



# Supply Base Report: Enviva Pellets Hamlet, LLC

First Surveillance Audit

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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)*

## *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1 published 22 February 2016*

*Version 1.2 published 23 June 2016*

*Version 1.3 published 14 January 2019; re-published 3 April 2020*

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# 1 Overview

*On the first page include the following information:*

Producer name: Enviva Partners, LP

Producer location: 7200 Wisconsin Ave. Suite 1000 Bethesda, MD 20814

Geographic position: Enviva Pellets Hamlet, LLC  
N -79.636858, W 34.934795

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Company website: [www.envivabiomass.com](http://www.envivabiomass.com)

Date report finalised: 21/07/2020

Close of last CB audit: Hamlet

Name of CB: SCS Global

Translations from English: N/A

SBP Standard(s) used: Standard 1v1.0, Standard 2v1.0, Standard 4v1.0 and Standard 5v1.0

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: N/A

Weblink to SBE on Company website: <https://www.envivabiomass.com/sustainability/responsible-sourcing/third-party-certifications/>

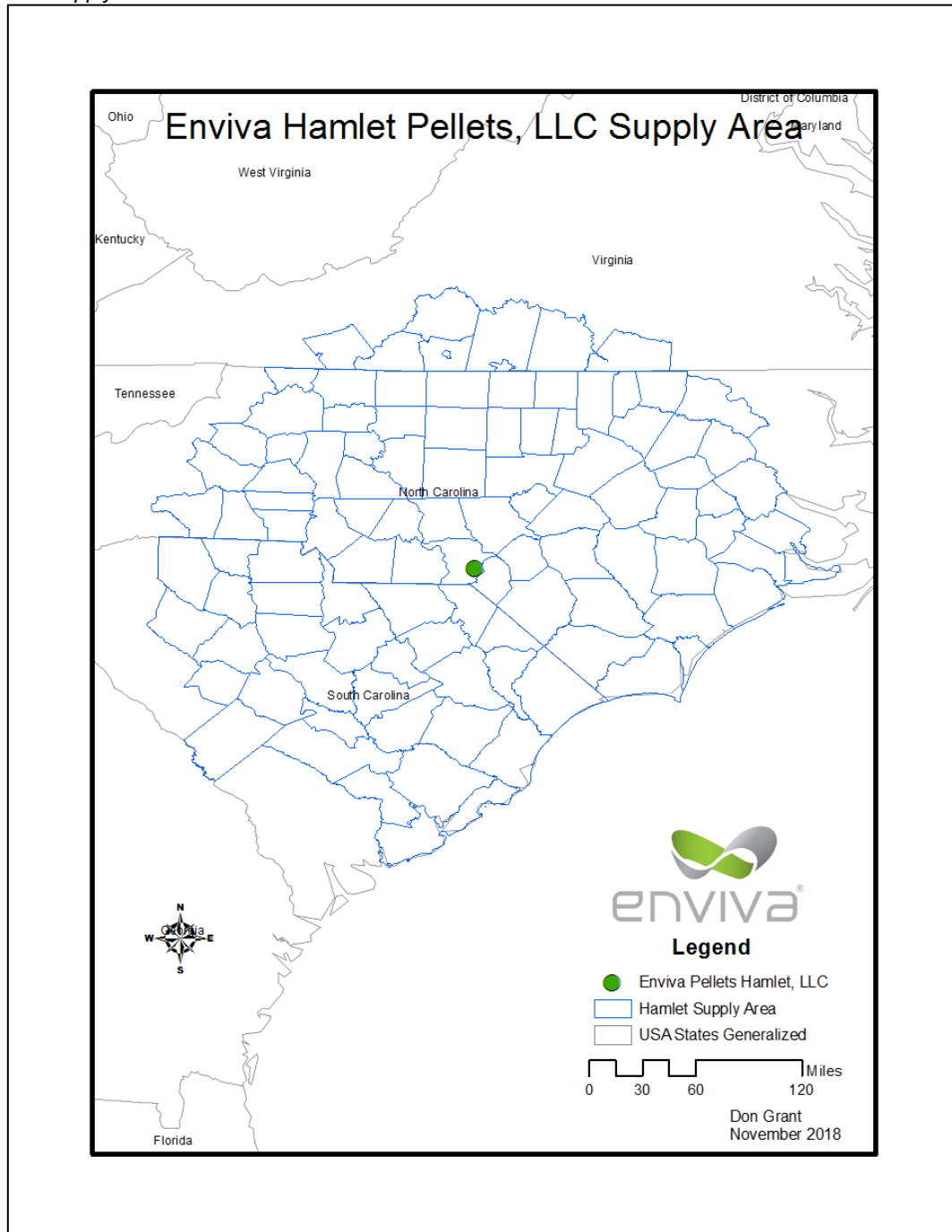
Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>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

## 2 Description of the Supply Base

### 2.1 General description

Enviva Holdings LP (Enviva) operates 3 pellet mills in its Wilmington region: Enviva Pellets Sampson located in Faison, NC, Enviva Pellets Greenwood located in Greenwood, SC and Enviva Pellets Hamlet located in Hamlet, NC. The Hamlet supply base area includes counties in the states of North Carolina, South Carolina and Virginia. A listing of counties within the supply base area can be found in the Appendix.

*Map 1 Hamlet Supply Base Area*

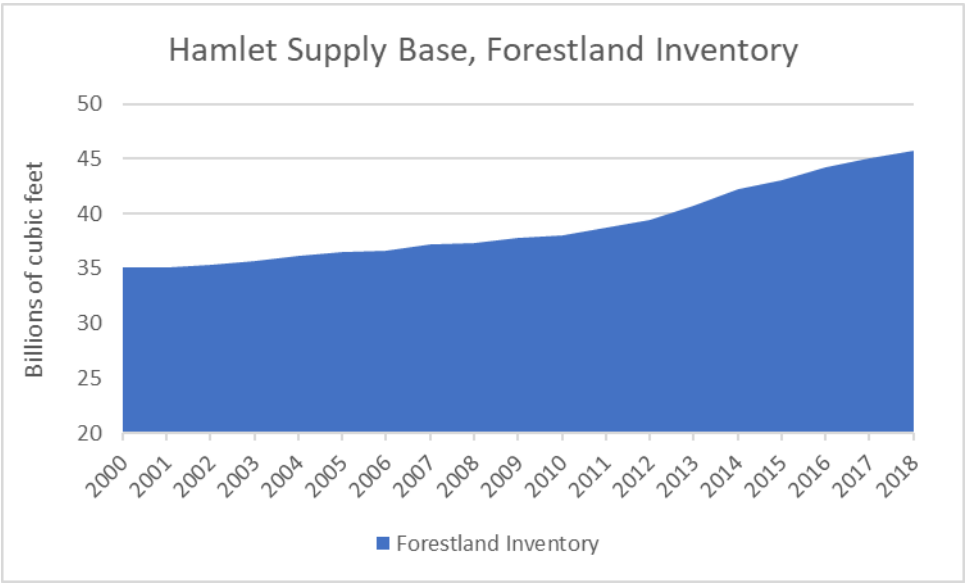


**Forest cover types and growth/drain ratios**

Enviva’s Hamlet mill sources feedstock from portions of North Carolina, South Carolina and Virginia. Hardwoods are the pre-dominant species group making up 59% of the forested hectares. The most recently available inventory data from the US Forest Service’s Forest Inventory and Analysis program show that the growth to drain ratio for hardwood in the Hamlet supply base area is 2.09:1, meaning that net hardwood inventories are increasing and current harvest levels for this product are sustainable. The growth to drain ratio for pine in the region is 1.52:1 (US Department of Agriculture Forest Service, 2018). Enviva’s sourcing does not compete with other forest product industries: instead, it provides a market for low value forest products produced during harvests for high-value timber.

The growth: drain value > 1 means that the region’s forest standing stock has increased steadily since 2000 at an average annual rate of about 1.28% (see Figure 1) (US Department of Agriculture Forest Service, 2018).

Figure 1. Forest Inventory in the Hamlet Supply Base Area



Based on the most recently available inventory data from the US Forest Service’s Forest Inventory and Analysis program, the combined hardwood and pine growth: drain ratio is 1.68:1.

The forest in the supply base consists primarily of southern yellow pine and mixed oak cover types. Forest species composition for each state within the supply base is described in Table 1 ( (US Department of Agriculture Forest Service, 2018)).

Table 1. Forested hectares, forest cover type by state in the Hamlet Supply Base Area

Forest Cover Types	NC	SC	VA	Grand Total
White/ red/ jack pine	16,918	0	7,840	24,758
Spruce/fir	2,503	0	0	2,503
Longleaf/slash pine	168,398	182,593	0	350,991
Loblolly/shortleaf pine	1,822,125	1,591,339	205,701	3,619,165
Other softwoods	7,985	11,378	2,308	21,671
Oak/pine	699,321	428,938	113,210	1,241,469
Oak/hickory	1,650,102	704,856	417,662	2,772,619
Oak/gum/cypress	463,597	613,068	5,915	1,082,580
Elm/ash/cottonwood	183,902	138,502	21,478	343,882
Maple/beech/birch	626	463	2,463	3,551
Other hardwoods	9,712	629	4,787	15,129
Exotic hardwoods	8,971	6,360	583	15,915
Nonstocked	49,241	45,244	8,758	103,243
Totals	5,083,401	3,723,369	790,705	9,597,475

### Operating Scale

Enviva is just one of several industries and entities sourcing wood in its supply base area. According to Forest2Market's database, Enviva's Hamlet mill is projected to source about 7% of the total wood harvested in an area where annual inventory growth the volume harvested (Forest2Market, 2019) as 28% hardwood, while 72% of wood used is pine.

