM) certified properties. SFI FM is recognised by PEFC as an approved forest management scheme the approximate 15% of wood delivered by these suppliers is not required to be part of the supply base evaluation and is outside the scope of the Amory supply base evaluation (SBE).

### Sub-scope 2. Certified Secondary Feedstock Suppliers

Approximately 30% of Amory's secondary feedstock is provided by certified secondary sources. These sources include sawmills who purchase wood directly from active harvest sites. Many of Amory's secondary feedstock suppliers maintain third party certified chain of custodies. These chains of custodies require the holder to verify that wood sourced to their mills meet legal and sustainability requirements. The certified feedstock supplied by these suppliers is outside the scope of the Amory SBE. If the supplier provides both certified and non-certified feedstock then the sources of the non-certified portion are included in the scope of the supply base evaluation.

### Sub-scope 3. SBP-Controlled Feedstock

Amory also purchases a small amount of SBP-controlled feedstock from wood industry manufacturing facilities through its PEFC Chain of Custody (+/-10%). Wood industry manufacturers purchase hardwood lumber from regional saw mills to convert into furniture, trim and other higher end use products. As with

primary wood processing, the waste stream is ideal feedstock to use in wood pellet production rather than going into landfills. These suppliers are further removed from the primary harvesting site and have less visibility to ensure the sustainability criteria are met.

Guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators. Wood industry suppliers are required to complete a District of Origin Supplier Data Request Form annually. The information is tracked and monitored to ensure Enviva's PEFC Due Diligence System is managing the supply area.

Enviva knows the location of these wood industry facilities and their source primary saw mills and included the area in its stakeholder consultation but these supply systems are complex. Legality of feedstock is easily proven because of the strong rule of law that exists in the United States, Enviva's PEFC Due Diligence System and Master Wood Products Agreement requirements ensure the legality indicators of SBP are met but there currently is not an SBP approved third party multi-stakeholder regional risk assessment the United States to ensure the wood can be considered sustainably sourced and therefore SBP-compliant.

This type of secondary feedstock supplier is not included in the Amory SBE.

#### **Sub-scope 4. Secondary Feedstock suppliers sourcing directly form the forest**

##### **(Supply Base Evaluation applies to this sub-scope)**

Secondary feedstock suppliers sourcing wood directly from the forest make up the largest group in Amory's supplier based (75% of the total feedstock volume). All of these mills are located within 161km of Enviva's Amory mill. Each mill is required to complete an annual District of Origin Supplier Data Request Form to provide Enviva the needed transparency into their supply chain to ensure they are SBP-compliant sources. This type feedstock supplier purchases wood from harvesting crews, may employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners and can be contractually held responsible for on the ground implementation of forestry best management practices. Enviva's Master Wood Purchase Agreement requires suppliers to use forestry best management practices and to require their suppliers to use forestry best management practices.

Enviva's annual District of Origin and Supplier Data Request Form process allows secondary feedstock primary processing mills as described above meets the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is also in alignment with SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US. The process Enviva employ's through its District of Origin Process and annual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk.

Enviva engages with this type of supplier, harvesting companies and landowners through its participation in various state forestry association and SFI Implementation Committees. These regular interactions permit

Enviva to stay informed of changes in forestry laws and regulation governing timber harvesting and other forest sector activities. These suppliers are included in the Amory SBE.

### **Enviva's forestry certifications**

Enviva maintains third party certifications including:

- ©Sustainable Biomass Program
- American Tree Farm System™ Independently Managed Group
- Forest Stewardship Council® (FSC) Chain of Custody and Controlled Wood Standard
- Program for the Endorsement of Forest Certifications™ (PEFC) Chain of Custody
- Sustainable Forestry Initiative® (SFI) Wood Sourcing
- Sustainable Forestry Initiative® (SFI) Chain of Custody

### **Tools used to develop the Supply Base Evaluation**

Enviva developed this supply base evaluation using the FSC US CWNRA its PEFC Due Diligence System as a basis. Enviva also used a report prepared for the American Hardwood Export Council (AHEC) entitled, *Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports*. Other sources of information include but are not limited too; Enviva PEFC Due Diligence System, FSC High Conservation Area Mapping tool, The Nature Conservancy website and various shapefiles, World Wildlife Fund, World Bank Governance Index, Illegal Logging Portal, Transparency International, Green Peace, Conservation International, World Resources Institute, Convention on International Trade in Endangered Species, International Union for Conservation of Nature and the Databasin web mapping tool.

### **Supplier level assessment**

Enviva's annual District of Origin and Supplier Data Request Form process allows secondary feedstock suppliers to meet the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is also in alignment with SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US. The process Enviva employ's through its District of Origin Process and annual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk.

The system has been verified effective by an independent third party Certifying Body (CB), who reviewed both internal and external sources of information in other Enviva mill SBP audits. The CB conducted the required secondary supplier site visits, interviews and analysis. The CB confirmed that the information supplied by the secondary suppliers was accurate, and that Enviva's DOO process is sound and is operating consistently with SBP Guidance.

Enviva also engaged an interested stakeholder in a supplier level evaluation to ensure it is properly assessing risk for each supplier and SBP sustainability indicators. The stakeholder mapped all of Amory's

suppliers, considered species used at the saw mill, sourcing area size and location and compared their sourcing areas to numerous high conservation value map sets. The assessment determined there is a low risk of Amory's Secondary feedstock primary wood processor suppliers of sourcing from areas with potential high conservation value concerns.

**Forestry best management practices**

Many of the indicators contain references to forestry BMP's (BMP). BMP guidelines were developed at the state level in response to the federal Clean Water Act requirement pertaining to non-point source water quality. Most states have monitoring programs to evaluate BP effectiveness and compliance rates, and some states require their use. Enviva and many other wood industry companies, however, require the use of forestry BMP's regardless of the state's stance. Table 1 below\* shows the high rate of BMP compliance across Amory's supply base area. Though forestry BMP's are not a complete solution to many of the criteria they do serve as a measure of sound forestry practices.

Table 1. Selected Percent Forestry Best Management Compliance Rates by State<sup>1</sup>

	AL	AR	LA	MS	TN
Timber Harvest	98	95	96		
Forest Road	93	85	96	84	88
Skid Trail			96	84	85
Log Landing			96	94	92
Stream Crossing	96	84	96	92	82
SMZ <sup>2</sup>	97	86	96	94	88
Wetlands			96	95	70
Reforestation		95	96		
State Average	97	87	96	91	84

- 1. Not all categories are ranked in every state
- 2. Streamside Management Zone

\*Source National Association of State Foresters publication, *Protecting Water Quality through State Forestry BMP's* ([https://stateforesters.org/sites/default/files/issues-and-policies-document-attachments/Protecting\\_Water\\_Quality\\_through\\_State\\_Forestry\\_BMPs\\_FINAL.pdf](https://stateforesters.org/sites/default/files/issues-and-policies-document-attachments/Protecting_Water_Quality_through_State_Forestry_BMPs_FINAL.pdf))

**Means of Verification**

SBP's definition of means of verification: A systematic collection and review of objective evidence to verify compliance with a specified criterion. Evidence may include records, statements of fact or other information which are verifiable.

In some indicators this can be achieved with accessible third-party information. For instance, indicator 2.1.1 the identification of areas with high conservation values can be accomplished using publicly available third-party sources of information though Enviva goes farther by continually engaging with willing stakeholders like The Nature Conservancy and The Forest Trust and other listed in Section 6 of the SBR. We do this to ensure we have the most up to date information and some of that work is proprietary.

Proof of implementation of appropriate controls and procedures to identify and address potential threats (2.1.2) requires signed contract, internal audit forms, assessment processes. Many if these documents contain sensitive information about our suppliers, where and how they purchase wood and performance information necessary to conform to the SBP Standards. Some of the documents are internal working and procedures documents Enviva staff use to ensure we consistently perform our tasks in a manner that can be verified through third-party audits.

The approach aligns with SBP Guidance Document: Assessment of risk, means of verification and mitigation measures in the southeast US.

The rest of this document contains the detailed findings for all of the indicators in the evaluation of Amory supply base for sub-scope 4 suppliers.



	Indicator
1.1.1	The Biomass Producer's Supply Base is defined and mapped.
Finding	<p>Supplier sourcing areas are tracked through a robust District of Origin and Supplier Data Request process that annually require suppliers to describe: their supply area's country of origin, size of their sourcing area, species used, and how they track their primary wood supply. Amory's supply base area includes counties in Alabama, Arkansas, Louisiana, Mississippi and Tennessee. Data is entered into computer programs and reviewed annually to ensure appropriateness. This information is used to define the supply area and create maps</p> <p>ENV-COC-02 Controlled Sourcing Procedures is an internal document describing the process Enviva follows to ensure it knows where feedstocks originate.</p> <p>ENV0COC-03 Controlled Wood/Controlled Source Risk Assessment is Enviva's FSC Controlled Wood Risk Assessment/PEFC Due Diligence System document that defines how the supply area is assessed for risk to satisfy FSC and PEFC requirements, the basis of an SBP system</p> <p><u>Conclusion</u> Enviva's Chain of Custody certifications require the company to develop and maintain a Controlled Wood Risk Assessment/ Due Diligence System that ensure Enviva annually reviews its supply base area for accuracy. The risk of wood from un-known regions entering Amory's supply is low</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>c. <b>District of Origin Supplier Data Request Form</b></li> <li>d. <b>ENV-COC-03 Controlled Source Risk Assessment</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
1.1.2	Feedstock can be traced back to the defined Supply Base.
Finding	<p>Supplier sourcing areas are tracked through a robust District of Origin and Supplier Data Request process that annually require suppliers to describe: their supply area's country of origin, size of their sourcing area, species used, and how they track their primary wood supply. Amory's supply base area includes counties in Alabama, Arkansas, Louisiana, Mississippi and Tennessee. Data is entered into computer programs and reviewed annually to ensure appropriateness. Enviva maintains FSC and/or PEFC CoC certification for all Enviva pellet mills. These certifications track wood through the supply chain, while also ensuring unwanted sources of wood do not enter the supply chain.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p>

	<p>ENV-SFI-01 SFIS Certified Sourcing Implementation Manual is Enviva’s SFI feedstock sourcing manual. Indicator 2.1.2 requires the use of written agreements (Master Wood Purchase Agreement) for all feedstocks sourced from the forest and the use of forestry best management practices. Enviva extends this requirement to secondary feedstock sources as well. This means Enviva will only purchase feedstocks from companies where we have an existing business relationship.</p> <p>ENV-COC-01 PEFCOC-01 PEFC Chain of Custody Procedure and ENV-COC-02 Controlled Sourcing Procedures describe the work flow for ensuring Enviva satisfies the chain of custody requirements for its three CoC systems. These systems are designed to follow both certified feedstocks and FSC Controlled Wood/Controlled Source feedstocks to their county of origin, at a minimum.</p> <p>The District of Origin Data Request Form is a document used to collect information from secondary feedstock suppliers to establish the counties they source wood.</p> <p><u>Conclusion</u> Enviva's Chain of Custody certifications require the company to develop and maintain a Controlled Wood Risk Assessment/ Due Diligence System that ensures that the origin of all feedstocks is known.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-SFI-01 SFI Certified Sourcing Implementation Manual</b></li> <li>c. <b>ENV-COC-01 PEFCOC-01 PEFC Chain of Custody Procedure</b></li> <li>d. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>e. <b>District of Origin Supplier Data Request Form</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
1.1.3	The feedstock input profile is described and categorised by the mix of inputs.
Finding	<p>Enviva Amory tracks purchased and consumed material by product type (in-woods chips, mill residual chips, sawdust and shavings) and general species groupings of softwood or hardwood. Wood is stored at the mill site by product/species and input is verified by monthly inventory processes. Enviva maintains FSC and/or PEFC CoC certification for this pellet mill.</p> <p>ENV-PEFCOC-01 PEFC Chain of Custody Procedure requires a PEFC certificate holder to develop a process to describe feedstock profiles for the purpose of tracking through processing.</p> <p>ENV-COC-02 Controlled Sourcing Procedures describes how feedstock purchases are categorized before purchase.</p> <p>The Monthly Wood Excel is a mill site-specific workbook used to track tons of each feedstock type into and through the process from raw material to final product.</p> <p><u>Conclusion</u></p>

	These certifications track feedstock through the supply chain, while also ensuring unwanted sources of wood do not enter the supply chain.
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>c. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>d. <b>Monthly Wood Excel</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>1.2.1</b>	The Biomass Producer has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests were genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign a Master Wood Supply Agreement annually.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment demonstrates that the rule of law and public agency governance are upheld and so illegality is considered low risk. Enviva has implemented procedures to conform to EUTR.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC CWNRA finds            1.1 Land tenure and management rights finds the US legality of ownership to be a low risk citing landownership records in the US are highly reliable and frequently used by banking institutions to issue mortgages generally requiring title clearances.</p> <p>The FSC US CWNRA cited the Seneca Creek Associates, LLC report entitled, <i>Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports</i>, "The vast majority of private landowners own small family forests that average less than 10 hectares in size. Numerous legal processes are available to landowners to resolve disputes involving proper title and/or the unauthorized taking or sale of timber property." Seneca Creek Report 2008, p ii.</p> <p>Further, "Comparisons of international governance indicators, such as those compiled by the World Bank, strongly indicate that the US is perceived as a country with a high regard</p>