### CITES, IUCN Species

The International Union for the Conservation of Nature (IUCN) Red List of Threatened Species includes *Pinus palustris* (Longleaf pine) which does occur in the supply base region (The IUCN Red List of Threatened Species, 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. Enviva's use of material from longleaf stand thinnings or other harvest residuals supports its commercial viability and encourages landowners to restore longleaf stands. Enviva will not procure wood from natural longleaf stands if they are going to be converted to non-forest or another forest type.

Further, Enviva maintains a third party audited Controlled Wood Risk Assessment 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 used for wood pellets appear in the Convention on International Trade in Endangered Species (CITES) Appendices (CITES, 2015).

### General Forest Management Techniques

#### *Forest management in hardwood systems*

Hardwood forests are managed either as even-aged or uneven-aged stands. Most hardwood stands are 40 to 50 years when harvested if managed as an even-aged stand. No site preparation or fertilizers are used on hardwood forests. 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.

#### *Forest management in pine systems*



Pine forests are typically managed on an even-aged basis with a rotation age of 25 to 30 years. During this rotation the pine stand may be thinned one or two times during the middle of the rotation with a final harvest completing the rotation. Most pine forests are artificially regenerated with pine seedlings planted by hand to defined stand densities. Some pine stands may be released after 5 years and are not intensively managed thereafter, which permits the growth of hardwood tree species within the stand, creating a mixed pine and hardwood forest.

Forestry practices in the region can vary greatly due to landowner demographics and forest types. There are financial and tax incentives available to forest landowners to encourage management, replanting, and riparian zone buffer incentives (North Carolina Forest Service, 2019), (South Carolina Forestry Commissions, 2018).

### 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. Forest land ownership categories for each state in the supply base are presented in Table 2 (USDA Forest Service, 2019). The majority land use in the supply base area is generally agriculture or forestry. Land use data for the supply base area is presented in Table 3 (USDA Economic Research Service, 2017). Major forest certification schemes such as the American Tree Farm System® (ATFS), Sustainable Forestry Initiative® (SFI®) and Forest Stewardship Council™ (FSC) have program participants within the supply base. The states within the supply base have over 2 million hectares certified; SFI® Forest Management has 1.1 million certified hectares, ATFS holds 0.6 million certified hectares, and 0.3 million hectares are FSC certified ([US Endowment for Forestry & Communities, 2020](#)).

Table 2. Forested Hectares by State and Ownership Type

Ownership Type	NC	SC	VA	Total
Private	4,520,332	3,276,936	733,954	8,531,222
State and Local	334,968	188,275	16,578	539,821
Federal	228,099	258,157	40,172	526,428
Total	5,083,399	3,723,368	790,704	9,597,471

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

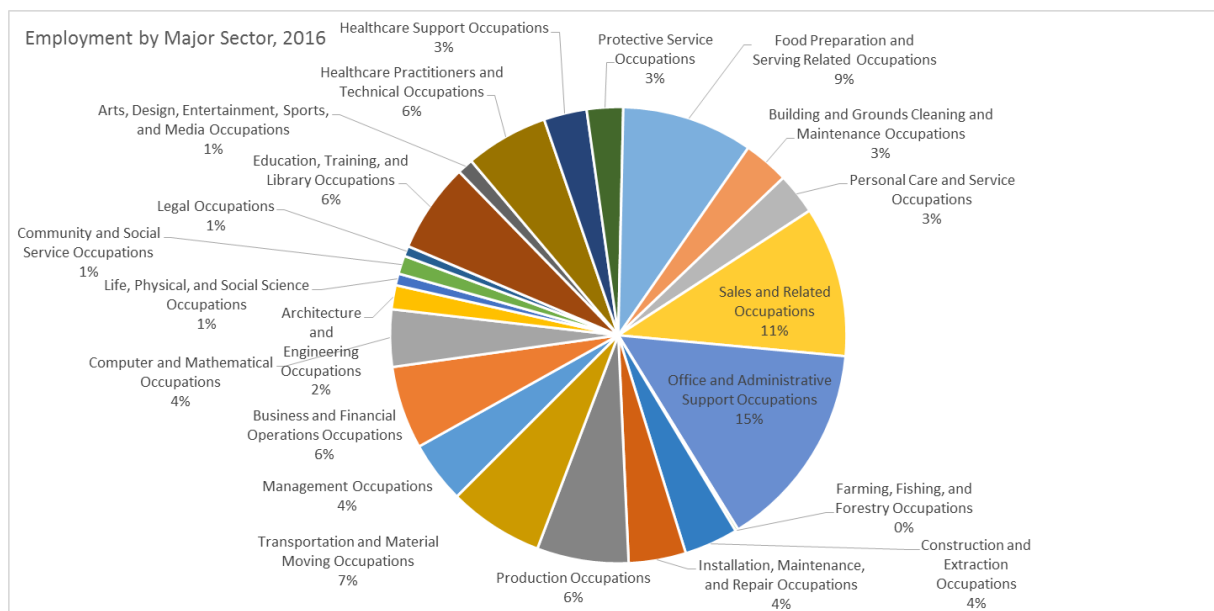
State	Cropland	Pasture	Forest	Urban areas	Other
North Carolina	14%	5%	58%	10%	13%
South Carolina	10%	5%	68%	8%	9%
Virginia	12%	11%	61%	7%	9%

### Regional Socio-economic Conditions

Regional employment is graphed below and provides a snapshot of the social mixture of the supply base. Mining and Timber Harvesting make up 0.2% of the total employment in the region. However, due to the nature of pellet production, it also supports other sectors such as trade, transportation and material moving, production, installation, maintenance and repair, business and financial operations and office and administrative occupations which in total make up an additional 40% of the labour force. The mean annual income for the region is \$51,174 and mean annual income for the employment sector including Forestry is \$29,990 (Bureau of Labor Statistics, 2016). Mean annual income for an average mill worker in the region is \$34,255 (Bureau of Labor Statistics, 2016). Enviva employs directly approximately 79 people in the region

Further, Enviva's operations became an additional market to 43+/- harvesting crews and sawmills, along with additional work for forest managers, and feedstock and pellet transport companies. Local contractors are used in maintaining the mills, providing hundreds of spin-off jobs. Figure 3 illustrates employments by the major industrial groups for the two states included in the supply region (Bureau of Labor Statistics, 2016).

Figure 2 North Carolina, South Carolina and Virginia Employment by Major Sector



According to a report created for Enviva by Chmura Economics & Analytics, the estimated total annual economic impact (direct, indirect, and induced impacts) of constructing the Hamlet wood pellet manufacturing plant is estimated to be \$133.1 million while supporting an estimated 635 jobs. An additional indirect impact of \$24.9 million and 145 jobs will benefit North Carolina businesses that support the plant's operation, including local logging and trucking companies. **Invalid source specified..**

### Pellet Feedstock Profile

Primary feedstock is sourced direct from the forest in the form of round wood or chips from +/- 43 suppliers, all of whom are vetted and qualified prior to delivering. All suppliers must sign a contract with Enviva before wood can be delivered to an Enviva mill. The contract requires suppliers to use trained loggers during harvest, follow best management practices for water quality, and to avoid controversial sources of wood, such as illegal logging. Enviva foresters confirm trained logger status and ensure that loggers delivering wood maintain their continuing education as required. All suppliers and loggers must adhere to posted safety requirements while on Enviva property.

Primary feedstock from forest residues, such as tree tops, limbs, deformed and low-grade trees, and any other wood produced during harvest that is otherwise unacceptable to other wood users in the area is delivered to an Enviva mill as woodchips. A single load of roundwood from the same harvest can contain tops, limbs, and/or small diameter or malformed understory trees that cannot be distinguished from one another through visual inspection. Enviva does not use sawlogs in the production of pellets, nor do we use any construction debris, treated wood, or post-consumer material.

Enviva also sources secondary feedstock from a variety of sawmill and wood industry suppliers. Sawmills source high-quality logs from the forest and mill them into products like two-by-fours. Wood industry

suppliers 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.

At the Hamlet plant, the pellet feedstocks sourced in 2019 (July 1 through December 31, 2019) had the following characteristics:

- Primary Feedstock (roundwood and forest residues direct from the forest) comprised 91% of the feedstock, all categorized as SBP-compliant Primary Feedstock
- Secondary Feedstock (sawmill and wood industry residues) made up 9% of the feedstock supplied by 14 mills and is SBP-Compliant Secondary Feedstock
- 6% of the feedstock was certified to an SBP approved certification scheme
- Hardwoods make up 28% of the feedstock and softwood species comprise the remaining 72%.

Hamlet's primary feedstock is tracked through our Track & Trace monitoring program (see description of the program in the following "Track & Trace" section), meaning that we maintain detailed information on the types of forests that provide our pellet feedstocks.

A more detailed breakdown of the feedstocks received by Enviva's Hamlet mill is below, by volume:

- 9% was made up of residues supplied by sawmills and wood industries.
- 27% was made up of hardwood and pine chips and roundwood from mixed oak-pine forests. These forests are managed for the production of pine sawtimber at low-intensities and contain a mixture of hardwood and pine trees. These forests are either planted in pine or naturally seeded from adjacent stands or seed trees, and little to no fertilizers or herbicides are applied to them throughout their life cycle. This establishes an overstory of straight, large-diameter pine trees with an understory of crooked, small-diameter hardwood trees that cannot be made into solid wood products.
- 29% was made up of hardwood and pine chips and roundwood from pine forests. These are forests that were planted in pine and either managed moderately with minimal effort to prevent hardwood trees from growing in the understory, or more intensively to suppress significant understory growth, thereby increasing the forest's growth rate and yield. These forests are generally thinned 1-2 times throughout their growth cycle, meaning that certain trees are removed to reduce density in the forest and create additional room for the remaining trees to grow to sawtimber size and quality. These thinned trees are sold to low-grade consumers like Enviva.
- 19% was made up of hardwood and pine chips and roundwood from naturally occurring pine forests with hardwood understory. The canopy of pine forests with hardwood understory contains pine trees that are primarily grown to produce pine sawtimber. These forests can also contain a low-quality hardwood understory. Hardwood growth happens naturally through root and seed propagation.
- 6% was made up of hardwood and pine chips and roundwood from other hardwood forests. These are low-intensity managed hardwood forests that are naturally seeded with an overstory of large-diameter oak, poplar, and hickory hardwood trees and a significant understory of small-diameter maple, oak, and sweetgum hardwood trees.
- 1% was made up of hardwood chips from bottomland hardwood forests. These are very low-intensity managed hardwood forests that are located in lowland areas and floodplains along rivers or other water bodies and which have soils that are saturated or flooded for at least part of the year. These forests contain overstories of large-diameter oak, gum, and cypress trees that originate from seedlings and sprouts arising out of stumps from previously harvested trees and a significant understory of small-diameter hardwood trees. When the landowner decides to harvest, the forest is clearcut and the stems of the large-diameter hardwood trees are sold to hardwood sawmills or

furniture manufacturers, while the small diameter understory hardwood trees and tops and branches of sawtimber trees are sent to lower grade consumers like Enviva.

- 0.0% was made up of wood from landscaping and urban tree management activities.
- 9% of Hamlet's primary volume is from a chip mill operation that is certified to FSC Chain of Custody/Controlled Wood.

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

### *Track & Trace®(T&T®)*

Enviva has implemented management systems to ensure that the wood used to make wood pellets meets our strict sustainability requirements. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. First, Enviva uses our SFI Fiber Sourcing verifiable monitoring program as a basis for monitoring tract harvests. In addition, we maintain a Track & Trace database which includes information at the tract level, including data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the Hamlet mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill.

The Track & Trace data collection is supported by tract audits performed by Enviva foresters. During tract audits, Enviva foresters validate data on the tract characteristics in addition to ensuring that best management practices (BMPs) for water quality are properly implemented, special sites are properly protected, and loggers are trained, along with other metrics for responsible harvesting. Enviva only accepts wood from tracts in which the logger has completed and maintains training through a SFI-approved trained logger program.

Enviva monitors all incoming raw material to ensure that feedstock meets Enviva's sustainable sourcing policy. If any of these monitoring programs uncover issues with incoming raw material, Enviva will contact suppliers to notify them of the issue. If needed, Enviva will cease accepting deliveries from a supplier who does not perform to our sustainability standards. Enviva will not accept further deliveries from a poorly performing supplier until the supplier demonstrates the ability to adhere to Enviva's sustainability requirements.

### *Identifying and protecting High Conservation Value (HCV) Areas:*

While gathering Track & Trace data on specific tracts prior to purchase, Enviva's foresters must evaluate whether there is a risk that the tract might be considered HCV or have an HCV area present. This assessment is conducted on a site-by-site basis in order to evaluate the condition of the stand and to maximize the likelihood of regeneration of desirable species post-harvest.

Overall, when deciding whether to purchase primary feedstock from a given tract, Enviva's goal is to determine whether that tract will, if harvested, produce a new tract with the same desirable species composition that was present before harvest. Some indicators that are considered in this decision include forest type, location, species composition, hydrology and water flow, stand age and soil saturation. When assessing a tract for HCVs, Enviva evaluates all of these important characteristics. If there is evidence based on this first level of evaluation that the site may contain an HCV area, the Forester must perform a second level review which includes an on-site assessment, data collection and documentation prior to purchase.

At the landscape scale, we endeavour to contribute to a working forest landscape with a diversity of age classes representing various forest type assemblages which can, over the long and short term, provide wildlife habitat, recreation, buffers for climate change, and other ecosystem services, while still playing a pivotal role in conservation and working forests in the supply base area.

#### *Minimizing risk from Secondary Feedstock*

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. All sawmill and wood industry suppliers are required to complete a Residual Supplier Reporting Form, providing Enviva with information on the source of their wood as well as any certifications and species used. Enviva includes 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 which refuses to provide the necessary data for us to properly include their supply area in our risk assessment. Enviva contacts each sawmill and wood industry supplier annually to ensure their data are accurate.

## 2.2 Actions taken to promote certification amongst feedstock supplier

Enviva is third party certified in the three-major chain of custody systems (FSC, PEFC & SFI). Enviva also maintains certification under the SFI Fiber Sourcing Program. SFI Fiber Sourcing requires Enviva to promote responsible forestry activities and certification to our suppliers. Our staff are actively involved in the SFI Implementation Committees which are groups of SFI companies that work together to elevate forestry operations on-the-ground.

Enviva actively pursues feedstock from certified sources to encourage those landowners to maintain and expand their certified holdings. Enviva also supports and collaborates with the American Tree Farm System and has an Independent Management Group (IMG) under ATFS which was created in 2015. Enviva has staff devoted to working with landowners to recruit them either into our group or the state program, by assisting them with writing management plans and preparing for audits. In 2019 Enviva's ATFS IMG included 518 separate tracts and 89,949 certified acres. In the Hamlet sourcing area, Enviva has certified 296 acres in its IMG program with more on the way in 2020.

## 2.3 Final harvest sampling programme

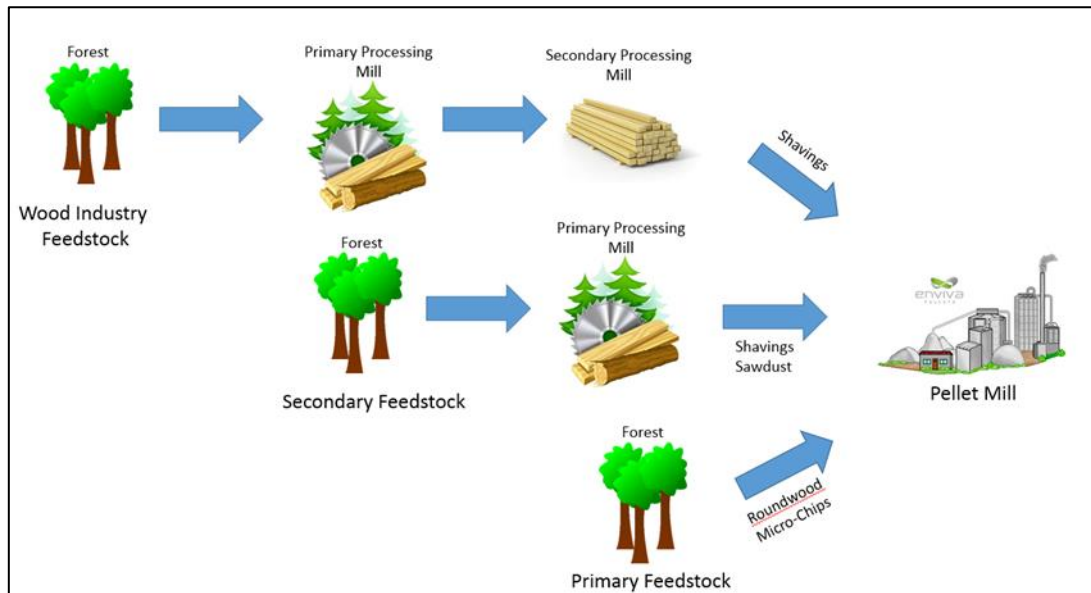
Feedstock for Enviva Pellets Hamlet, LLC comes mainly from commercial pine operations. Enviva does not expect any significant volume of wood from forests typically managed in 40-year or longer rotations. Enviva's Track & Trace data show that during this reporting period, roundwood delivered to the Hamlet mill from final fellings in 40+ year age class forests (less than 1% of sourcing at Hamlet) came from harvests from which Enviva received an average of 18% of the total harvest volume. Additionally, most recently available Forest2Market data (2019<sup>1</sup>) indicates that 7% of the wood harvested in the Hamlet supply basin was sold into biomass end uses.