	<p>for the rule of law, an effective environmental, labor and public welfare regulatory environment, and a low level of corruption." Seneca Creek Report 2008, p iii.</p> <p>US ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Evidence of the effectiveness of law enforcement is evident in news reporting and reveals no widespread or systematic criminal activity in the Amory supply base area.</p> <p>Enviva also uses sources such as the Illegal Logging Portal to assess the likelihood of illegal logging activity in the supply area. In addition, each state in the supply base area has laws protecting landownership rights and governing land use.</p> <p>Enviva’s Sustainability Policy, Responsible Wood Supply Program publicly describes Enviva’s commitment to avoid illegal sources of wood.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>SFI Fiber Sourcing Standard Objective 4 requires a certificate holder to comply with all applicable federal, provincial and local laws and regulations. ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and ensure wood is legally sourced. ENV-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are legally sourced.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if illegal logging and timber theft are a risk in the supply area. This document uses many if the same sources as the FSC US CWNRA. Both conclude illegal logging is a low risk in the Amory supply area.</p> <p>Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.</p> <p><u>Conclusion</u> The risk of illegally harvested wood or wood from land use change entering Amory's supply chain is low</p>
<p>Means of Verification</p>	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFI-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-PEFCCOC-01 PEFC Chain of Custody</b></li> <li>e. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. Enviva Sustainability Policy</li> <li>i. World Bank Governance Index</li> <li>j. Illegal Logging Portal</li> <li>k. State laws</li> <li>l. Local zoning restrictions</li> </ul>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>

Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
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	Indicator
<b>1.3.1</b>	The BP has implemented appropriate control systems and procedures to ensure that feedstock is legally harvested and supplied and is in compliance with EUTR legality requirements.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of changes. The analysis includes a review of appropriate laws regarding legality of harvest and compliance with EUTR requirements.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA:</p> <p>1.2 Concessions on licenses determined a low risk rating in the US for legality of harvest in determining, "On the whole, the risk of illegality in entering into contracts, public or private, is real, but is considered low."</p> <p>1.4 Harvesting permits – "Corruption associated with timber sales and harvesting permits in the US is generally not an issue."</p> <p>Some additional evidence includes:</p> <ul style="list-style-type: none"> <li>• <a href="http://www.illegal-logging.info">www.illegal-logging.info</a> - indicates Enviva's Amory sourcing area is not at risk for illegal logging</li> <li>• <a href="http://www.eia-international.org">www.eia-international.org</a> - indicates a low risk for trade in illegally logged wood</li> <li>• <a href="http://www.eldis.org">www.eldis.org</a> - Enviva's Amory supply base area is not included in regions with illegal logging issues</li> <li>• <a href="http://www.transparency.org">www.transparency.org</a> - identified no issues with corruption bribery or other illegal activities in the Amory supply base area.</li> </ul> <p>In the United States regulation of forestry practices has its roots in Federal law and in Acts designed to provide guidance to states for developing state specific laws and regulations. The US ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Evidence of the effectiveness of law enforcement is evident in news reporting and this</p>

	<p>reporting reveals no widespread or systematic criminal activity in the Amory supply base area.</p> <p>SFI Fiber Sourcing Standard Objective 4 requires a certificate holder to comply with all applicable federal, provincial and local laws and regulations. ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and ensure wood is legally sourced. ENV-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are legally sourced.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if illegal logging and timber theft are a risk in the supply area. This document uses many of the same sources as the FSC US CWNRA. Both conclude illegal logging is a low risk in the Amory supply area.</p> <p>Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Enviva’s Sustainability Policy, Responsible Wood Supply Program publicly describes Enviva’s commitment to avoid illegal sources of wood. Enviva EUTR Compliance Document is the report Enviva provides to its customers upon request describing how it meets EUTR requirements.</p> <p><u>Conclusion</u> Amory is in compliance with EUTR legality requirements.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-PEFCCOC-01 PEFC Chain of Custody</b></li> <li>e. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>g. Enviva Sustainability Policy</li> <li>h. <b>Master Wood Purchase Agreement</b></li> <li>i. <b>Enviva EUTR Compliance Document</b></li> <li>j. Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Export Council</li> <li>k. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
1.4.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations including payment of royalties and taxes. The contract also includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of changes. The analysis includes a review of the existence of appropriate laws to ensure the payment of relevant fees and taxes.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Some relevant FSC US CWNRA indicators</p> <p>1.5 <u>Payment of royalties and harvesting fees</u> there is no evidence of efforts to avoid payment and determined a low risk rating</p> <p>1.6 <u>Value added taxes and other sales taxes</u> finds a low risk of tax avoidance.</p> <p>1.7 <u>Income and profit taxes</u> concluded there is a low risk these taxes are not paid citing income and profit taxes are levied and managed at the federal and state level.</p> <p>Additional evidence</p> <p>The states in Enviva's Amory supply all have laws governing taxation. The United States legal system is robust and capable of enforcing these Federal and state laws.</p> <ul style="list-style-type: none"> <li>• Transparency International identified no issues with corruption bribery or other illegal activities in the Amory supply base area.</li> <li>• AHEC Legality Study determined the region Amory supply base area is located is a low risk for illegal activity</li> <li>• The World Bank ranked the US in the top 90th percentile in the Rule of Law category</li> </ul> <p>Enviva's Sustainability Policy, Responsible Wood Supply Program publicly describes Enviva's commitment to require suppliers ensure all appropriate payments, fees and taxes are paid.</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and ensure wood is legally sourced. ENV-PEFCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are legally sourced. ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if illegal logging and timber theft are a risk in the supply area. This document uses many if</p>

	<p>the same sources as the FSC US CWNRA. Both conclude illegal logging is a low risk in the Amory supply area.  Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.  Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.  In certain state wood consuming mills are required to pay severance taxes on the wood used for manufacturing. These internal records are used to show Enviva’s compliance with state requirements.</p> <p><u>Conclusion</u>  There is a low risk of non-payment of taxes, fees, royalties, etc.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>d. <b>Master Wood Purchase Agreements</b></li> <li>e. <b>Severance Tax Reports</b></li> <li>f. Transparency International</li> <li>g. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>1.5.1</b>	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is supplied in compliance with the requirements of CITES.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.</p> <p>Enviva maintains an FSC Controlled Wood Risk Assessment and a PEFC Due Diligence System covering the Amory supply base area. These assessments determined the supply base area as a low risk for the potential to source CITES species. CITES enforcement is controlled at the federal level involving US Customs and Border Protection, Animal and Plant Health Inspection Services and the US Fish and Wildlife Service.</p>

	<p>Enviva policies declare that Enviva will avoid being directly or indirectly involved in the purchase of raw material that is in violation of CITES.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Some FSC US CWNRA finding related to this indicator include</p> <p>1.19 Customs regulations – The Lacey Act and other US code and enforcement find there is a low risk of a US company purchasing species listed by CITES.</p> <p>1.20 CITES finds no tree species with commercial timber value is listed on the CITES Appendices determining the there is a low risk of sourcing CITES species in North America.</p> <p>1.21 Legislation requiring due diligence/due care procedures cites the Lacey Act as the legislation that prohibits the importation of illegally sourced wood into the US.</p> <p>None of the tree species Enviva uses at its Amory Pellet Mill are on the CITES list. None of the feedstock used at the Amory Pellet Mill comes from outside of the US</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows feedstocks meet CITES requirements. ENV-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are in conformance.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if CITES species are present in the supply area. This document uses many if the same sources as the FSC US CWNRA. Both conclude sourcing CITES listed species is a low risk in the Amory supply area.</p> <p>Enviva's District of Origin Data Request Form asks the supplier to list the species used at its mill. These species lists are checked against the CITES requirements and are checked during periodic supplier audits.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Signed Master Wood Purchase Agreements allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk of CITES species being used as feedstock at Amory.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>d. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>e. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>f. <b>District of Origin Supplier Data Request Form</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. Enforcement of the Convention on International Trade in Endangered Species</li> <li>i. Lacey Act and enforcement data</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
1.6.1	The Biomass Producer has implemented appropriate control systems and procedures to ensure that feedstock is not sourced from areas where there are violations of traditional or civil rights.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of changes. The analysis includes a review of laws governing traditional and civil rights.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Some of the FSC US CWNRA findings applicable to this indicator</p> <p>1.13 Customary rights – “The risk of violating a right held through adverse possession is low. If the right is being held openly and exclusively, the potential violator should be able to discover it through inspection of the land. Overall, customary rights being are not important in forest management, with the possible exception of Native American treaty rights. On balance the risk for this category is assessed as low.”</p> <p>1.15 Indigenous peoples rights – Violations of Indigenous peoples rights are considered a low risk because of the legal relationship between the federal government and Native American tribes. The two treat each other as sovereigns with treaties that outline tribal rights.</p> <p>2.1 The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control to be low risk in the US</p> <p>2.2 Labor rights are respected including rights as specified in ILO Fundamental Principle and Rights at Work as low risk in the US</p> <p>2.3 The rights of Indigenous and Traditional Peoples are upheld In the United States, land use and tenure questions have long been decided and in the southeast, there are no indigenous people groups with controversial traditional or civil rights to forestlands. Enviva has a Controlled Sources Risk Assessment System in place to ensure operations do not violate traditional or civil rights. Existing policies declare that Enviva will avoid being directly or indirectly involved in the violation of traditional and human rights. The Amory wood and wood supply area is not designated within a country or district that is a source of conflict timber. There are tribal and federal government owned Native American reservations within the supply base, but no traditional or civil rights issues have been reported.</p>

	<p>The FSC US CWNRA concluded;</p> <p>“Within the U.S. there is no UN Security Council ban on timber exports, the areas are not designated as a source of conflict timber, child labor does not occur systematically, and ILO Fundamental Principles and rights at work are generally respected. In addition, the U.S. has recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity. In the U.S., Native Americans with a land base are recognized as Sovereign Nations and accorded rights to manage their land and affairs. In addition, Native Americans have an equitable process to resolve conflicts over land management. Through the U.S. court system, many Native American tribes have challenged, won decisions, and resolved issues concerning land management and use rights. There are many examples within the U.S. where tribes have successfully been able to exercise treaty rights through formal and informal conflict resolutions systems.”</p> <p>The Seneca Creek, LLC report entitled, <i>Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports</i> found the same to be true.</p> <p>SFI Fiber Sourcing Standard requires a certificate holder to have written policies to “comply with social laws, such as those covering civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, worker’s compensation, indigenous peoples’ rights, workers’ and communities’ right to know, prevailing wages, workers right to organize, and occupational health and safety.” ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the requirements.</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to demonstrate it avoids sources that violate traditional and human rights. ENV-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstocks meet these requirements.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if there is a risk of violating traditional and civil rights in the supply area. This document uses many if the same sources as the FSC US CWNRA. Both conclude a low risk of violating traditional and civil rights in the Amory supply area.</p> <p>Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Signed Master Wood Purchase Agreements allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Enviva’s Sustainability Policy, Responsible Wood Supply Program publicly describes Enviva’s commitment to avoid sources of wool that violate traditional and civil rights.</p> <p><u>Conclusion</u> There is a low risk Amory’s sourcing practices are a threat to traditional or civil rights.</p>
<p>Means of Verification</p>	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports</li> <li>d. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>e. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. Enviva Sustainability Policy</li> </ol>

Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.1.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation values are identified and mapped.
Finding	<p>Enviva's Controlled Sources Risk Assessment is reviewed and audited annually to ensure Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The analysis includes the identification of forested areas that may contain high conservation values.</p> <p>Enviva used the FSC US CWNRA as a basis to identify and map forested areas of high conservation value, areas of high biodiversity and species of concern. The SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US provides the platform for using the FSC US CWNRA as a basis for the BP's risk assessment.</p> <p>Enviva only uses woody biomass as a feedstock. Non-forested areas of high conservation value are excluded from the supply base evaluation. Enviva's sourcing policies and suppliers do not impact these non-forested areas. The definition of forest land is defined according to the USFS as, "Land that has at least 10 percent crown cover by live tally trees of any size or has had at least 10 percent canopy cover of live tally species in the past, based on the presence of stumps, snags, or other evidence. To qualify, the area must be at least 1.0 acre in size and 120.0 feet wide. Forest land includes transition zones, such as areas between forest and non-forest lands that meet the minimal tree stocking/cover and forest areas adjacent to urban and built-up lands. Roadside, streamside, and shelterbelt strips of trees must have a width of at least 120 feet and continuous length of at least 363 feet to qualify as forest land. Unimproved roads and trails, streams, and clearings in forest areas are classified as forest if they are less than 120 feet wide or less than an acre in size. Tree-covered areas in agricultural production settings, such as fruit orchards, or tree-covered areas in urban settings, such as city parks, are not considered forest land."</p> <p>The areas of high conservation value described and mapped in the FSC US CWNRA Indicator 3 were compared to the defined supply area. The FSC US CWNRA identified many areas of high conservation value, biodiversity and species that could be affected by harvesting activities. This supply base evaluation only includes those the authors determined to be specified risk. The supply area overlaps the following areas of high conservation value.</p> <p>Central Appalachian Critical Biodiversity Area – found in the north-eastern portion of the supply area in all or part of 10 counties. This biodiversity area and mostly related to hardwood species management in mesic forests. Forest management threats are related to poor or improper forestry BMP implementation that could lead to stream degradation and soil erosion. According to the USGS Protected Area Database there are areas within the supply area that are effectively protected from timber harvesting ensuring examples of these hardwood forests will be preserved.</p>

	<p>Southern Appalachian Critical Biodiversity Area – found in 28 counties in the east central portion of the Amory supply area. The biodiversity area has great aquatic diversity, glades and montane longleaf pine habitats. Forest management activities such as improper or poorly implemented forest best management practices, herbicide use and conversion of longleaf to other pine types can negatively impact the area.</p> <p>Mesophytic Cove Sites – associated with the Central Appalachian Critical Biodiversity Area these sites are high elevation (300-1,100m) mesic coves and concave slopes with high biodiversity and structural complexity. Poorly planned forest management practices can create opportunities for invasive species to enter these forest sites and conversion to other forest types such as white pine. 5 counties in the north-eastern corner of Amory’s supply area could contain mesophytic cove sites</p> <p>Native Longleaf Pine Systems – these forest systems are at risk in 15 counties across the southern portion of the Amory supply area. Native longleaf systems threats vary across its natural range with suppression of fire being the greatest concern. Other concerns include conversion to other pine types and incompatible forest management practices.</p> <p>Late Successional Bottomland Hardwoods – found throughout the south in the floodplains of rivers and streams the forests are periodically flooded or saturated. Variations in structure are determined by the location of the late successional bottomland forest. Generally, 80 years or older the forest is better defined by structure; closed canopy, large wood debris, standing hollow trees and little ground vegetation. Bottomland forests in Mississippi are reduced in size and area from historic clearing to create agricultural fields. Changes in hydrology, improper forest management techniques and invasive species. Forest management in and of itself may not be a threat but how the management is applied can be counterproductive.</p> <p>SFI Fiber Sourcing Standard requires a certificate holder to promote and conserve biological diversity by doing one or more of the following:</p> <ol style="list-style-type: none"> <li>a. Promotion of biological diversity utilizing information from organizations such as World Resource Institute, The Nature Conservancy, NatureServe, Conservation International, State Wildlife Action Plans and assessments;</li> <li>b. Conducting local and regional level landscape assessments;</li> <li>c. Involvement with local or regional conservation efforts;</li> <li>d. Use of relevant information on biological diversity from credible sources (such as those noted above) in approved training and education programs; and</li> <li>e. Other credible approaches</li> </ol> <p>ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the SFI requirements related to Objective 1 “Biodiversity in Fiber Sourcing. To address the practice of sustainable forestry by conserving biological diversity”. Further, as part of our Responsible Sourcing Policy, we solicit and receive detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:</p> <ul style="list-style-type: none"> <li>• The Association of Fish and Wildlife Agencies and The National Wildlife Federation</li> <li>• The Nature Conservancy</li> <li>• Audubon</li> <li>• World Wildlife Fund</li> <li>• National Council for Air and Stream Improvement</li> <li>• The Conservation Fund</li> <li>• The Forest Trust</li> </ul>
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	<p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and evaluate its supply area to determine if there are areas of high conservation value as part of its Due Diligence System. ENV-COC-03 Controlled Sources Risk Assessment is Enviva’s PEFC Due Diligence System and it contains the work done to determine where areas of high conservation are located within the supply area. This document uses many if the same sources as the FSC US CWNRA.</p> <p><u>Conclusion</u> According to SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US, “SBP has yet to receive a Regional Risk Assessment (RRA) for the US to evaluate for approval and considers all of the currently available assessment resources in and of themselves to be only partially adequate in assessing high conservation value and conversion indicators.” Use of the FSC CWNRA is suggested but is considered incomplete.</p> <p>Enviva engages with willing stakeholders to continually assess for potential areas of high conservation value (<a href="https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration">https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration</a>). We find these engagements and subsequent collaborations to be both enlightening and beneficial in the promotion of sustainable forest management</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>e. <b>Stakeholder engagement information</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> <b>Low Risk</b> <input checked="" type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
Comment or Mitigation Measure	Enviva will annually review it’s Means of Verification and engage with Stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area. As new information is found it will be incorporated into the supply base evaluation.
Risk Rating After Mitigation	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.1.2	The Biomass Producer has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests were genetically modified trees are planted;</li> </ul>

- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.

Enviva's Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The analysis includes the identification of the potential threats forest management may pose to high conservation value areas.

Each mill is required to complete an annual District of Origin Supplier Data Request Form providing Enviva with information on the source of their wood any certifications they hold, species used at the mill and other attributes of their supply system. Enviva ensures their supply areas in our supply base evaluation and provides each supplier with feedback on their supply area, noting any areas of risk that may be present to provide educational materials for their use.

Enviva's annual District of Origin and Supplier Data Request Form process allows secondary feedstock primary processing mills as described above meets the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is in alignment with SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US. The process Enviva employ's through its District of Origin Process and annual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk.

The approach also aligns with SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US describing the where mitigation measures are assessed;

"When mitigation measures are required the BP needs to monitor the effectiveness of the mitigation measures, at least annually (Standard 2, Section 16.3). The means of implementation therefore determines where verification and monitoring must occur. Monitoring should measure the effectiveness of the mitigation measure in reducing risk or highlight the need to modify or make corrections to the implementation of the mitigation measure.

If mitigation measures are implemented at the FMU level, monitoring and verification must occur at the FMU level. If mitigation measures are implemented at the sawmill level, monitoring and verification must occur at the sawmill level. Where a BP's mitigation measure requires action further up the supply chain then monitoring of the effectiveness of that action is also required."

Enviva's Sustainability Policy, Responsible Wood Supply Program publicly describes Enviva's commitment to avoid Wood harvested from forests where high conservation values are threatened by management activities;

ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the SFI requirements related to Objective 1 "Biodiversity in Fiber Sourcing. To address the practice of sustainable forestry by conserving biological diversity". Further, as part of our Responsible Sourcing Policy, we

	<p>solicit and receive detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:</p> <ul style="list-style-type: none"> <li>• The Association of Fish and Wildlife Agencies and The National Wildlife Federation</li> <li>• The Nature Conservancy</li> <li>• Audubon</li> <li>• World Wildlife Fund</li> <li>• National Council for Air and Stream Improvement</li> <li>• The Conservation Fund</li> <li>• The Forest Trust</li> </ul> <p>The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and ensure sourcing practices avoid areas of high conservation value. ENV-PEFCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are legally sourced.</p> <p>Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u></p> <p>2.1.2 is closely related to 2.1.1 and the Biomass Producers ability to identify and map areas of forest and other high conservation values the ability to develop methods to assess the potential impact of forest management activities. This indicator has an presumed specified risk</p> <p>Enviva engages with willing stakeholders to continually assess for potential areas of high conservation value (<a href="https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration">https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration</a>). We find these engagements and subsequent collaborations to be both enlightening and beneficial in the promotion of sustainable forest management</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. <b>Supplier Audits</b></li> <li>g. State BMP Manuals</li> <li>h. NASF Water Quality Report</li> <li>i. NASF State Forest Management Plans</li> <li>j. NASF State Wildlife Management Plans</li> <li>k. <b>District of Origin procedures and forms</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating Before Mitigation	<input type="checkbox"/> <b>Low Risk</b> <input checked="" type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
Comment or Mitigation Measure	Enviva will annually review it’s Means of Verification and engage with Stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area.

	<p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a supplier's risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p>
<p>Risk Rating After Mitigation</p>	<p><input checked="" type="checkbox"/> <b>Low Risk</b>                      <input type="checkbox"/> <b>Specified Risk</b>                      <input type="checkbox"/> <b>Unspecified Risk at RA</b></p>

	Indicator
<p><b>2.1.3</b></p>	<p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.</p>
<p>Finding</p>	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement.</p> <p>Enviva's Controlled Sources Risk Assessment is reviewed annually. The analysis includes a review of land use change trends in the supply area.</p>

Each mill is required to complete an annual District of Origin Supplier Data Request Form providing Enviva with information on the source of their wood any certifications they hold, species used at the mill and other attributes of their supply system including a stakeholder question regarding conversion in their supply area. Enviva ensures their supply areas in our supply base evaluation and provides each supplier with feedback on their supply area, noting any areas of risk that may be present for their education and use.

Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.

FSC US CWNRA finds, "Evidence indicates that forestland is growing in the North Central, Northeastern, and Rocky Mountain portions of the United States, while the Southeast and Pacific Coast regions are experiencing forest loss and concurrent rapid population growth.

Within the Southeastern United States, the highest rates of urbanization are occurring in the Piedmont region from northern Georgia through North Carolina into Virginia. Forest loss is also occurring along the Atlantic Coast and in eastern Texas. Despite the high rates of urban growth and development across the Southeast, this growth is not consistent across the region."

In summary the authors found, "Rates of urban development vary throughout the United States with higher rates in the Pacific Coast Region and portions of the Southeast Region. These two regions are also the regions identified as experiencing more recent forestland loss. Therefore, the greatest risk of materials entering the supply chain from conversions will most likely be in these two regions; however, the risk is not consistent across the regions.

SFI Fiber Sourcing Standard requires a certificate holder to use written contracts with suppliers. Though conversion is not addressed in the SFI Fiber Sourcing Standard the requirement for a contract does permit the certificate holder to include other requirements in the document. Enviva includes all of the requirements listed in the Control Systems Section. ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the requirement

The PEFC Chain of Custody Standard requires the certificate holder to ensure it knows where feedstocks originate and ensure wood does not originate from controversial sources. The definition of conversion sources is not as stringent as SBP's relying only on legality compliance. ENV-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Sourcing Procedure are Enviva documents describing the work flow to ensure feedstock are legally sourced.

ENV-COC-03 Controlled Sources Risk Assessment contains the work done to determine if illegal logging and timber theft are a risk in the supply area. This document uses many of the same sources as the FSC US CWNRA. Both conclude sourcing from conversion sources is a low risk in the Amory supply area. Though valuable work and useful in demonstrating low risk, FSC does allow for wood to originate from conversion sources in some cases. The SBP requirement is more stringent and does not allow wood from any conversion sources.

Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.

	<p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance. Further, as part of our Responsible Sourcing Policy, we solicit and receive detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:</p> <ul style="list-style-type: none"> <li>• The Association of Fish and Wildlife Agencies and The National Wildlife Federation</li> <li>• The Nature Conservancy</li> <li>• Audubon</li> <li>• World Wildlife Fund</li> <li>• National Council for Air and Stream Improvement</li> <li>• The Conservation Fund</li> <li>• The Forest Trust</li> <li>• And others</li> </ul> <p>Enviva does not source from production plantations as defined in the SBP Glossary as "forests of exotic species that have been planted or seeded by human intervention and that are under intensive stand management, are fast growing and subject to short rotations (e.g. Poplar, Acacia or Eucalyptus plantations)."</p> <p><u>Conclusion</u> The FSC US CWNRA has identified 12 counties with the supply base area as being at risk for conversion. The FSC US CWNRA only determined a conversion risk based on urbanization finding forest loss in other counties to be a low risk though each of the critical biodiversity areas identified within the Amory supply area have conversion as a threat. There is a specified risk associated with forest conversion in the supply area.</p>
Means of Verification	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>g. <b>Supplier Audits</b></li> </ol>
Evidence Reviewed	All means of verification reviewed
Risk Rating Before Mitigation	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comments and Mitigation Measures	<p>Enviva will annually review it’s Means of Verification and engage with Stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU’s as part of their supplier audit.</p> <p>Enviva’s supplier audit process provides the assessment tools necessary to collect and evaluate a supplier’s conformance to Enviva’s contractual requirements to determine if the</p>

	supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure conversion sources are not used.
Risk Rating After Mitigation	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests were genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> <li>-</li> </ul> <p>The annual Master Wood Purchase Agreement contains a clause requiring suppliers to use and require the use of forestry best management practices in their sourcing efforts.</p> <p>The FSC US CWNRA across 4 landownership scenarios and determined there are appropriate assessments, planning, implementation and monitoring to determine a low risk rating for this indicator</p> <p>1.1 Land tenure and management rights – “In its report to the Montreal Process Working Group on the Conservation and Management of Temperate and Boreal Forests, in scoring an indicator relating to land tenure, the US government concluded that, “All forest land owners, public and private, exercise their forest tenure rights to achieve their forest land management goals .... [A]lthough complex, clear title is usually sufficient [to allow forest management] in the United States.”</p> <p>1.3 Management and harvesting planning – Planning requirements for private lands are limited. The author has not been able to find indications of regular violations of these requirements.</p> <p>1.8 Timber harvesting and regulations – The US has ample regulation of the timber industry that varies by state but finds there is a low risk these rules and laws are not followed</p> <p>ENV-COC-03 Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of forest impact assessments, planning implementation and monitoring efforts in all of Enviva's supply areas including Amory. Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. Many of these are the same sources of information used by FSC in its FSC US CWNRA.</p>