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<sup>1</sup> Forest2Market. 2019. Purchased proprietary data from: <https://www.forest2market.com/>

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

Figure 3. Typical Process Flow Chart



## 2.5 Quantification of the Supply Base

### Supply Base

- Total Supply Base area (ha): (see b)
- Tenure by type (ha):

Ownership Type	NC	SC	VA	Total
Private	4,520,332	3,276,936	733,954	8,531,222
State and Local	334,968	188,275	16,578	539,821
Federal	228,099	258,157	40,172	526,428
Total	5,083,399	3,723,368	790,704	9,597,471

c. Forest by type (ha):

Forest Cover Types	NC	SC	VA	Grand Total
White/ red/ jack pine	16,918	0	7,840	24,758
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Longleaf/slash pine	168,398	182,593	0	350,991
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Exotic hardwoods	8,971	6,360	583	15,915
Nonstocked	49,241	45,244	8,758	103,243
Totals	5,083,401	3,723,369	790,705	9,597,475

d. Forest by management type (ha):

- Hardwoods comprise 57% of the forested hectares. These forests are typically naturally managed.
- The remaining 43% of forests are softwood. Overall, although 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. Therefore, it is difficult to determine the exact percentage of true plantations in the region.

e. Certified forest by scheme (ha):

- FSC: 283,000 ha
- SFI: 1,163,000 ha
- ATFS: 631,000 ha

## Feedstock

f. Total volume of Feedstock: 286,252 metric tons

g. Volume of primary feedstock: 260,137 metric tons

h. List percentage of primary feedstock (g), Subdivide by SBP-approved Forest Management Schemes:

- Certified to an SBP-approved Forest Management Scheme: 17,987 metric tons
- Not certified to an SBP-approved Forest Management Scheme: 268,265 metric tons



- i. List all species in primary feedstock, including scientific name

Species List	
<b>Primary Species:</b> Loblolly Pine ( <i>Pinus taeda</i> )	<b>Miscellaneous Species (con't):</b> Hickory ( <i>Carya spp</i> )
<b>Miscellaneous Species:</b> Longleaf Pine ( <i>Pinus palustris</i> )	Locust ( <i>Robinia spp</i> )
Sand Pine ( <i>Pinus clausa</i> )	Maple ( <i>Acer spp</i> )
Shortleaf Pine ( <i>Pinus echinata</i> )	Oak ( <i>Quercus spp</i> )
Virginia Pine ( <i>Pinus virginiana</i> )	Persimmon ( <i>Diospyros virginiana</i> )
American beech ( <i>Fagus grandifolia</i> )	Red maple ( <i>Acer rubrum</i> )
Ash ( <i>Fraxinus spp</i> )	Red mulberry ( <i>Morus rubra</i> )
Basswood, American ( <i>Tilia americana</i> )	Red oak ( <i>Quercus rubra</i> )
Black cherry ( <i>Prunus serotina</i> )	River birch ( <i>Betula nigra</i> )
Black walnut ( <i>Juglans nigra</i> )	Sassafras ( <i>Sassafras albidum</i> )
Blackgum ( <i>Nyssa sylvatica</i> )	Sourwood ( <i>Oxydendrum arboreum</i> )
Boxelder ( <i>Acer negundo</i> )	Sugarberry ( <i>Greenwoodtia laevigata</i> )
Buckeye ( <i>Aesculus spp</i> )	Sweetgum ( <i>Liquidambar styraciflua</i> )
Eastern cottonwood ( <i>Populus deltoides</i> )	Sycamore ( <i>Platanus occidentalis</i> )
Elm ( <i>Ulmus spp</i> )	Water oak ( <i>Quercus nigra</i> )
Hackberry ( <i>Celtis occidentalis</i> )	White oak ( <i>Quercus alba</i> )
	Yellow-poplar ( <i>Liriodendron tulipifera</i> )

- j. Volume of primary feedstock from primary forest: 0.0 metric tons
- 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 metric tons
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
- l. Volume of secondary feedstock: 26,115 metric tons of sawdust, shavings and chips.
- m. Volume of tertiary feedstock: 0.0%



### 3 Requirement for a Supply Base Evaluation

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

Enviva completed a SBE because there currently is no SBP-endorsed Regional Risk Assessment (RRA) in the United States. Annual reviews of the supply base evaluation have been conducted by Enviva and reviewed each year by its certifying body during annual audits.

## 4 Supply Base Evaluation

### 4.1 Scope

Enviva has implemented policies and procedures appropriate to the size and scale of its operations and no indicators were excluded. The definitions of legal and sustainable as used in Standard 1 have been reviewed and met as substantiated in the supply base evaluations. Evidence to support is offered at the supply base level. The supply base evaluation includes all primary and secondary feedstocks that are sourced from counties in all or part of Georgia, North Carolina and South Carolina.

Enviva conducted a supply base evaluation because there is no SBP approved risk assessment in the US. Enviva developed a set of locally applicable verifiers (LAVs), which include a number of publicly available sources, in addition to the internal monitoring already described. Details on LAVs are in the sections below.

### 4.2 Justification

Only a small proportion of feedstocks is sourced from SBP-approved certification programs, therefore Enviva completed a SBE to justify its rationale for SBP-compliant feedstock. Enviva did not modify any indicators. For the indicators which are not already covered by our existing certifications, Enviva used a number of LAVs to support its risk determinations including:

- FSC US Controlled Wood National Risk Assessment V1-0 D3-0 (FSC US CWNRA)
- All applicable Federal & state laws, including environmental laws, and occupational health and safety laws
- BMP implementation reports
- Stakeholder engagement
- State Natural Heritage programs
- Maps and data regarding high conservation values
- Supplier contracts
- Residual Supplier Reporting Form

### 4.3 Results of Risk Assessment

Each criterion was evaluated and measured against Enviva's existing forest certification and chain of custody programs and the listed LAV's. 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. Additionally, Enviva works with organizations like the US Endowment for Forestry and Communities, The Long Leaf Alliance, The Nature Conservancy and the American Forest Foundation and others to better understand our sourcing areas, habitats and species of concern. 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, 2.2.3, 2.2.4 and 2.4.1.

Table 4. Indicators with Specified Risk Ratings

Indicator	Risk Assessment	Management system
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.	Enviva is using the FSC US CWNRA as the baseline for determining potential areas of high conservation value. Additional work with interested and engaged stakeholders (see Section 6) has been incorporated into the supply base evaluation to supplement Enviva's ability to accurately map areas of high conservation value.
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.	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.	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of high conservation value. Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.
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.	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6). Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.

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.	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6). Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.
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.	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified key forest ecosystems. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6) Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.

## 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 has completed a robust supply base evaluation that fully meets the SBP requirements. All criteria have been fully evaluated and appropriate procedures and controls are in place to ensure successful management of the indicators with specified risk to low risk. As described above, Enviva has an extremely sophisticated data collection and monitoring program which supports the conclusions and actions in the risk assessment. Enviva's has well established and industry recognized best practices which are described in our commitment to responsible wood sourcing.

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

#### *Track & Trace®(T&T®)*

Enviva has implemented management systems to ensure that the wood used to make wood pellets meets our strict sustainability requirements. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. First, Enviva uses our SFI Fiber Sourcing verifiable monitoring program as a basis for monitoring tract harvests. In addition, we maintain a Track & Trace® database which includes information at the tract level, including data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the Hamlet mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill.

The Track & Trace® data collection is supported by tract audits performed by Enviva foresters. During tract audits, Enviva foresters validate data on the tract characteristics in addition to ensuring that best management practices (BMPs) for water quality are properly implemented, special sites are properly protected, and loggers are trained, along with other metrics for responsible harvesting. Enviva only accepts wood from tracts in which the logger has completed and maintains training through a SFI-approved trained logger program.

Feedstock for Enviva Pellets Hamlet, LLC comes mainly from commercial pine operations. Enviva does not expect any significant volume of wood from forests typically managed in 40-year or longer rotations. Enviva's Track & Trace data show that during this reporting period, roundwood delivered to the Hamlet mill from final fellings in 40+ year age class forests (less than 1% of sourcing at Hamlet) came from harvests from which Enviva received an average of 18% of the total harvest volume. Additionally, most recently available Forest2Market data (2019<sup>2</sup>) indicates that 7% of the wood harvested in the Hamlet supply basin was sold into biomass end uses.

Enviva monitors all incoming raw material, to ensure that feedstock meets Enviva's sustainable sourcing policy. If any of these monitoring programs uncover issues with incoming raw material, Enviva will contact suppliers to notify them of the issue. If needed, Enviva will cease accepting deliveries from a supplier who does not perform to our sustainability standards. Enviva will not accept further deliveries from a poorly performing supplier until the supplier demonstrates the ability to adhere to Enviva's sustainability requirements.

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<sup>2</sup> Forest2Market. 2019. Purchased proprietary data from: <https://www.forest2market.com/>

Overall, when deciding whether to purchase primary feedstock from a given tract, Enviva's goal is to determine whether that tract will, if harvested, produce a new tract with the same desirable species content that was present before harvest. Indicators that should be considered in this decision include forest type, location, species composition, hydrology and water flow, stand age and soil saturation. When assessing a tract for HCVs, Enviva evaluates all of these important characteristics. If there is evidence based on this first level of evaluation that the site may be an HCV area on the tract, then the forester must perform a second level review which includes an on-site assessment, data collection and documentation prior to purchase.

At the landscape scale, we endeavour to contribute to a working forest landscape with a diversity of age classes representing various forest type assemblages which can, over the long and short term, provide wildlife habitat, recreation, buffers for climate change, and other ecosystem services, while still playing a pivotal role in conservation and working forests in the Hamlet supply base area.

#### *Minimizing risk from Secondary Feedstock*

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. All sawmill and wood industry suppliers are required to complete a District of Origin Form, providing Enviva with information on the source of their wood as well as any certifications and species used. Enviva includes 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 which refuses to provide the necessary data for us to properly include their supply area in our risk assessment. Enviva contacts each sawmill and wood industry supplier annually to ensure their data are accurate.

Senior management is fully engaged and involved in the success of SBP Standard conformance. Enviva has a well-qualified and knowledgeable staff whom are capable of maintaining process control to achieve conformance to the SBP Standards. Each criterion has specific controls (e.g. contractual, field verification, supplier data requests) to provide Enviva with the best level of confidence to ensure conformance to the criteria included in the SBP Standard.