	<p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement</p> <p>SFI Fiber Sourcing Standard Objective 7 requires a certificate holder to be "knowledgeable about credible regional conservation planning and priority-setting efforts that include a broad range of stakeholders and have a program to take into account the results of these efforts in planning." Enviva does this through engaging state forestry associations.</p> <p>Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement has among its many recitals requirements for feedstock supplier to ensure legality of ownership. This is evaluated as part of periodic supplier audits.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>All of the states in Amory's supply base area offer reforestation incentive programs and the success of these programs as well as BMP compliance information for most states can be found on the National Association of State Foresters website in the form of fact sheets and reports. All of the states have forestry BMP's guidelines, and Enviva contractually requires its suppliers to require the use of forestry BMP's.</p> <p>The FSC US CWNRA cited the Seneca Creek Associates, LLC report entitled, <i>Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports</i>, "States in the hardwood-producing region have very complex and diverse legal authorities over various aspects of forests and each state has crafted its own approach to fostering sustainable forest management."</p> <p>"Many states have implemented voluntary or incentive-based programs to achieve sustainable forestry objectives. Only sporadic information can be found in the formal literature or in media reporting about violations or potential violations of state regulations in the hardwood-producing states. Information that is readily available suggests that state regulatory agencies are not timid about issuing citations or pursuing violators."</p> <p>"While states in the hardwood-producing region take different approaches to regulating harvesting and forest practices, the data suggest that all states direct significant resources to forest sustainability issues. The extent of regulation in a given state is not necessarily an indication of how well forests are managed, but it does relate to legal compliance with state laws and thus the legality of hardwood production. The available data suggest that states in the hardwood region are diligent about enforcing regulations that affect forest practices."</p> <p>The Threatened and Endangered Species Act is vigorously enforced in the United States and effective: this conclusion is supported by Martin et al. (2005), in the peer-reviewed publication entitled "The Effectiveness of the Endangered Species Act: A Quantitative Analysis" (BioScience (2005), Vol. 55 Is. 4(1): 360-367.)</p> <p>Forestry Best Management Practices may not be an all-inclusive monitoring tool but they do provide some insight into timber harvesting and forest management techniques. The National Association of State Foresters website provides evidence of this and other forest assessment tools</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><b>Conclusion</b></p>
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	Amory's feedstock is sourced from areas with forest impact assessments, planning implementation and monitoring. Based on the available information, the risk for this category has been assessed as low.
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>Master Wood Purchase Agreement</b></li> <li>e. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>f. State BMP Manuals</li> <li>g. Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports,</li> <li>h. NASF State Forest Fact Sheets</li> <li>i. NASF Water Quality Report</li> <li>j. BioScience website.</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- <i>Wood harvested from forests where high conservation values are threatened by management activities;</i></li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The annual Master Wood Purchase Agreement contains a clause requiring suppliers to use and require the use of forestry best management practices in their sourcing efforts.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of forest impact assessments, planning implementation and monitoring efforts including forestry best management practices all of Enviva's supply areas including Amory. A review of BMP implementation rates is included.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile</p>

	<p>are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a supplier's risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Enviva is a member of regional state forestry associations responsible for reviewing and developing logger training in conjunction with state forestry associations related to forestry best manage practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement</p> <p>Each State Forestry Agency/Commission is responsible for implementing forestry BMP's as directed by the Clean Water Act and conducting periodic BMP implementation monitoring. State-wide BMP compliance reports are readily available.</p> <p>The NASF website contains many useful reports including, <i>Effectiveness of forestry BMP's in the United States: Literature Review</i>, which was published in <i>Forest Ecology and Management</i> (2016: 133 - 151). The review determined forestry BMP's are effective when implemented as recommended by state forestry agencies. Proper implementation of forestry BMP's protect soil quality.</p> <p>There are few studies looking at the effect of timber harvesting on forest soils in the United States. The United States Department of Agriculture Forest Service General Technical Report INT-69 titled, <i>Forest Soil Biology - Timber Harvesting Relationships: A Perspective</i>, concluded generally timber harvesting does not have a long-term impact on forest soil productivity and if changes do exist these are generally small and only last a few years. Amory generally does not add to the removal of woody residues because most of the wood used is from waste streams generated by the production of higher-quality products derived from sawtimber.</p> <p>SFI Fiber Sourcing Standard Objective 2 requires a certificate holder, "To broaden the practice of sustainable forestry through the use of best management practices to protect water quality". ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective. Enviva requires the use of forestry best management practices of it suppliers and further requires them to require forestry best management practices be employed by their suppliers. State forestry commission periodically assess forestry best management practices implementation and effectiveness as part of the US Clean Water Act requirements regarding non-point source pollution. Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow</p>
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	<p>Enviva to periodically audit suppliers to ensure conformance and the use of forestry best management practices</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will degrade forest soils.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>c. <b>Master Wood Purchase Agreement</b></li> <li>d. State BMP Manuals</li> <li>e. NASF Water Quality Report</li> <li>f. BMP implementation rate information for states in supply base area</li> <li>g. Effectiveness of forestry BMP's in the United States: Literature Review.</li> <li>h. Forest Soil Biology - Timber Harvesting Relationships: A Perspective</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.2.3</b>	<p>The Biomass Producer has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement requires suppliers to avoid key ecosystems and habitats such as old growth forests and forest that could be threatened by forest management activities.</p> <p>The FSC US CWNRA finding related to this indicator</p> <p>1.9 Protected sites and species – “The US has a broad and comprehensive legal structure surrounding species protection and the protection of socially and ecologically important sites, administered at both the federal and state level.”</p> <p>Using the FSC US CWNRA Enviva has identified the following key ecosystems and habitats that are at risk.</p> <p>Central Appalachian Critical Biodiversity Area – found in the north-eastern portion of the supply area in all or part of 10 counties. This biodiversity area and mostly related to hardwood species management in mesic forests. Forest management threats are related</p>

	<p>to poor or improper forestry BMP implementation that could lead to stream degradation and soil erosion. According to the USGS Protected Area Database there are areas within the supply area that are effectively protected from timber harvesting ensuring examples of these hardwood forests will be preserved.</p> <p>Southern Appalachian Critical Biodiversity Area – found in 28 counties in the east central portion of the Amory supply area. The biodiversity area has great aquatic diversity, glades and montane longleaf pine habitats. Forest management activities such as improper or poorly implemented forest best management practices, herbicide use and conversion of longleaf to other pine types can negatively impact the area.</p> <p>Mesophytic Cove Sites – associated with the Central Appalachian Critical Biodiversity Area these sites are high elevation (300-1,100m) mesic coves and concave slopes with high biodiversity and structural complexity. Poorly planned forest management practices can create opportunities for invasive species to enter these forest sites and conversion to other forest types such as white pine. 5 counties in the north-eastern corner of Amory’s supply area could contain mesophytic cove sites</p> <p>Native Longleaf Pine Systems – these forest systems are at risk in 15 counties across the southern portion of the Amory supply area. Native longleaf systems threats vary across its natural range with suppression of fire being the greatest concern. Other concerns include conversion to other pine types and incompatible forest management practices.</p> <p>Late Successional Bottomland Hardwoods – found throughout the south in the floodplains of rivers and streams the forests are periodically flooded or saturated. Variations in structure are determined by the location of the late successional bottomland forest. Generally, 80 years or older the forest is better defined by structure; closed canopy, large wood debris, standing hollow trees and little ground vegetation. Bottomland forests in Mississippi are reduced in size and area from historic clearing to create agricultural fields. Changes in hydrology, improper forest management techniques and invasive species. Forest management in and of itself may not be a threat but how the management is applied can be counterproductive.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts including an analysis of ecosystem and habitats all of Enviva’s supply areas including Amory. The program requires and assessment of each risk rea to determine if forest management activities are impacting eco-regions of significant high conservation values. The document finds a low risk. Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area. These same sources were used by the author of the FSC US CWNRA</p> <p>Findings are incorporated into Enviva’s ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement. ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the SFI requirements related to Objective 1 “Biodiversity in Fiber Sourcing. To address the practice of sustainable forestry by conserving biological diversity”. Further, as part of our Responsible Sourcing Policy, we solicit and receive detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:</p>
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	<ul style="list-style-type: none"> <li>• The Association of Fish and Wildlife Agencies and The National Wildlife Federation</li> <li>• The Nature Conservancy</li> <li>• Audubon</li> <li>• World Wildlife Fund</li> <li>• National Council for Air and Stream Improvement</li> <li>• The Conservation Fund</li> <li>• The Forest Trust</li> </ul> <p>The analysis determined the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a business as usual practice in the supply base area. Most at risk key ecosystems and habitats are protected by federal and state agencies.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> According to SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US, “SBP has yet to receive a Regional Risk Assessment (RRA) for the US to evaluate for approval and considers all of the currently available assessment resources in and of themselves to be only partially adequate in assessing high conservation value and conversion indicators.” Use of the FSC CWNRA is suggested but is considered incomplete.</p> <p>Enviva engages with willing stakeholders to continually assess for potential areas of high conservation value (<a href="https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration">https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration</a>). We find these engagements and subsequent collaborations to be both enlightening and beneficial in the promotion of sustainable forest management</p>
Means of Verification	<ol style="list-style-type: none"> <li>Preamble citations</li> <li>FSC US CWNRA</li> <li><b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li><b>ENV-COC-03 Controlled Source Risk Assessment</b></li> <li><b>Stakeholder engagement</b></li> <li><b>Master Wood Purchase Agreement</b></li> <li><b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> </ol>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> <b>Low Risk</b> <input checked="" type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
Comments and Mitigation Measures	<p>Enviva will annually review it’s Means of Verification and engage with Stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU’s as part of their supplier audit.</p>

	Enviva’s supplier audit process provides the assessment tools necessary to collect and evaluate a supplier’s conformance to Enviva’s contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.
Risk Rating After Mitigation	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.4	The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests were genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement requires suppliers to avoid key ecosystems and habitats such as old growth forests and forest that could be threatened by forest management activities.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts including an analysis of ecosystem and habitats all of Enviva's supply areas including Amory. The program requires and assessment of each risk rea to determine if forest management activities are impacting eco-regions of significant high conservation values. The document finds a low risk.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement</p> <p>In addition to the key ecosystems and habitats identified in 2.1.1 and again in 2.2.3 the Amory supply area contains on species identified in the FSC US CWNRA and being at risk</p>

	<p>Dusky Gopher Frog – found in 2 counties in Mississippi in the most southern counties in the Amory supply area. The dusky gopher frog is considered to be a specified risk only in the Mississippi counties not having been sighted in Louisiana since 1967. Longleaf pine habitat and wet areas for breeding necessary for the frog’s longevity. Conversion of longleaf to other piny types and harvesting practices that alter temporary wetlands can impact its survival. Of the known locations in Mississippi and comparing those with protected areas using by USGS Protected Area Database information, all are within protected forests.</p> <p>ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the SFI requirements related to Objective 1 “Biodiversity in Fiber Sourcing. To address the practice of sustainable forestry by conserving biological diversity”. Further, as part of our Responsible Sourcing Policy, we solicit and receive detailed feedback on the limitations in our current policy and suggestions for how to improve it from the following non-profit and agencies:</p> <ul style="list-style-type: none"> <li>• The Association of Fish and Wildlife Agencies and The National Wildlife Federation</li> <li>• The Nature Conservancy</li> <li>• Audubon</li> <li>• World Wildlife Fund</li> <li>• National Council for Air and Stream Improvement</li> <li>• The Conservation Fund</li> <li>• The Forest Trust</li> </ul> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> According to SBP Guidance Document: Assessment of Risk, Means of Verification and Mitigation Measures in the Southeast US, “SBP has yet to receive a Regional Risk Assessment (RRA) for the US to evaluate for approval and considers all of the currently available assessment resources in and of themselves to be only partially adequate in assessing high conservation value and conversion indicators.” Use of the FSC CWNRA is suggested but is considered incomplete.</p> <p>Enviva engages with willing stakeholders to continually assess for potential areas of high conservation value (<a href="https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration">https://www.greenbiz.com/article/stakeholder-engagement-how-enviva-moved-crisis-collaboration</a>). We find these engagements and subsequent collaborations to be both enlightening and beneficial in the promotion of sustainable forest management</p>
<p>Means of Verification</p>	<p>l. Preamble citations m. FSC CWNRA n. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b> o. <b>ENV-COC-02 Controlled Sourcing Procedure</b> p. <b>ENV-COC-03 Controlled Sources Risk Assessment</b> q. <b>Master Wood Purchase Agreement</b> r.</p>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>
<p>Risk Rating</p>	<p><input type="checkbox"/> Low Risk                      <input checked="" type="checkbox"/> Specified Risk                      <input type="checkbox"/> Unspecified Risk at RA</p>

Comments and Mitigation Measures	<p>Enviva will annually review its Means of Verification and engage with Stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of biodiversity.</p>
Risk Rating After Mitigation	<p><input checked="" type="checkbox"/> <b>Low Risk</b>                      <input type="checkbox"/> <b>Specified Risk</b>                      <input type="checkbox"/> <b>Unspecified Risk at RA</b></p>

	Indicator
2.2.5	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the process of residue removal minimises harm to ecosystems.
Finding	<p>Enviva is sourcing a waste stream product from secondary feedstock suppliers who are sourcing saw timber for the forest in the supply base area. None of the suppliers covered by the supply base evaluation are sourcing forest residues. All primary feedstocks are certified and are not required to be included in a supply base evaluation.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will affect residue removal from forests.</p>

Means of Verification	a. Preamble citations b. <b>Master Wood Purchase Agreement</b>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.6	The Biomass Producer has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to use and require the use of forestry best management practices in their sourcing efforts. Forestry best management practices are the best tool to protect water quality.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure Enviva is aware of forest impact assessments, planning implementation and monitoring efforts including forestry best management practices all of Enviva's supply areas including Amory. A review of BMP implementation rates is included.</p> <p>Enviva is a member of regional state forestry associations responsible for reviewing and developing logger training in conjunction with state forestry associations related to forestry best management practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p>

	<p>Findings are incorporated into Enviva’s ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA indicator 3.4 HCV 4 determined there is a low risk of forest management activities. Further the author states, “Evidence of the effectiveness of forestry BMPs, combined with the reported levels of compliance, indicates that there is a high likelihood that HCV 4 are being effectively protected throughout the assessment area through the implementation of forestry BMPs associated with State nonpoint source pollution programs.” The effectiveness of forestry best management practices is well documented in the FSC US CWNRA.</p> <p>SFI Fiber Sourcing Standard Objective 3 requires a certificate holder to promote the use of trained logger. ENV-SFI-01 SFI Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective</p> <p>The US Clean Water Act requires each state to develop non-point source BMP’s to address run off. This includes forestry activities. Enviva’s contracts require suppliers to ensure their supply chain follows all applicable laws including those that protect special habitats by following BMP’s and other laws.</p> <p>Enviva’s Controlled Wood Risk Assessment/ Due Diligence System and SFI Wood Sourcing Program requires monitoring and assessment of the impacts forestry has on water quality. Enviva works with state Sustainable Forestry Initiative Committees (SIC) to promote BMP compliance and education.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU’s as part of their supplier audit.</p> <p>Enviva’s supplier audit process provides the assessment tools necessary to collect and evaluate a supplier’s conformance to Enviva’s contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will have a negative impact on water quality.</p>
<p>Means of Verification</p>	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. State BMP Manuals and BMP monitoring data</li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. NASF Water Quality Report</li> </ol>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>

Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
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	Indicator
<b>2.2.7</b>	<p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that air quality is not adversely affected by forest management activities.</p>
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to use and require the use of forestry best management practices in their sourcing efforts which includes air quality regulation related to forestry activities.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk</p>

	<p>profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Enviva is a member of regional state forestry associations responsible for reviewing and developing logger training in conjunction with state forestry associations related to forestry best manage practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement.</p> <p>In the United States regulation of forestry practices has its roots in federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Chemical use in forest management activities also follow EPA guidance under FIFRA and include in-woods practices. A review of the EPA Civil Cases and Settlements by Statute has no findings related to forest management activities in 2017. The United States has a robust legal system that deters the abuse of state and Federal regulation.</p> <p>The US Clean Air Act requires each state to implement air quality controls to ensure the public's safety. The USDA Forest Service website, <i>Forest Service Air Management Responsibilities</i> describes how the Clean Air Act affects forestry operations in general. States in the Enviva Amory supply base area have haze/smoke laws.</p> <p>In the United States regulation of forestry practices has its roots in federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Air quality regulations are controlled by the EPA and these regulations also influence in-wood practices including air quality impact from forest management activities. A review of the EPA Civil Cases and Settlements by Statute has no findings related to forest management activities in 2017. The United States has a robust legal system that deters the abuse of state and federal regulation.</p> <p>Examples of enforcement of forestry fire laws can be found on the United States Fire Administration website (<a href="https://www.usfa.fema.gov/prevention/outreach/wildfire_arson/court_cases.html">https://www.usfa.fema.gov/prevention/outreach/wildfire_arson/court_cases.html</a>).</p> <p>And the US Environmental Protection Agency website (<a href="https://cfpub.epa.gov/compliance/criminal_prosecution/">https://cfpub.epa.gov/compliance/criminal_prosecution/</a>).</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will have a negative impact on air quality.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>Master Wood Purchase Agreement</b></li> <li>c. Clean Air Act</li> <li>d. USDA Forest Service</li> <li>e. US EPA</li> <li>f. US Fire Administration</li> <li>g. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.8	<p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is controlled and appropriate use of chemicals, and that Integrated Pest Management (IPM) is implemented wherever possible in forest management activities (CPET S5c).</p>
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to comply with laws and regulations which includes the use of chemical in forestry practices.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The use of chemical in forest management practices are regulated.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Enviva is a member of regional state forestry associations. Enviva interacts with these groups to engage landowners in best forestry management practices.</p>

	<p>In the United States regulation of forestry practices has its roots in federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Chemical use in forest management activities also follow EPA guidance under FIFRA and include in-woods practices. A review of the EPA Civil Cases and Settlements by Statute has no findings related to forest management activities in 2017. The United States has a robust legal system that deters the abuse of state and Federal regulation.</p> <p>Examples of enforcement of Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) can be found on the United States Environmental Protection Agency website (<a href="https://cfpub.epa.gov/compliance/criminal_prosecution/">https://cfpub.epa.gov/compliance/criminal_prosecution/</a>).</p> <p>Information about Integrated Pest Management can be found on the USDA Forest Service website (<a href="https://www.fs.fed.us/foresthealth/protecting-forest/integrated-pest-management/">https://www.fs.fed.us/foresthealth/protecting-forest/integrated-pest-management/</a>).</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will cause an increase in the use of pesticides or herbicides.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>Master Wood Purchase Agreement</b></li> <li>c. Clean Air Act</li> <li>d. USDA Forest Service</li> <li>e. US EPA</li> <li>f. US Fire Administration</li> <li>g. World Bank</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.2.9	The Biomass Producer has implemented appropriate control systems and procedures for verifying that methods of waste disposal minimise negative impacts on forest ecosystems (CPET S5d).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests were genetically modified trees are planted;</li> </ul>

	<ul style="list-style-type: none"> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to use and require the use of forestry best management practices in their sourcing efforts. Forestry best management practices are the best tool to protect forest from waste disposal.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The use of forestry best management practices is part of the review</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Enviva is a member of regional state forestry associations. Enviva interacts with these groups to engage landowners in best forestry management practices.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will harm forest due to waste disposal.</p>
<p>Means of Verification</p>	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>c. <b>Master Wood Purchase Agreement</b></li> <li>d.</li> <li>e. State BMP Manuals and monitoring data</li> <li>f. NASF Water Quality Report</li> </ul>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>

Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>
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Indicator																												
2.3.1	<p>Analysis shows that feedstock harvesting does not exceed the long-term production capacity of the forest, avoids significant negative impacts on forest productivity and ensures long-term economic viability. Harvest levels are justified by inventory and growth data.</p>																											
Finding	<p>Enviva's Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The annual review requires an analysis of growth to drain in the supply area.</p> <p>A 2015 Forest2Market report titled <i>Wood Supply Market Trends in the US South</i> concluded that in 2014, the total wood consumption for all markets in the south was only 3.3% of total forest inventory. Removals for pellet production represents 0.3% of all the US South standing inventory.</p> <p>In the Gulf region of the U.S. south, total pine inventory has increased 2.1% annually since 2000. Reduced demand for hardwood pulpwood due to movement from hardwood paper demand have young hardwood pulpwood stands "aging out" into hardwood saw timber stands. Hardwood saw timber has demonstrates an annual increase of 1.3% since 2000. Annual hardwood pulpwood removals have declined by 2.6%, annual hardwood saw timber removals declined by 5% for the same time frame.</p> <div style="text-align: center;"> <p>The graph shows two data series: Hardwood Pulpwood (red line) and Hardwood Sawtimber (blue line). The Y-axis represents Million Tons, ranging from 0 to 1400. The X-axis represents years from 2000 to 2014. Hardwood Pulpwood inventory remains relatively stable around 600 million tons. Hardwood Sawtimber inventory starts at approximately 950 million tons in 2000, rises to about 1050 million tons by 2006, then jumps to approximately 1250 million tons by 2008, and remains high with a slight decline towards 2014.</p> <table border="1"> <caption>U. S. South Gulf Region Hardwood Inventory (Million Tons)</caption> <thead> <tr> <th>Year</th> <th>Hardwood Pulpwood</th> <th>Hardwood Sawtimber</th> </tr> </thead> <tbody> <tr><td>2000</td><td>600</td><td>950</td></tr> <tr><td>2002</td><td>600</td><td>950</td></tr> <tr><td>2004</td><td>600</td><td>950</td></tr> <tr><td>2006</td><td>600</td><td>1050</td></tr> <tr><td>2008</td><td>600</td><td>1250</td></tr> <tr><td>2010</td><td>600</td><td>1250</td></tr> <tr><td>2012</td><td>600</td><td>1200</td></tr> <tr><td>2014</td><td>600</td><td>1200</td></tr> </tbody> </table> </div>	Year	Hardwood Pulpwood	Hardwood Sawtimber	2000	600	950	2002	600	950	2004	600	950	2006	600	1050	2008	600	1250	2010	600	1250	2012	600	1200	2014	600	1200
Year	Hardwood Pulpwood	Hardwood Sawtimber																										
2000	600	950																										
2002	600	950																										
2004	600	950																										
2006	600	1050																										
2008	600	1250																										
2010	600	1250																										
2012	600	1200																										
2014	600	1200																										

	<div style="text-align: center;"> </div> <p>The procurement of wood material contributes to reducing environmental impacts and enhancing the productivity of forests. A 2017 Forest2Market report, <i>Historic Perspectives on the Relationship between Demand and Forest Productivity in the US South</i>, concluded further that a positive relationship exists between forest harvest and forest growth, proving that forest landowners respond to robust forest products markets by planting more trees. Markets for low valued wood products allow for more efficient site preparation and reforestation. Fully 85% of the Amory feedstock is sourced as processing residues from secondary sources which harvest timber intended for saw timber-derived products.</p> <p>Enviva’s Amory mill is sourcing a waste stream from the production of higher, better use products such as limber and trim. By helping remove waste from landfills and providing additional revenue to secondary feedstock supplier Enviva is helping to maintain healthy saw mill community which encourages landowners to keep growing forests.</p> <p><u>Conclusion</u> There is a low risk the Amory sourcing practices will harm growth to drain levels in the supply area.</p>
<p>Means of Verification</p>	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. USFS FIA web site</li> <li>c. Growth Drain study</li> <li>d. Forest2Market Reports             <ul style="list-style-type: none"> <li>• <a href="https://www.forest2market.com/hubfs/2016_Website/Documents/20151119_Forest2Market_USSouthWoodSupplyTrends.pdf">https://www.forest2market.com/hubfs/2016_Website/Documents/20151119_Forest2Market_USSouthWoodSupplyTrends.pdf</a></li> <li>• <a href="https://www.forest2market.com/hubfs/2016_Website/Documents/20170726_Forest2Market_Historical_Perspective_US_South.pdf?t=1516993507491">https://www.forest2market.com/hubfs/2016_Website/Documents/20170726_Forest2Market_Historical_Perspective_US_South.pdf?t=1516993507491</a></li> </ul> </li> </ol>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>
<p>Risk Rating</p>	<p><input checked="" type="checkbox"/> <b>Low Risk</b>                      <input type="checkbox"/> <b>Specified Risk</b>                      <input type="checkbox"/> <b>Unspecified Risk at RA</b></p>

	Indicator
<p>2.3.2</p>	<p>Adequate training is provided for all personnel, including employees and contractors (CPET S6d).</p>
<p>Finding</p>	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> </ul>