## 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.

The Enviva Hamlet supply base area includes counties in all or part of Virginia, North Carolina and South Carolina. Data from Enviva's internal Track & Trace® and other monitoring programs are reviewed annually to ensure the appropriate area is included in the risk assessment. When needed, Enviva will scope in additional counties based on information from its suppliers following the process outlined in the SBP Standards. Using all these data sources, Enviva has mapped its supply base for primary and secondary feedstock inputs for all facilities. According the USFS FIA database the total forested Enviva supply area is 9,597,475 ha and all are considered temperate forest.

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 Conservation International, World Resources Institute, Convention on International Trade in Endangered Species, International Union for Conservation of Nature and the Databasin web mapping tool.

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

## 6 Stakeholder Consultation

### 2020 Update

Around Hamlet, we focused our collaborations on the benefits that our strategic sourcing of hardwood canopy can have in the restoration of longleaf pine stands, particularly in the SC and NC Sandhills. With partners in the (SC) Sandhills Longleaf Conservation Partnership, we held a conference call on May 20<sup>th</sup> and then a sustainability and wood procurement forester attended their meeting on August 7<sup>th</sup>, presenting on how our wood purchasing and support for longleaf restoration can help the SC longleaf community accomplish their restoration goals. Also on the 7<sup>th</sup>, Ben Larson, Director of Sustainability, also met with Lisa Lord, now Director of Conservation with The Longleaf Alliance, Lynne Askins, manager of the Carolina Sandhills National Wildlife Refuge, and Chuck Hunter, Chief of Strategic Resource Management with the US Fish and Wildlife Service to discuss general collaboration and particularly how Enviva's sourcing could help improve habitat conditions in a 325-acre parcel on the refuge. On September 27 Larson returned to meet with Askins and Enviva Wood Procurement Forester Chad Rogers to assess the viability of getting a logger to thin the tract. We are now working with Askins and The Longleaf Alliance on implementing the work, perhaps through a stewardship-type contracting arrangement.

In NC, our longleaf outreach consultant, Jesse Wimberley, who also coordinates the NC Sandhills Prescribed Burn Alliance, held a landowner and forester workshop on July 1<sup>st</sup> at Hoke Community Forest with over 100 participants. Working with local foresters and his landowner contacts, Wimberley has recruited landowners with over 1,000 acres of longleaf that needs hardwood midcanopy thinned out. We are now working with suppliers to get the thinning work done.

Enviva conducted and SBP Stakeholder Consultation in accordance with the requirements laid out in the SBP Standards. The consultation was launched on December 14, 2018 and remained open beyond the required 30 days until June 10, 2019. Enviva received no comments from the 54 stakeholders listed below.

Table 5. Stakeholder Consultation Contact List

Stakeholder	Stakeholder
25 X 25	NCASI
ABC	NRDC
AF&PA	ORNL
Claybourn Walters Logging	Pinchot
Clemson University	ProLogger/NC Forestry Association
Dogwood	PSFC
DU	SC ATFS
Duke	SC Forestry Commission
EDF	SC Forestry Association
NAFO	South Carolina Tree Farm Committee
NASF	Greenwood County Forestry/Landowner Association



NC ATFS	McCormick County Forestry/Landowner Association
NC Bioenergy Council	Laurens County Forestry/Landowner Association
NC Coastal Land Trust	Abbeville County Forestry/Landowner Association
NC Forest Service D10	Upper Savannah Land Trust
NC Forest Service D11	SC Landowners Assoc
NC Forest Service D13	SC SAF
NC Forest Service D5	SC TNC
NC Forest Service D6	SC Wildlife Fed
NC Forest Service D7	SELC
NC Landowners Assoc	The Conservation Fund
NC Native Plant Soc	Trust for Public Land
NC SAF	WMI
NC State	WWF
NC TNC	Jordan Lumber
NC Wildlife Fed	PalletOne
NC/ VA CF	Sandhill Area Land Trust

On July 1<sup>st</sup>, Ben Larson, Director of Sustainability, and Elizabeth McCombs and Chad Rogers, wood procurement foresters at Hamlet, participated in a field-day type meeting organized by the NC Sandhills Prescribed Burn Association. The Association sees Enviva's Hamlet mill as a potential new market for the low-grade, small-diameter hardwood and pine that often needs to be removed from longleaf stands, particularly before getting prescribed fire back into the stands. For Enviva, the meeting helped engage local foresters, landowners, loggers/suppliers, NGO and agency partners in our longleaf restoration pilot at Hamlet, through which Enviva will test and refine our procedures for recruiting and assisting private forest owners to restore their longleaf stands with biomass harvesting.

65 people attended the meeting, including about a dozen local landowners, 8-10 foresters including Milliken Forestry which is managing our FSC FM program and will be especially involved in longleaf management, three or four local loggers/suppliers, state and federal agencies (NCFS, US Forest Service, US Fish and Wildlife Service, and the land manager from nearby Fort Bragg), NGOs including NatureServe, National Wild Turkey Federation, Longleaf Alliance, and The Nature Conservancy

## 6.1 Response to stakeholder comments

The Enviva Hamlet Pellets, LLC stakeholder consultation ran from December 12, 2018 through July 18, 2019. Enviva received no responses from the stakeholder consultation.

## 7 Overview of Initial Assessment of Risk

Table 6. 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

No SVP is required.

### 8.2 Site visits

N/A

### 8.3 Conclusions from the Supplier Verification Programme

N/A

## 9 Mitigation Measures

### 9.1 Mitigation measures

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

Table 7. 2019 Report Findings

Indicator	Management System	Means of Verification
2.1.1 2.1.2	<p>Use of FSC US CWNRA and stakeholder engagement to develop appropriate maps of high conservation value areas</p> <p>Control system/Procedures 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. 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 Tract Approval process and District of Origin process to assess feedstock purchases conformance to these indicators.</p>	<ul style="list-style-type: none"> <li>• ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</li> <li>• ENV-PEFCCOC-01 PEFC Chain of Custody Procedures</li> <li>• ENV-FSCCOC-01 FSC Chain of Custody Procedures</li> <li>• ENV-COC-03 Controlled Wood/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>• State BMP Manuals</li> <li>• Track &amp; Trace®</li> <li>• HCV Tract Approval Process</li> <li>• District of Origin Process</li> </ul>

<p>2.2.3</p> <p>2.2.4</p> <p>2.4.1</p>	<p>Control system/Procedures</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: (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>• 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 Declaration 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 Enviva Forest Conservation Fund, a \$5 million, 10-year program sponsored by Enviva and administered by the U.S. Endowment for Forestry and Communities, is designed to protect tens of thousands of acres of sensitive bottomland forests in the Virginia-North Carolina coastal plain. The Enviva Forest Conservation Fund will award matching-fund grants to non-profit organizations to permanently protect ecologically sensitive areas and preserve working forests. (<a href="http://envivaforestfund.org/">http://envivaforestfund.org/</a>)</p> <p>Enviva uses its Tract Approval process and District of Origin process to assess feedstock purchases conformance to these indicators</p>	<ul style="list-style-type: none"> <li>• Preamble citations</li> <li>• ENV-SFIS-01 Certified Sourcing Implementation Manual</li> <li>• Track &amp; Trace® Program</li> <li>• ENV-PEFCCOC-01 PEFC Chain of Custody Procedures</li> <li>• ENV-FSCCOC-01 FSC Chain of Custody Procedures</li> <li>• ENV-COC-02 Controlled Wood/Controlled Sources Procedure</li> <li>• ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment</li> <li>• Master Wood Purchase Agreement</li> <li>• Track &amp; Trace®</li> <li>• District of Origin Process</li> <li>• HCV Tract Approval Process</li> <li>• State BMP Manuals and BMP monitoring data</li> </ul>
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## 9.2 Monitoring and outcomes

In 2019 Enviva conducted 16 field site inspections in Enviva's Hamlet supply base area. Field inspection to monitor program implementation such as forestry BMP implementation adherence and adherence to Enviva HCV Tract Approval process. No instances of program violations related to high conservation values, biodiversity or negative impact to health or vitality of key ecosystems were recorded. All tracts inspected were in compliance.

Enviva's District of Origin process requires secondary feedstock suppliers to annually complete a Data Request Form. These forms are used to assess changes in a secondary feedstock suppliers sourcing practices and to determine if the feedstock provided by the supplier is SBP-compliant or SBP-controlled. In 2019, Hamlet received secondary feedstock from 14 suppliers, all are SBP-compliant based on their responses to Enviva Data Request Form and known high conservation value areas.

## 10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1.



# 11 Review of Report

## 11.1 Peer review

N/A

## 11.2 Public or additional reviews

The supply base evaluation was reviewed by the certifying body during audit.

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	Don Grant	Manager, Sustainability Standards	15 July 2020
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organization'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 finalization of the report.			
Report approved by:	Jennifer Jenkins	Vice President and Chief Sustainability Officer	15 July 2020
	Name	Title	Date
Report approved by:	Thomas Meth	Executive Vice President Sales and Marketing	21 July 2020
	Name	Title	Date

## 13 Updates

### 13.1 Significant changes in the Supply Base

There were no changes to the supply base area in 2019.

### 13.2 Effectiveness of previous mitigation measures

#### 2020 Report Findings:

2.1.2 Enviva's High Conservation Tract Approval process is currently undergoing the integration of longleaf pine into the process in addition to all of the restoration work surrounding longleaf pine mentioned in section 2.1, "CITES, IUCN Species". Secondary feedstock procedures are business as usual controls.

2.2.3 Enviva's Forest Conservation Fund has already helped conserve seventeen high conservation forest tracts in the mid-Atlantic region protecting more than 24,881 acres of sensitive forestland.

2.2.4 Enviva's High Conservation Tract Approval process is currently undergoing the integration of longleaf pine into the process in addition to all of the restoration work surrounding longleaf pine mentioned in section 2.1, "CITES, IUCN Species". Secondary feedstock procedures are business as usual controls.

### 13.3 New risk ratings and mitigation measures

#### 2020 Report Findings:

There were no adjusted or new risk ratings or mitigation measures.

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

Due to the Enviva Hamlet mill only beginning operation on July 1, there are 6 months of feedstock data instead of 12.

- f. Total volume of Feedstock: 286,252 metric tons
- g. Volume of primary feedstock: 260,137 metric tons
- h. List percentage of primary feedstock (g), Subdivide by SBP-approved Forest Management Schemes:
  - a. Certified to an SBP-approved Forest Management Scheme: 17,987 metric tons
  - b. Not certified to an SBP-approved Forest Management Scheme: 268, 265 metric tons
- i. List all species in primary feedstock, including scientific name

Species List	
<b>Primary Species:</b> Loblolly Pine ( <i>Pinus taeda</i> ) <b>Miscellaneous Species:</b> Longleaf Pine ( <i>Pinus palustris</i> ) Sand Pine ( <i>Pinus clausa</i> ) Shortleaf Pine ( <i>Pinus echinata</i> ) Virginia Pine ( <i>Pinus virginiana</i> ) American beech ( <i>Fagus grandifolia</i> ) Ash ( <i>Fraxinus spp</i> ) Basswood, American ( <i>Tilia americana</i> )	<b>Miscellaneous Species (con't):</b> Hickory ( <i>Carya spp</i> ) Locust ( <i>Robinia spp</i> ) Maple ( <i>Acer spp</i> ) Oak ( <i>Quercus spp</i> ) Persimmon ( <i>Diospyros virginiana</i> ) Red maple ( <i>Acer rubrum</i> ) Red mulberry ( <i>Morus rubra</i> ) Red oak ( <i>Quercus rubra</i> ) River birch ( <i>Betula nigra</i> )

Black cherry ( <i>Prunus serotina</i> )	Sassafras ( <i>Sassafras albidum</i> )
Black walnut ( <i>Juglans nigra</i> )	Sourwood ( <i>Oxydendrum arboreum</i> )
Blackgum ( <i>Nyssa sylvatica</i> )	Sugarberry ( <i>Greenwoodtia laevigata</i> )
Boxelder ( <i>Acer negundo</i> )	Sweetgum ( <i>Liquidambar styraciflua</i> )
Buckeye ( <i>Aesculus spp</i> )	Sycamore ( <i>Platanus occidentalis</i> )
Eastern cottonwood ( <i>Populus deltoides</i> )	Water oak ( <i>Quercus nigra</i> )
Elm ( <i>Ulmus spp</i> )	White oak ( <i>Quercus alba</i> )
Hackberry ( <i>Celtis occidentalis</i> )	Yellow-poplar ( <i>Liriodendron tulipifera</i> )

- j. Volume of primary feedstock from primary forest: 0.0 metric tons
- 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 metric tons
  - b. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
- l. Volume of secondary feedstock: 26,115 metric tons of sawdust, shavings and chips.

Volume of tertiary feedstock: 0.0%

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

### Feedstock

- m. Total volume of Feedstock: 1,109,500 metric tons
- n. Volume of primary feedstock: 1,062,300 metric tons
- o. List percentage of primary feedstock (g), Subdivide by SBP-approved Forest Management Schemes:
  - a. Certified to an SBP-approved Forest Management Scheme: estimated 66,570 metric tons
  - b. Not certified to an SBP-approved Forest Management Scheme: estimated 1,042,930 metric tons
- p. List all species in primary feedstock, including scientific name

Species List	
<b>Primary Species:</b>	<b>Miscellaneous Species (con't):</b>
Loblolly Pine ( <i>Pinus taeda</i> )	Hickory ( <i>Carya spp</i> )
<b>Miscellaneous Species:</b>	Locust ( <i>Robinia spp</i> )
Longleaf Pine ( <i>Pinus palustris</i> )	Maple ( <i>Acer spp</i> )
Sand Pine ( <i>Pinus clausa</i> )	Oak ( <i>Quercus spp</i> )
Shortleaf Pine ( <i>Pinus echinata</i> )	Persimmon ( <i>Diospyros virginiana</i> )
Virginia Pine ( <i>Pinus virginiana</i> )	Red maple ( <i>Acer rubrum</i> )
American beech ( <i>Fagus grandifolia</i> )	Red mulberry ( <i>Morus rubra</i> )
Ash ( <i>Fraxinus spp</i> )	Red oak ( <i>Quercus rubra</i> )
Basswood, American ( <i>Tilia americana</i> )	River birch ( <i>Betula nigra</i> )
Black cherry ( <i>Prunus serotina</i> )	Sassafras ( <i>Sassafras albidum</i> )
Black walnut ( <i>Juglans nigra</i> )	Sourwood ( <i>Oxydendrum arboreum</i> )
Blackgum ( <i>Nyssa sylvatica</i> )	Sugarberry ( <i>Greenwoodtia laevigata</i> )
Boxelder ( <i>Acer negundo</i> )	Sweetgum ( <i>Liquidambar styraciflua</i> )
Buckeye ( <i>Aesculus spp</i> )	Sycamore ( <i>Platanus occidentalis</i> )
Eastern cottonwood ( <i>Populus deltoides</i> )	Water oak ( <i>Quercus nigra</i> )
Elm ( <i>Ulmus spp</i> )	White oak ( <i>Quercus alba</i> )
Hackberry ( <i>Celtis occidentalis</i> )	Yellow-poplar ( <i>Liriodendron tulipifera</i> )

- q. Volume of primary feedstock from primary forest: 0.0 metric tons
- r. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:

- c. Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
  - d. Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
- s. Volume of secondary feedstock: 52,000 metric tons of sawdust, shavings and chips.
- t. Volume of tertiary feedstock: 0.0%

## 14 Appendix

Listing of US Ratified ILO Conventions and Multi-lateral Environmental Instruments and Forestry Laws

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 Labour Convention, 1957
- C147 Merchant Shipping (Minimum Standards) Convention, 1976
- C150 Labour Administration Convention, 1978
- C160 Labour Statistics Convention, 1985
- C176 Safety and Health in Mines Convention, 1995
- C182 Worst Forms of Child Labour Convention, 1999

US Ratified Multi-Lateral Environmental Instruments:

- 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

Federal and state forestry laws can be found: <https://nationalaglawcenter.org/research-by-topic/forestry/>

Threaten and Endangered species information is located: <https://www.fws.gov/endangered/>

Table of states and counties in the supply base area

North Carolina (65)					
Alamance	Chatham	Franklin	Lee	Person	Stokes
Alexander	Cleveland	Gaston	Lenoir	Pitt	Surry

Alleghany	Columbus	Granville	Lincoln	Randolph	Union
Anson	Craven	Greene	Mecklenburg	Richmond	Vance
Bladen	Cumberland	Guilford	Montgomery	Robeson	Wake
Brunswick	Davidson	Halifax	Moore	Rockingham	Warren
Burke	Davie	Harnett	Nash	Rowan	Wayne
Cabarrus	Duplin	Hoke	New Hanover	Rutherford	Wilkes
Caldwell	Durham	Iredell	Onslow	Sampson	Wilson
Caswell	Edgecombe	Johnston	Orange	Scotland	Yadkin
Catawba	Forsyth	Jones	Pender	Stanly	

South Carolina (31)					
Aiken	Chesterfield	Florence	Lee	Richland	York
Berkeley	Clarendon	Georgetown	Lexington	Saluda	
Calhoun	Darlington	Horry	Marion	Spartanburg	
Charleston	Dillon	Kershaw	Marlboro	Sumter	
Cherokee	Dorchester	Lancaster	Newberry	Union	
Chester	Fairfield	Laurens	Orangeburg	Williamsburg	

Virginia (9)					
Carroll	Franklin	Henry	Mecklenburg	Patrick	Pittsylvania
Danville*	Halifax	Martinsville*			

## 15 References

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# Annex 1: Detailed Findings for Supply Base Evaluation Indicators

## Preamble

Enviva's Hamlet 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 89th 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 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. For indicators not addressed by the FSC US CWNRA Enviva developed additional Locally Applicable Verifiers that followed the SBP stakeholder consultation approval process.

## Enviva's forestry certifications

Enviva maintains a number of third party audited forestry certifications. These certification and underlying systems are audited annually by an accredited third-party certifying body. These standards and their requirements are robust and help their certificate holders demonstrate supply chain transparency in a uniform, auditable process. These internal documents are referenced throughout the Annex:

- ENV-COC-02 Controlled Wood/Controlled Sources Procedure
- ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment
- ENV-SFIS-01 Certified Sourcing Implementation Manual
- ENV-PEFCCOC-01 PEFC Chain of Custody Procedure

These internal work documents are based on the following Standards:

- ©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) Fiber 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 and its PEFC Chain of Custody 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 to:

- Enviva PEFC Due Diligence System
- FSC High Conservation Area Mapping tool
- The Nature Conservancy
- World Wildlife Fund

- World Bank Worldwide Governance Indicators
- Forest Legality Initiative
- Transparency International
- Conservation International
- World Resources Institute
- Convention on International Trade in Endangered Species
- International Union for Conservation of Nature
- Databasin web mapping tool.