	<ul style="list-style-type: none"> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers adhere to employment safety programs such as the Occupational Safety and Health Administration (OSHA).</p> <p>Enviva's internal Human Resources practices, Operational Excellence Management System and Safety Program ensure employees receive the proper training to perform their tasks safely.</p> <p>Enviva conducts in-depth internal training for all employees. Enviva's staff have achieved educational levels appropriate with their specific job duties. (Training Records)</p> <p>Enviva's Master Wood Purchase Agreement require suppliers to ensure their supply chain follows all applicable laws including those that protect special habitats by following BMP's and other laws. Logger training can be verified via each state's logger training program website General information about logger training programs can be found, <a href="https://www.sfiopa.org/_download_link.php?did=32">https://www.sfiopa.org/_download_link.php?did=32</a>.</p> <p>SFI Logger Training Programs provide training in 13 management principles. Each state develops its own training modules to fulfil the training needs of the states logging force.</p> <ol style="list-style-type: none"> <li>1. Sustainable Forestry</li> <li>2. Forest Productivity and Health</li> <li>3. Protection of Water Resources</li> <li>4. Protection of Biological Diversity</li> <li>5. Aesthetics and Recreation</li> <li>6. Protection of Special Sites</li> <li>7. Responsible Fiber Sourcing in North America</li> <li>8. Legal Compliance</li> <li>9. Research</li> <li>10. Training and Education</li> <li>11. Community Involvement and Social Responsibility</li> <li>12. Transparency</li> <li>13. Continual Improvement</li> </ol> <p>Specifics for each state program can be found</p> <p>Alabama – <a href="https://www.alaforestry.org/page/PLMGeneral">https://www.alaforestry.org/page/PLMGeneral</a>  Arkansas – <a href="http://arkloggers.com/">http://arkloggers.com/</a>  Louisiana – <a href="https://laforestry.com/MasterLoggers/TrainingProgram.aspx">https://laforestry.com/MasterLoggers/TrainingProgram.aspx</a>  Mississippi – <a href="https://logged.msstate.edu/">https://logged.msstate.edu/</a>  Tennessee – <a href="http://www.tnforestry.com/Loggers/Master_Logger_Program/">http://www.tnforestry.com/Loggers/Master_Logger_Program/</a></p> <p>Enviva's staff with Sustainable Biomass Program responsibility all have college/university degrees in Forestry or a related field. Other staff training may include:</p> <ul style="list-style-type: none"> <li>• State level logger training to enhance understanding of state harvesting regulations and forestry BMP's;</li> <li>• Training in the structure and requirements of Enviva's SFI Wood Sourcing, and FSC/PEFC/SFI Chain of Custody systems;</li> <li>• Internal high conservation value area identification;</li> </ul>
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	<ul style="list-style-type: none"> <li>• Track &amp; Trace;</li> <li>• Climate change;</li> <li>• Community relations; and</li> <li>• Safety.</li> </ul> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>All on site contractors are vetted prior to signing work contracts including a review of their training and safety policies, OSHA 300 log, and other relevant records.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Amory sourcing practices ensures adequate training is provided by Enviva, its contractors and suppliers.</p>
Means of Verification	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</b></li> <li>c. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>d. <b>ENV-COC-02 Controlled Sourcing Procedure</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. <b>Staff training documentation</b></li> <li>g. State logger training websites</li> </ol>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.3.3	Analysis shows that feedstock harvesting and biomass production positively contribute to the local economy, including employment.
Finding	The National Association of Sate Foresters website contains State-wide Assessments describing the contributions the timber industry has in each state contained in the Amory supply base area. The forests of the Southeast provide a number of economic and societal benefits such as manufacturing, employment, recreation, aesthetics, and environmental protection. To ensure that the forests can meet the current and future economic, ecological, cultural, and recreational demands placed on them, State

	<p>Foresters, Forest Managers and others must focus their efforts to address changing landowner objectives, parcelization and fragmentation, current and emerging markets, forest regulation, critical habitats, and cultural/recreational concerns.</p> <p>Enviva's Amory mill is sourcing a waste stream from the production of higher, better use products such as limber and trim. By helping remove waste from landfills and providing additional revenue to secondary feedstock supplier Enviva is helping to maintain healthy saw mill community which encourages landowners to keep growing forests.</p> <p>According to a recent internal study, 50 indirect jobs in the region are created by Enviva's operations. Employees at the Enviva Amory plant, on average, earn wages that are 12% higher than other comparable jobs in the area. The same study found that Enviva Amory has a total direct and indirect economic contribution to the region of over \$32 million dollars.</p> <p><u>Conclusion</u> Evidence demonstrates the economic benefits of Enviva's presence in the supply area.</p>
Means of Verification	<p>a. Preamble citations b. National State Forester web site c. <b>Internal Economic Impact Study</b></p>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<p><input checked="" type="checkbox"/> <b>Low Risk</b>                      <input type="checkbox"/> <b>Specified Risk</b>                      <input type="checkbox"/> <b>Unspecified Risk at RA</b></p>

	Indicator
2.4.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to use and require the use of forestry best management practices in their sourcing efforts. Forestry best management practices are the best tool to protect forest health</p> <p>ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The annual review requires a review of evidence to ensure harvesting practices do not harm forest health or vitality.</p>

	<p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a supplier's risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>The US Forest Service and State Forest Services undertake research into forest health, and their research results are readily available. The SFI Wood Sourcing Program requires Program Participants to individually or with others participate in research related to forest health issues. Markets for residual by-products benefit sawmills which in turn benefits forest landowners and helps support reforestation.</p> <p>Enviva is also a member of the National Council on Air and Stream Improvement (NCASI). NCASI Technical Bulletin No. 982 and the 2014 update No. 1022 <i>Summary of Conservation Planning Efforts in Forested Regions of the United States: 2014 Update</i> describes conservation plans and initiatives states are undertaking to ensure forest health. The membership allows Enviva to stay informed of trends in forest health and interact with other in the wood products industry to develop useful research for the forest products sector.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u>          Since there is not an SBP-approved RRA covering the Enviva supply base area indicator 2.4.1 presumed specified risk rating.</p>
<p>Means of Verification</p>	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>c. <b>Master Wood Purchase Agreement</b></li> <li>d. USFS websites</li> <li>e. State Forest Service web sites</li> <li>f. NCASI Technical Bulletin No 982 &amp; No. 1022 Summary of Conservation Planning Efforts in Forested Regions of the United States: 2014 Update</li> </ol>
<p>Evidence Reviewed</p>	<p>All means of verification reviewed</p>

Risk Rating	<input type="checkbox"/> Low Risk	<input checked="" type="checkbox"/> Specified Risk	<input type="checkbox"/> Unspecified Risk at RA
Comments and Mitigation Measures	<p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on forest health, vitality and other services.</p>		
Risk Rating after Mitigation	<input checked="" type="checkbox"/> Low Risk	<input type="checkbox"/> Specified Risk	<input type="checkbox"/> Unspecified Risk at RA

	Indicator
2.4.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement also requires suppliers to use and require the use of forestry best management practices in their sourcing efforts. Forestry best management practices are the best tool to protect forest health</p> <p>ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the</p>

	<p>wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement. Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>Each state within the Amory supply base has a forest action plan in place that is designed to guide the work of forestry professionals to help manage, protect, enhance, and conserve forest resources within the state. These plans address forest pest, disease, and wildfire to insure healthy forest and are available on the National State Forester Website. Examples of enforcement of forestry fire laws can be found on the United States Fire Administration website (<a href="https://www.usfa.fema.gov/prevention/outreach/wildfire_arson/court_cases.html">https://www.usfa.fema.gov/prevention/outreach/wildfire_arson/court_cases.html</a>).</p> <p>Forest pest management information and controls can be found on the USDA Forest Service website (<a href="https://www.fs.fed.us/foresthealth/protecting-forest/">https://www.fs.fed.us/foresthealth/protecting-forest/</a>) and includes information on plants, pathogens and insects.</p> <p>These sites permit verification of program successes. Each state in the Enviva Amory supply base area participates in these programs.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Amory sourcing practices verify natural processes are appropriately managed.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. USDA Forest Service web site</li> <li>c. National State Foresters web site State Forest Action Plans</li> <li>d. <b>Manual</b></li> <li>e. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.4.3	<p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is adequate protection of the forest from unauthorised activities, such as illegal logging, mining and encroachment (CPETS7c).</p>
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement is signed by each supplier annually.</p> <p>ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The review confirms adequate laws and regulations exist and are enforced in the supply area.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determines the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long-standing business practice in the supply base area. These are many of the same sources cited in the FSC US CWNRA</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU's as part of their supplier audit.</p> <p>Enviva's supplier audit process provides the assessment tools necessary to collect and evaluate a supplier's conformance to Enviva's contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p>FSC US CWNRA Controlled Wood Category 1 Illegally Harvested Wood is well documented and provides clear evidence that illegal logging in the US is a low risk. SBP Principle 1 Biomass feedstock is legally sourced covers this indicator as well.</p>

	<p>In the United States regulation of forestry practices has its roots in Federal law and in Acts designed to provide guidance to states for developing state specific laws and regulations. The US ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law. Evidence of the effectiveness of law enforcement is evident in news reporting and this reporting reveals no widespread or systematic criminal activity in the Amory supply base area.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Laws and regulations are enforced in the United States and Amory's supply area to ensure the potential for illegal logging, mining or other encroachment is a low risk.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-PEFCCOC-01 PEFC Chain of Custody</b></li> <li>d. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. AHEC Legality Study</li> <li>g. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.5.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest are identified, documented and respected (CPET S9).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- <i>Wood harvested in violation of traditional and civil rights;</i></li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement is signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The review includes an analysis of customary and traditional land use rights in the supply area.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area.</p>

	<p>Findings are incorporated into Enviva’s ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>FSC US CWNRA findings relevant to this indicator.</p> <p>2.1. The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control. – The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control.</p> <p>2.3. The rights of Indigenous and Traditional Peoples are upheld. – The rights of indigenous and traditional peoples are upheld, particularly in the forest sector.</p> <p>In the United States regulation of forestry practices has its roots in federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>The US is an industrial nation that does not have people groups dependent on a particular site or resource for basic human need. Further, federal and State legislation governs Native Americans and their rights are strictly enforced. Because Enviva and its supplier’s source from private forestlands there are no issues related to traditional use or tenure rights. Public lands are required to engage with stakeholders of all kinds to ensure harvests maintain the forest as a public good, including working with Native Americans. Native American reservations do exist within the Amory supply base, but all are either under tribal or federal ownership. Enviva also has a formal process for receiving and responding to public inquiries, particularly those that potentially relate to practices that appear to be inconsistent with existing certification requirements.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There are adequate law and regulation in the United States and Amory’s supply area to ensure there are no threats to traditional or customary land use rights.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. Federal and State laws and statutes</li> <li>d. Enviva Sustainability Policy</li> <li>e. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.5.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that production of feedstock does not endanger food, water supply or subsistence means of communities, where the use of this specific feedstock or water is essential for the fulfilment of basic needs.

Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- <i>Wood harvested in violation of traditional and civil rights;</i></li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement is signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a study of the existence of subsistence communities in the supply area.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International, Greenpeace and World Resources Institute to conduct a state by state study of its supply area. The analysis indicates there are ample state and regional forest assessment tools that help determine forestry regulations within the supply base area. The analysis determine the wood products industry is well established, logger training is an industry norm and the use of forestry best management practices are a long standing business practice in the supply base area.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Excerpt from the FSC US CWNRA          “The United States is an industrialized nation that likely does not contain non-tribal communities within the conterminous states that directly rely on sites or resources fundamental to satisfying basic needs.</p> <p>No evidence of HCV 5 related to non-tribal communities in the conterminous United States was found through a literature search on this topic. There is some evidence that they may occur in Alaska and Hawaii [160, 161], but these states are not included in the assessment area for the NRA. FSC US also surveyed US certification bodies with forest management clients to inquire if they have received any comments from communities or stakeholders that depend on forests for their livelihood during forest management public consultations – the response was negative from all surveyed certification bodies [159]. There is no reason to believe that HCV 5 would be more or less likely to occur on certified vs noncertified lands (the focus of the NRA), therefore, our survey of certification bodies provides a sampling of lands throughout the assessment area. FSC US staff consulted with two FSC-certified tribes, two forest managers with extensive experience working with Tribes, and a representative of an affiliation of tribes.”</p> <p>In the United States regulation of forestry practices has its roots in Federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>Certain Native American groups depend on clean water and healthy forest for their basic needs, but these areas are located either on publicly owned lands or on their own private reservations. On public lands, laws and regulations are in effect to protect the resources</p>
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	<p>that these communities need. Forestry BMPs through the Clean Water Act are designed to protect water resources. Enviva, and its third-party suppliers, require through contracts, that all primary suppliers of raw material adhere to all applicable laws and regulations and employ BMPs during harvest. BMP compliance rates are high throughout the supply base. Enviva and its third-party suppliers will not contract with companies exhibiting poor performance. The U.S. has a very low risk of food insecurity.</p> <p>There are no subsistence communities sourcing basic needs from the forest in the Amory supply area</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> There is a low risk Amory’s sourcing practices will impact a community relying on the forest for its subsistence.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>d. <b>Master Wood Purchase Agreement</b></li> <li>e. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.6.1</b>	The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.
Finding	<p>Enviva has a formal grievance and complaints procedure in place as part of its PEFC Chain of Custody system</p> <p>PEFC Chain of Custody required certificate holders to have a formal complaints procedure.</p> <p>Some FSC US CWNRA findings related to this indicator</p> <p>1.1 Land tenure and management rights finds the US legality of ownership to be a low risk citing landownership records in the US are highly reliable and frequently used by banking institutions to issue mortgages generally requiring title clearances.</p> <p>“In its report to the Montreal Process Working Group on the Conservation and Management of Temperate and Boreal Forests, in scoring an indicator relating to land tenure, the US government concluded that, “All forest land owners, public and private, exercise their forest tenure rights to achieve their forest land management goals” ....</p> <p>2.2. Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work. - Labor rights are upheld including rights as specified in ILO Fundamental Principles and Rights at Work, particularly in the forest sector.</p>

	<p>Enviva’s ENV-COC-03 Controlled Sources Risk Assessment uses many of the same sources of information as the FSC CWNRA.</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to have and maintain a complaints process. ENV-PEFCCOC-01 PEFC Chain of Custody is the Enviva document describing the internal process for handling complaints.</p> <p>In the United States has a robust legal system and well established laws and regulations protecting land use, tenure rights and forestry practices. The country ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>Federal Law regarding forestry dictate that: Forest fire fighting and forest fire prevention occupations, timber tract occupations, forestry service occupations, logging occupations, and occupations in the operation of any sawmill, lathe mill, shingle mill, or cooperage stock mill abide by (Order 4). [75 FR 28453, May 20, 2010]</p> <p>OSHA work rules ensure workers have a right to a safe workplace. The law requires employers to provide their employees with working conditions that are free of known dangers. The OSHA law also prohibits employers from retaliating against employees for exercising their rights under the law (including the right to raise a health and safety concern or report an injury). For more information see <a href="http://www.whistleblowers.gov">www.whistleblowers.gov</a> or worker rights.</p> <p>The World Bank does not list the United States as a country with land use and tenure challenges. United States, federal and state legislation regarding worker health and safety is monitored by the Occupational Safety and Health Administration (OSHA) which provides good protection and strong recourse if safety protocols are breached. Enviva, and its third-party suppliers, require through contracts, that all suppliers of raw material adhere to all applicable laws and regulations. Enviva and its third-party suppliers will not contract with companies exhibiting poor performance.</p> <p><u>Conclusion</u> Amory’s sourcing practices confirms the existence and enforcement of appropriate laws and regulations governing grievances, disputes, tenure and use rights.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-PEFCCOC-01 PEFC Chaon of Custody</b></li> <li>d. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>e. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.7.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that Freedom of Association and the effective recognition of the right to collective bargaining are respected.
Finding	Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood: <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> </ul>

	<ul style="list-style-type: none"> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- <i>Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</i></li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a review of appropriate laws regarding freedom of workers right to associate.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA determined</p> <p>2.2. Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.</p> <p><i>“Freedom of Association &amp; Collective Bargaining</i></p> <p>Even though the US has not ratified either of the associated Core Conventions, it has been a member of the ILO since 1980 (and previous to that was a member from 1934 to 1977). As a member, the US has obligations under the ILO Constitution, including a commitment under the Declaration on Fundamental Principles and Rights at Work. Additionally, the US is subject to annual ILO review and reporting processes and also complaint processes (through the Committee on Freedom of Association, CFA). A report by the International Organisation of Employers (IOE) notes that “Most CFA case examinations of U.S. law have resulted in conclusions and recommendations that the law or practice subject of the complaint is consistent with the principles of freedom of association” and that “there has never been a wholesale criticism of the NLRA or NLRB by the CFA or the ILO”. There are 42 closed complaints cases listed in the US member profile. All of this provides strong evidence that the United States respects, promotes and realizes, in good faith, workers’ rights to “freedom of association and the effective recognition of the right to collective bargaining.”</p> <p>Additionally,</p> <p>“It is possible to conclude from the information presented that while the US has not ratified and may not conform with all specifics in the associated Core Conventions, it respects the fundamental rights of freedom of association and the effective recognition of the right to collective bargaining.”</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>U.S. law clearly specifies rights to collective bargaining and freedom of association. Enviva’s HR practices ensure worker rights are protected. All contracts contain verbiage requiring suppliers to conform to all applicable laws and annually Enviva sends supplier correspondence requiring its suppliers to comply with all labor laws. The United States ratified ILO C150 – Labor Administration Convention securing the rights of worker organization and collective bargaining. Verification of this and other ILO US Ratified Conventions can be found on the ILO NORMLEX website</p>
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	<p>Enviva posts all of the US required employee information posters in key locations for all employees to see and read. Enviva's employee handbook describes the rights each worker enjoys including the right of free association and collective bargaining.</p> <p>The United States Department of Labor provides verification of enforcement. (<a href="https://www.dol.gov/general/aboutdol/majorlaws">https://www.dol.gov/general/aboutdol/majorlaws</a>)</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Analysis of Amory's sourcing practices confirms the existence of appropriate laws and regulations governing workers right to associate.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>Enviva HR policies and procedures</b></li> <li>d. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>e. <b>Enviva Employee Handbook</b></li> <li>f. <b>Mill site employee postings</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. ILO US Ratified Conventions</li> <li>i. ILO NORMLEX Information System</li> <li>j. United States Department of Labor</li> <li>k. World Bank Governance Index</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.7.2</b>	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using any form of compulsory labour.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- <i>Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</i></li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a study of the existence of appropriate laws regarding protections from compulsory labor.</p>

	<p>Findings are incorporated into Enviva’s ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA finds</p> <p>2.2. Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.</p> <p><u>“Compulsory or Forced Labor</u>  The US ratified Core Convention 105 (Abolition of Forced Labour Convention) in 1991 and the ILO web site indicates the status as ‘In Force’. The US has not yet ratified Convention 29 (Forced Labour Convention), but as noted above has legislation that addresses fundamental rights associated with compulsory or forced labor. There are also numerous additional policies, reports, action plans and executive orders that provide evidence of the country’s efforts to ensure these rights, particularly as they relate to human trafficking [28].</p> <p>The United States is consistently categorized as Tier 1 (the highest tier reflecting a country’s efforts to address human trafficking problems) in the U.S. Department of State’s Trafficking in Persons annual report. The Global Slavery Index’s 2016 assessment identifies the United States as a country with one of the lowest estimated prevalence of modern slavery and as a country with one of the strongest responses to modern slavery.”</p> <p>Additionally,  “While the US has not ratified both relevant Core Conventions, it is still possible to conclude that the US respects the fundamental right to the elimination of all forms of forced or compulsory labor, and in particular that there are no concerns identified in the forest sector.”</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>The U.S. supply areas where Enviva procures wood material have comprehensive laws prohibiting the use of compulsory labor or violating citizen’s rights. Enviva’s HR practices ensure worker rights are protected and employment is “at will”. Enviva’s PEFC Due Diligence Risk Assessment verifies “There is no evidence of child labor or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned.”</p> <p>The United States Department of Labor provides verification of enforcement. (<a href="https://www.dol.gov/general/aboutdol/majorlaws">https://www.dol.gov/general/aboutdol/majorlaws</a>)</p> <p><u>Conclusion</u>  Analysis of Amory’s sourcing practices confirms the existence of appropriate laws and regulations prohibiting compulsory labor.</p>
<p>Means of Verification</p>	<ol style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. Federal and State web sites</li> <li>c. <b>Enviva HR policies and procedures</b></li> <li>d. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. ILO US Ratified Conventions</li> <li>g. United States Code</li> <li>h. United States Department of Labor</li> <li>i. World Bank</li> </ol>

Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.7.3</b>	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's Controlled Sources Risk Assessment is reviewed. The analysis includes a study of the existence of appropriate laws regarding protections preventing child labor.</p> <p>The FSC CWNRA finds  <i>"Child Labor</i>            The United States ratified Core Convention 182 (Worst Forms of Child Labor Convention) in 1999 and the ILO web site indicates the status as 'In Force'. The US has not yet ratified Convention 138 (Minimum Age Convention), but as noted above has legislation that addresses fundamental rights associated with child labor. Additionally, every state has legislation that further limits the hours and days per week that minors may work in non-farm employment and 34 states have similar limits for farm work. And all states have compulsory education until at least 16 years of age [28]. The US Annual Reports to the ILO also detail statistics on the effective enforcement of the federal legislation, including hundreds of cases, thousands of children affected and millions of dollars paid in fines each year. The United States does not feature in the ILO Child Labour Country Dashboard, which indicates a low risk for child labour in the United States. The 2016 List of Goods Produced by Child Labor or Forced Labor [46] does not associate any goods produced in the US with child labor."</p> <p>Further it finds,            "While the US has not ratified both relevant Core Conventions, it is still possible to conclude that the US respects the fundamental right to the effective abolition of child labor, particularly in the forest sector."</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p>

	<p>The United States Department of Labor provides verification of enforcement. (<a href="https://www.dol.gov/general/topic/youthlabor/enforcement">https://www.dol.gov/general/topic/youthlabor/enforcement</a>)</p> <p>The U.S. supply areas where Enviva procures wood material have comprehensive laws prohibiting the use of child labor or violating citizen’s rights. Enviva’s HR practices ensure the company complies with minimum worker age requirements and all supplier contracts contain verbiage requiring suppliers to conform to all applicable laws.</p> <p>From the AHEC Legality Study:          “We come to the conclusion that wood procured in the study area can be considered Low Risk of violating traditional and civil rights. This conclusion is based on the determination that there is no UN Security Council ban, there is no evidence of prolific child labor, there is no evidence that ILO Fundamental Principles are not respected, and there are recognized and equitable processes in place to resolve conflicts of substantial magnitude.”</p> <p>“Forest employment in the US is regulated under federal and state laws and codes, which prohibit child labor and are consistent with the ILO Fundamental Principles and Rights at work.”</p> <p>Enviva does not employ anyone under the age or 18 years.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u>          Analysis of Amory’s sourcing practices confirms the existence of appropriate laws and regulations prohibiting child labor.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. Federal and State web sites</li> <li>c. <b>Enviva HR policies and procedures</b></li> <li>d. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>e. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. ILO US Ratified Conventions</li> <li>h. United States Department of Labor</li> <li>i. World Bank</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.7.4	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using labour which is discriminated against in respect of employment and occupation.
Finding	Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood: <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> </ul>

	<ul style="list-style-type: none"> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a study of the existence of appropriate laws regarding protections against discrimination in the workplace.</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA finds</p> <p>1.12 Legal employment – Most employment in the US is considered "at will," and can be terminated by either party or changed without prior notice. A written contract is not necessary; all employers are still subject to labor laws.</p> <p>2.2 Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.</p> <p>“Discrimination with respect to employment is prohibited in the United States by Section VII of the Civil Rights Act of 1964 (Public Law 88-352), and is overseen by the U.S. Equal Employment Opportunity Commission. There are several additional and complementary pieces of legislation, such as: the Equal Pay Act of 1963 (EPA), which protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination; the Age Discrimination in Employment Act of 1967 (ADEA), which protects individuals who are 40 years of age or older; Title I and Title V of the Americans with Disabilities Act of 1990, as amended (ADA), which prohibit employment discrimination against qualified individuals with disabilities in the private sector, and in state and local governments; Sections 501 and 505 of the Rehabilitation Act of 1973, which prohibit discrimination against qualified individuals with disabilities who work in the federal government;”</p> <p>“All indicators In the Category 1 (legality) assessment were designated as ‘low risk’ at a national scale, indicating that the relevant legislation is enforced.”</p> <p>In the United States regulation of forestry practices has its roots in federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations and ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>The U.S. supply areas where Enviva procures wood material have comprehensive laws prohibiting the violation of citizen’s rights. Enviva’s HR practices ensure the company is an equal opportunity employer and prohibit discrimination in all of the federal and state laws in our areas of operation. Enviva’s PEFC Due Diligence Risk Assessment was verified to show “There is no evidence of child labor or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned.”</p>
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	<p>The United States Department of Labor provides verification of enforcement. (<a href="https://www.dol.gov/general/aboutdol/majorlaws">https://www.dol.gov/general/aboutdol/majorlaws</a>)</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Analysis of Amory's sourcing practices confirms the existence of appropriate laws and regulations prohibiting discrimination in the workplace.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. Federal and State web sites</li> <li>c. <b>Enviva HR policies and procedures</b></li> <li>d. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>e. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. ILO US Ratified Conventions</li> <li>h. United States Department of Labor</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.7.5</b>	<p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is supplied using labour where the pay and employment conditions are fair and meet, or exceed, minimum requirements.</p>
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a study of the existence of appropriate laws regarding minimum wage at the federal and state level.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p>

	<p>The U.S. supply areas where Enviva procures wood material have comprehensive laws prohibiting the violation of worker’s rights. Enviva’s HR practices ensure worker wages are comparable to other similar employment opportunities in the regions we operate. Enviva’s PEFC Due Diligence Risk Assessment was verified to show “There is no evidence of child labor or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned.”</p> <p>OSHA work rules ensure workers have a right to a safe workplace. The law requires employers to provide their employees with working conditions that are free of known dangers. The OSHA law also prohibits employers from retaliating against employees for exercising their rights under the law (including the right to raise a health and safety concern or report an injury). For more information see <a href="http://www.whistleblowers.gov">www.whistleblowers.gov</a> or worker rights.</p> <p>The United States Department of Labor provides verification of enforcement. (<a href="https://www.dol.gov/general/aboutdol/majorlaws">https://www.dol.gov/general/aboutdol/majorlaws</a>)</p> <p>The United State Department of Labor Occupational Safety and Health Administration provides verification of enforcement. (<a href="https://www.osha.gov/dep/index.html">https://www.osha.gov/dep/index.html</a>)</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Analysis of Amory’s sourcing practices confirms the existence of appropriate laws and regulations ensuring fair pay for workers.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. Federal and State web sites</li> <li>c. <b>Enviva HR policies and procedures</b></li> <li>d. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>e. <b>Master Wood Purchase Agreement</b></li> <li>f. ILO US Ratified Conventions</li> <li>g. Occupational Safety and Health Administration</li> <li>h. United States Department of Labor</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.8.1</b>	The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> </ul>