## **Supplier level assessment**

### *Primary feedstock*

#### *Track & Trace®*

Enviva has implemented management systems to ensure that the wood used to make wood pellets meets our strict sustainability requirements. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. First, Enviva uses our SFI Fiber Sourcing verifiable monitoring program as a basis for monitoring tract harvests. In addition, we maintain a robust Track & Trace database which includes information at the tract level, including data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to an Enviva mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill.

We implement monitoring of our Track & Trace data, including a desktop remote-sensing based monitoring program, and field audits. During our desktop monitoring, we use Geographic Information Systems (GIS) to review tract details like location, tract acreage, and forest cover type. During tract audits, Enviva foresters validate data on the tract characteristics in addition to ensuring that best management practices (BMPs) for water quality are properly implemented, special sites are properly protected, and loggers are trained, along with other metrics for responsible harvesting. Enviva only accepts wood from tracts in which the logger has completed and maintains training through a SFI-approved trained logger program.

If any of these monitoring programs uncover issues with incoming raw material, Enviva will contact suppliers to notify them of the issue. If needed, Enviva will cease accepting deliveries from a supplier who does not perform to our sustainability standards. Enviva will not accept further deliveries from a poorly performing supplier until the supplier demonstrates the ability to adhere to Enviva's sustainability requirements.

#### *Identifying and protecting High Conservation Value (HCV) Areas*

While gathering Track & Trace data on specific tracts prior to purchase, Enviva's Foresters must evaluate whether there is a risk that the tract might be considered HCV. This assessment is conducted on a site-by-site basis to evaluate the condition of the stand and to maximize the likelihood of regeneration of desirable species post-harvest.

Overall, when deciding whether to purchase primary feedstock from a given tract, Enviva's goal is to determine whether that tract will, if harvested, produce a new tract with the same desirable species content that was present before harvest. Indicators that should be considered in this decision include forest type (i.e. whether it is a priority forest types), location, species composition, hydrology and water flow, stand age and soil saturation. When assessing a tract for HCVs, Enviva evaluates all of these important characteristics. If

there is evidence based on this first level of evaluation that the site may contain an HCV, then the Forester must perform a second level review which includes an on-site assessment, data collection and documentation and management approval prior to purchase.

#### *Secondary feedstock*

Enviva's annual District of Origin process allows secondary feedstock suppliers to meet the requirements described in SBP's Normative Interpretations Document. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

Enviva's District of Origin 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 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.

The system has been verified effective by an independent third-party Certifying Body (CB), who reviewed both internal and external sources of information. The CB conducted the required secondary supplier site visits, interviews and analysis and 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 Interpretation and Guidance.

#### **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 BMP 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 Hamlet'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>

	NC	SC	VA
Forest Road	85	97	87
Skid Trail	79		87
Log Landing	90		94
Stream Crossing	79	74	93
SMZ <sup>2</sup>	86	99	90
Wetlands	64		98
Reforestation	97	100	
State Average	83	89	93

1. Not all categories are ranked in every state

2. Streamside Management Zone

The National Association of State Forester (NASF) recently released publication, *Protecting The Nation's Water: State Forestry Agencies and Best Management Practices*. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in this appendix and the NASF publication concluded:

“Across the country, BMP’s are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements”.

Link to each state’s forestry BMP’s are below:

- North Carolina – [https://www.ncforestservice.gov/water\\_quality/bmp\\_manual.htm](https://www.ncforestservice.gov/water_quality/bmp_manual.htm)
- South Carolina - <https://www.state.sc.us/forest/bmpmanual.pdf>
- Virginia - [http://www.dof.virginia.gov/infopubs/BMP-Technical-Guide\\_pub.pdf](http://www.dof.virginia.gov/infopubs/BMP-Technical-Guide_pub.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.

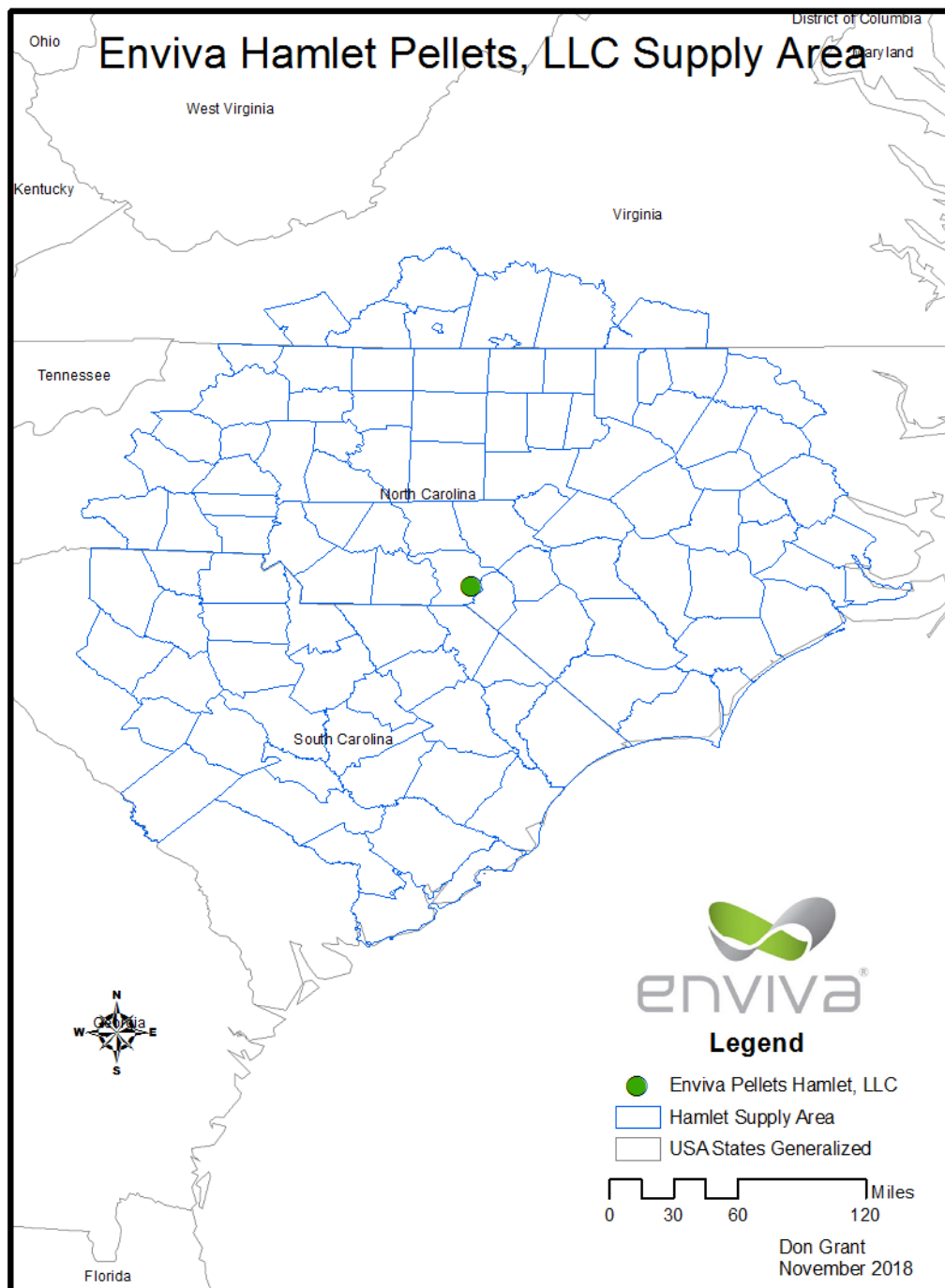
In some indicators this can be achieved with accessible third-party information. For instance, indicator 2.1.1 the identification of areas with high conservation values can be accomplished using publicly available third-party sources of information though Enviva goes farther by continually engaging with willing stakeholders like The Nature Conservancy, Earthworm, NatureServe and other’s 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 of these documents contain sensitive information about our suppliers, where and how they purchase wood and performance information necessary to conform to the SBP Standards.

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\*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))

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.



	Indicator
1.1.1	The Biomass Producer's Supply Base is defined and mapped.
Finding	<p>Supplier sourcing areas are tracked through Enviva's proprietary Track &amp; Trace Program and a robust District of Origin process. Tract level information from primary feedstock suppliers include the GPS location of each source tract. Secondary feedstock suppliers provide specific information about their supply base area and its location such as its radius or county list. Both sets of location information are used to ensure Enviva can identify the geographic location of its feedstock supply. Hamlet's supply base area includes counties in South Carolina, North Carolina and Virginia. 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 Wood/Controlled Sources Procedure is an internal document describing the process Enviva follows to ensure it knows where feedstocks originate.</p> <p>ENV-COC-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>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are internal documents describing the process Enviva follows to ensure it knows where feedstocks originate.</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 Enviva's wood supply is low.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>Track &amp; Trace</b></li> <li>c. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>d. <b>District of Origin Process</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>f. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</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 Enviva's proprietary Track &amp; Trace Program and a robust District of Origin and Supplier Data Request process. Enviva's supply base area includes counties in South Carolina and North Carolina. Data is entered into computer programs and reviewed annually to ensure appropriateness. Enviva maintains a</p>