	<ul style="list-style-type: none"> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- Wood from forests where genetically modified trees are planted;</li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes a review of appropriate laws regarding worker health and safety.</p> <p>Findings are incorporated into Enviva's Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The PEFC Chain of Custody Standard requires the certificate holder to evaluate social, health and safety within its supply area. ENV-PEFCOC-01 PEFC Chain of Custody is the Enviva document describing its findings. Many of the information sources used are the same as cited in the FSC US CWNRA.</p> <p>The FSC US CWNRA finds</p> <p>1.12 Legal employment – There is a large body of laws governing fair labor, worker safety and health. These laws protect forest workers by prescribing specific safety measures to employ and safety equipment to use while working. There is a low risk forest worker are not adequately protected.</p> <p>In the United States federal law and acts designed to provide minimum guidance to states in developing state specific laws and regulations. The nation ranks in the top 88th percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 90th percentile in Rule of Law.</p> <p>The US Occupational Health and Safety Administration is responsible for implementing, monitoring and enforcing worker health and safety laws and regulations. Enviva complies with all applicable laws and regulation and contractually requires its suppliers to do the same. The SFI Wood Sourcing Standard requires Program Participants to adhere to health and safety laws. Enviva and its third-party suppliers will not contract with companies exhibiting poor performance. Enviva has safety manuals in place for mill workers. Enviva also has an in-depth safety program in place at each mill to prevent accidents and share best practices amongst sites. OSHA records of reportable injuries and rates are publicly available.</p> <p>Federal Law regarding forestry dictate that: Forest fire fighting and forest fire prevention occupations, timber tract occupations, forestry service occupations, logging occupations, and occupations in the operation of any sawmill, lathe mill, shingle mill, or cooperage stock mill abide by (Order 4). [75 FR 28453, May 20, 2010]</p> <p>OSHA work rules ensure workers have a right to a safe workplace. The law requires employers to provide their employees with working conditions that are free of known dangers. The OSHA law also prohibits employers from retaliating against employees for exercising their rights under the law (including the right to raise a health and safety concern or report an injury). For more information see <a href="http://www.whistleblowers.gov">www.whistleblowers.gov</a> or worker rights.</p> <p>The United State Department of Labor Occupational Safety and Health Administration provides verification of enforcement. (<a href="https://www.osha.gov/dep/index.html">https://www.osha.gov/dep/index.html</a>)</p>
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	<p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva's legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p><u>Conclusion</u> Analysis of Amory's sourcing practices confirms the existence of appropriate laws and regulations ensuring worker health and safety.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. <b>ENV-COC-01 Enviva Chain of Custody Procedures &amp; Implementation</b></li> <li>d. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>e. <b>Enviva Employee Handbook</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. United State Department of Labor Occupational Safety and Health</li> <li>h. World Bank</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
<b>2.9.1</b>	Biomass is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.
Finding	<p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The analysis includes a study of carbon stocks in the supply area.</p> <p>Wetlands and peatlands are recognized as areas of high carbon stocks as well as areas of important ecological function. Where there are wetlands in the sourcing area, these are strongly protected by legislation to remain as wetlands through the Clean Water Act. No change can be made to the hydrology of wetlands without the permission of the Army Corps of Engineers, who oversee and implement CWA legislation.</p> <p>Forest cover type in the Amory SBP-compliant supply base area is 64% hardwood. The 36% pine portion is a combination of both naturally occurring and plantation pine (Table 1) (U.S. Department of Agriculture, 2018). Growth to drain is positive 1.73:1 for all species, 1.82:1 for pine species and 1.59:1 for hardwood species.</p> <p><u>Conclusion</u> Analysis of Amory's supply area confirms carbon stocks are maintained.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>c. <b>ENV-COC-03 Controlled Source Risk Assessment</b></li> <li>d. BMP manuals and Compliance reports</li> <li>e. Clean Water Act</li> <li>f. USDA Forest Service Forest Inventory Analysis data</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.9.2	Analysis demonstrates that feedstock harvesting does not diminish the capability of the forest to act as an effective sink or store of carbon over the long term.
Finding	<p>Enviva's Controlled Sources Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas including Amory. The analysis includes a study of carbon stocks in the supply area.</p> <p>Forest cover type in the Amory SBP-compliant supply base area is 64% hardwood. The 36% pine portion is a combination of both naturally occurring and plantation pine. Growth to drain is positive 1.73:1 for all species, 1.82:1 for pine species and 1.59:1 for hardwood species.</p> <p>Understanding the role of managed forests in forest-carbon relationships is an essential component of global carbon dynamics and greenhouse gas (GHG) reductions. The ability of forests to act as carbon storage pools (sinks) and prevent additional carbon from entering the atmosphere in a key factor in this relationship. Recent studies have shown that a "hands off" strategy of forest preservation may not always produce the desired climatic results, but sustainably managed forests can provide carbon sequestration and storage benefits as well as a range of environmental and social benefits such as timber and biomass production, clean water, wildlife habitat, and recreational opportunities. The UN Intergovernmental Panel on Climate Change (IPCC) acknowledged this in their Fourth Assessment Report: "In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fiber or energy from the forest, will generate the largest sustained mitigation benefit."</p> <p>Healthy and vigorously growing forests are efficient at capturing and storing atmospheric carbon, but older mature forests, while maintaining large carbon stores, have very low rates of additional carbon sequestration. If natural mortality is allowed to occur in these mature forests, they can actually become carbon emitters and lose the benefit of stored carbon. The harvest of forest resources from such stands provides a mechanism for capturing and utilizing stored carbon. Sustainable forest management practiced at the landscape level provides a mosaic of forest stands from young to old and maintains carbon sequestration potential of the forests. Mature stands are harvested and reforested while younger stands are managed to maintain vigor and held for future harvest. Forest management practices such as thinning and prescribed burning reduce the potential for stand mortality from natural disturbances and the carbon emissions associated with such disturbances. The decay of trees destroyed by wildfires, storms, insects and diseases emits stored carbon back into the atmosphere without any realized benefit. As long as harvests and mortality do not exceed net growth across the forest, carbon stocks will remain stable or increase through time. In the U.S. we have experienced over 70 continuous years of net forest growth exceeding removals and mortality, thus indicating forest management practices are having a positive impact on the long-term storage of carbon. Forest Inventory Analysis (FIA) data shows that all states within the Amory supply base follow the U.S. trend of steady to increasing forested acres.</p> <p>Harvest and utilization of forest products have additional GHG reduction and carbon flow benefits beyond the forest that are often not realized in society. The premise of Enviva's operations is to utilize forest materials and residuals from wood processing facilities in order to produce renewable energy and lower GHG emissions. By accepting lower quality wood produced from forest thinnings, Enviva is promoting the sustainable forest management practices that are essential to forest-climate interactions. Energy obtained from forest biomass uses far less of the Earth's stored carbon; therefore, the</p>

	<p>use of our wood pellets reduces the flow of fossil fuel-based carbon emissions into the atmosphere. Solid wood products and wood-based products used in construction, furniture, and other industries maintain their stored carbon for the life of the product. The reuse or recycling of these wood products only compounds their impact on carbon flow. It takes less energy (embodied energy) and thus less fossil fuel to process raw forest materials into useful products than it does for other materials such as steel, aluminum, concrete, or plastic. When wood products are used in place of these other materials, there exist a real substitution effect that serves to reduce overall societal carbon emissions.</p> <p>Sustainable forest management along with the additive effect of various wood use strategies, insure that forest operations have substantial carbon sequestration, storage, and substitution benefits that reduce global GHG emissions. Society of American Foresters, 2011, Managing forests because carbon matters: integrating energy, products, and land management policy, Supplement to Journal of Forestry, October/November 2011, Volume 109, Number 7S</p> <p><a href="http://www.fs.fed.us/pnw/pubs/journals/pnw_2011_malmsheimer001.pdf">http://www.fs.fed.us/pnw/pubs/journals/pnw_2011_malmsheimer001.pdf</a></p> <p><a href="http://www.woodforgood.com/assets/Downloads/AHEC%20Carbon%20Storage%20through%20Forest%20Management.pdf">http://www.woodforgood.com/assets/Downloads/AHEC%20Carbon%20Storage%20through%20Forest%20Management.pdf</a></p> <p>Forest Inventory Analysis Data: <a href="http://www.fia.fs.fed.us/">http://www.fia.fs.fed.us/</a></p> <p><u>Conclusion</u> Analysis of Amory's supply area confirms carbon stocks are maintained.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. SAF Journal of Forestry</li> <li>c. Ecological objectives can be achieved with wood derived bioenergy (peer reviewed letter)</li> <li>d. AHEC article (peer reviewed)</li> <li>e. Forest Inventory Analysis Data</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>

	Indicator
2.10.1	Genetically modified trees are not used.
Finding	<p>Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> <li>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> <li>- Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>- <i>Wood from forests were genetically modified trees are planted;</i></li> <li>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <p>The Master Wood Purchase Agreement are signed by each supplier annually.</p> <p>Enviva's ENV-COC-03 Controlled Sources Risk Assessment is reviewed annually. The analysis includes confirmation there are no genetically modified trees entering the Amory mill.</p> <p>Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>The FSC US CWNRA findings conclude          “Currently there is no use of GMO trees for commercial use, but the US might be close to approving the use of such. If this happens it will not be possible to identify the use of that GMO to a certain MU, which is why there might be specified risk in the future. But as the situation is now in the US there are no commercial GMO timber trees.</p> <p>There are no commercial uses of Genetically Modified Organisms (GMO's) inside the Enviva LP supply area. Enviva communicates its desire to avoid these sources annually to its suppliers. Excerpt from Enviva's PEFC Chain of Custody Due Diligence System:</p> <p>International groups have general consistency regarding the term GMO to ensure that it is not confused with hybrids, cultivars, and breeds, which are derived from traditional breeding programs. A GMO is an organism that has been transformed by the insertion of one or more genes (called transgenes). Often the inserted genes are from a different species than the recipient organism. Genetic modification does not include traditional breeding or natural hybridization, i.e. GM trees cannot be obtained through conventional tree breeding methods.</p> <p>There is a single synthesis document that provides an up to date (as of 2004) evaluation of forest GMO (Genetically Modified Organisms). Currently, the only commercial user of GMO trees is China and only a single species, <i>Populus nigra</i> (Black Poplar, Lombardy Poplar).</p> <p>The majority of GMO tree research takes place in the U.S. As of 2004, there were field trials of multiple genera, but no commercial plantings.</p> <p>Enviva did not find its wood supply areas on any lists contained in the FAO preliminary review of biotechnology in forestry (<a href="http://www.fao.org/docrep/008/ae574e/ae574e00.htm">http://www.fao.org/docrep/008/ae574e/ae574e00.htm</a>).</p>

	<p>There are no commercial uses of genetically modified trees taking place across the wood supply area. Enviva is therefore confident that its wood supply does not source wood from forests in which genetically modified trees are planted.</p> <p>Master Wood Purchase Agreements contain recital requiring the supplier to agree to abide by Enviva’s legal and sustainability commitments including a provision to allow Enviva to periodically audit suppliers to ensure conformance.</p> <p>Sub-scope 4 suppliers may purchase wood from harvesting crews, employ their own harvesting crews or a combination of the two systems. Many purchase standing timber directly from landowners. Enviva uses a process developed by a third-party consulting firm to create a risk profile of each supplier in this sub-scope. The risk profile is based on the suppliers sourcing area and other information collected in the District of Origin process previously described and compared to the location and description of the items described in 2.1.1. Suppliers with a risk profile score placing them outside of the top 90<sup>th</sup> percentile are placed into a pool and are required to provide access to FMU’s as part of their supplier audit.</p> <p>Enviva’s supplier audit process provides the assessment tools necessary to collect and evaluate a supplier’s conformance to Enviva’s contractual requirements to determine if the supplier is providing SBP-complaint or SBP-controlled feedstocks. When a suppliers risk profile requires it, field management unit audits will be part of the supplier audit to ensure forest management does not have a negative impact on areas of high conservation value.</p> <p><u>Conclusion</u> Enviva does not use genetically modified trees at any facility including Amory.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. FSC US CWNRA</li> <li>b. <b>ENV-COC-03 Controlled Wood Risk Assessment</b></li> <li>c. <b>Master Wood Purchase Agreement</b></li> </ul>
Evidence Reviewed	All means of Verification reviewed
Risk Rating	<input checked="" type="checkbox"/> <b>Low Risk</b> <input type="checkbox"/> <b>Specified Risk</b> <input type="checkbox"/> <b>Unspecified Risk at RA</b>