	<p>PEFC CoC certification for all Enviva pellet mills. The certification 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-SFIS-01 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. This means Enviva will only purchase feedstocks from companies where we have an existing business relationship.</p> <p>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure describe the work flow for ensuring Enviva satisfies the chain of custody requirements. Enviva maintains three chain of custody systems; FSC, PEFC and SFI. These systems are designed to follow both certified feedstocks and Controlled Wood/Controlled Source feedstocks to their county of origin, at a minimum.</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-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>c. <b>Track &amp; Trace</b></li> <li>d. <b>ENV-COC-01 PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>District of Origin Process</b></li> <li>g. <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
<b>1.1.3</b>	The feedstock input profile is described and categorised by the mix of inputs.
Finding	<p>Enviva tracks purchased and consumed material by product type (roundwood, wood chips, residuals, etc.) and general species groupings of softwood or hardwood. Wood is stored at the mill site by product/species and input verified by monthly inventory processes. Certified wood inputs coming into the mill site are mingled with other wood and all non-certified inputs are considered "controlled".</p> <p>ENV-PEFCCOC-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. ENV-COC-02 Controlled Wood/Controlled Sources Procedure 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> <p>These certifications track feedstock through the supply chain, while also ensuring unwanted sources of wood do not enter the supply chain.</p>
Means of Verification	<p>a. Preamble citations</p> <p>b. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></p> <p>c. <b>ENV-COC-02 Controlled Wood/Controlled Sourcing Procedure</b></p> <p>d. <b>Monthly Wood Excel</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
<b>1.2.1</b>	<p>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.</p>
Finding	<p>Some relevant findings from the FSC US CWNRA:</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>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 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><u>Additional evidence:</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 including illegally harvested 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 a Master Wood Supply Agreement annually. 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. 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.</p> <p>Enviva's Track &amp; Trace Program requires suppliers to provide GPS coordinates, landowner name and other pertinent information for each track they harvest and send feedstock to Enviva which enables Enviva to use tax maps to verify ownership if needed</p> <p>ENV-COC-03 Controlled Wood/Controlled Source 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 Enviva supply area. Further evidence indicates that the rule of law and public agency governance are upheld so illegality is considered low risk. Enviva has implemented procedures to conform to EUTR.</p> <p>Enviva's Responsible Sourcing Policy publicly describes Enviva's commitment to avoid illegal sources of wood.</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-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective. Specifically, indicators 4.1.4 and 4.1.5 requires the Program Participant to demonstrate it assessed if wood is legally sourced and put in programs to address risks of illegal sourcing if any exist. The 4.1.4 assessment found no significant risk of buying wood from illegal sources.</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 Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstock are legally and sustainably sourced.</p> <p>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th percentile in Rule of Law. Evidence of the effectiveness of law enforcement is evident in news reporting and reveals no widespread or systematic abuse of traditional or civil rights in the Enviva supply base area.</p> <p><u>Conclusion</u> The risk of illegally harvested wood or wood from land use change entering Enviva's supply chain is low.</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-SFI-01 SFI Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. Enviva Responsible Sourcing Policy</li> </ul>

	i. World Bank Worldwide Governance Indicators j. State laws
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>1.3.1</b>	<p>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.</p>
Finding	<p>Some relevant FSC US CWNRA indicators:</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 sources of evidence include:</p> <ul style="list-style-type: none"> <li>• <a href="http://www.eia-international.org">www.eia-international.org</a> – publication Forests A Tale of Two Laws (February 2018) determined the US Lacey Act and the EUTR work effectively together to prohibit the transfer of illegally harvested wood between the US and EU countries</li> <li>• <a href="http://www.transparency.org">www.transparency.org</a> – ranks the United States 23rd on its Corruption Perceptions Index 2019 out of the 180 countries indicating a low risk of corruption.</li> </ul> <p><u>Additional evidence:</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>- 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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase Agreement requirements for feedstock suppliers requires legality of ownership and ensures conformance with EUTR.</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.</p>

	<p>The US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 Enviva supply base area. SFI Fiber Sourcing Standard Objective 4 requires a certificate holder to comply with all applicable federal, provincial and local laws and regulations. ENV-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective. Specifically, indicators 4.1.4 and 4.1.5 requires the Program Participant to demonstrate it assessed if wood is legally sourced and put in programs to address risks of illegal sourcing if any exist. The 4.1.4 assessment found no significant risk of buying wood from illegal sources.</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 Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstock are legally and sustainably sourced.</p> <p>Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes. The analysis includes a review of the existence of appropriate laws regarding legality of harvest and compliance with EUTR requirements. ENV-COC-03 Controlled Wood/Controlled Source 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 Enviva supply area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Enviva's Responsible Sourcing Policy publicly describes Enviva's commitment to avoid illegal sources of wood.</p> <p>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> Enviva 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 Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>g. Enviva Responsible Sourcing 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 Worldwide Governance Indicators</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>Some relevant FSC US CWNRA indicators:</p> <p>1.5 Payment of royalties and harvesting fees there is no evidence of efforts to avoid payment and determined a low risk rating</p> <p>1.6 Value added taxes and other sales taxes finds a low risk of tax avoidance.</p> <p>1.7 Income and profit taxes 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><u>Additional evidence:</u></p> <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 and includes a requirement to ensure all appropriate taxes, royalties, etc. are paid:</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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>The states in Enviva's 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 Enviva supply base area.</li> <li>• AHEC Legality Study determined the region Enviva supply base area is located is a low risk for illegal activity</li> <li>• The World Bank ranked the US in the top 89th percentile in the Rule of Law category</li> <li>• The World Bank Worldwide Governance indicators ranked the US in the top 92nd percentile in the Regulatory Quality category</li> </ul> <p>Enviva's Responsible Sourcing Policy 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-PEFCCOC-01 PEFC Chain of Custody Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstock are legally and sustainably sourced.</p> <p>Enviva's ENV-COC-03 Controlled Wood/Controlled Source 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. ENV-COC-03 Controlled Wood/Controlled Source 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 Enviva supply area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</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-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the Objective. Specifically, indicators 4.1.4 and 4.1.5 requires the Program Participant to demonstrate it assessed if wood is legally sourced and put in programs to address risks of illegal sourcing if any exist. The 4.1.4 assessment found no significant risk of buying wood from illegal sources.</p> <p>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>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th percentile in Rule of Law. Evidence of the effectiveness of law enforcement is evident in news reporting and reveals no widespread or systematic avoidance of fee payments in the Enviva supply base area.</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. Enviva Responsible Sourcing Policy</li> <li>d. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>g. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>h. <b>Master Wood Purchase Agreements</b></li> <li>i. <b>Severance Tax Reports</b></li> <li>j. World Bank Worldwide Governance Indicators</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
1.5.1	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>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 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><u>Additional evidence:</u>  Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment determined the supply base area as a low risk for the potential to source CITES species. This document uses many of the same sources as the FSC US CWNRA. Both conclude sourcing CITES listed species is a low risk in the Enviva supply area. 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. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. None of the tree species Enviva uses at its Enviva Pellet Mill are on the CITES list. None of the feedstock used at the Enviva 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 Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstock are in conformance.</p> <p>Enviva's District of Origin process 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><u>Conclusion</u>  There is a low risk of CITES species being used as feedstock at Enviva.</p>
Means of Verification	<ol style="list-style-type: none"> <li>Preamble citations</li> <li>FSC US CWNRA</li> <li><b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li><b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li><b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li><b>District of Origin Process</b></li> <li><b>Master Wood Purchase Agreement</b></li> <li>Enforcement of the Convention on International Trade in Endangered Species</li> <li>Lacey Act and enforcement data</li> </ol>



	j. <b>Tract Inspections</b> k. <b>District of Origin Supplier Audits</b> l. World Bank Worldwide Governance Indicators
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>1.6.1</b>	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>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 people’s rights – Violations of Indigenous people’s 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.</p> <p>The FSC US CWNRA concluded, “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>

The Seneca Creek, LLC report entitled, *Assessment of Lawful Harvesting & Sustainability of US Hardwood Exports* found the same to be true.

Additional evidence:

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

ENV-COC-03 Controlled Wood/Controlled Source 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 of the same sources as the FSC US CWNRA. Both conclude a low risk of violating traditional and civil rights in the Enviva supply area. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes. The analysis includes a review of laws governing traditional and civil rights. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

SFI Fiber Sourcing Standard Objective 4 indicator 4.2.1 requires a Program Participant 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 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet the requirements.

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 Procedure and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstocks meet these requirements.

Enviva's Responsible Sourcing Policy publicly describes Enviva's commitment to avoid sources of wood that violate traditional and civil rights.

US ranks in the top 92 percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89 percentile in Rule of Law. Evidence of the

	effectiveness of law enforcement is evident in news reporting and reveals no widespread or systematic abuse of traditional or civil rights in the Enviva supply base area.  <u>Conclusion</u> There is a low risk Enviva's sourcing practices are a threat to traditional or civil rights.
Means of Verification	<ul 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-PEFCCOC-01PEFC Chain of Custody Procedure</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>g. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>h. <b>Master Wood Purchase Agreement</b></li> <li>i. Enviva Responsible Sourcing Policy</li> <li>j. World Bank Worldwide Governance Indicators</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>2.1.1</b>	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 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>

Using the FSC US CWNRA Enviva identified the following Critical Biodiversity Areas (CBA) within the Enviva supply base area:

Central Appalachian Critical Biodiversity Area – found in the northern portion of the supply area in all or part of 20 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.

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. All or portions of 20 counties in the northern portion of Enviva's supply area could contain mesophytic cove sites

Native Longleaf Pine Systems – found throughout much of the Enviva 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.

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.

Additional information:

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine the existence and location of potential areas of high conservation values in the supply area. This document uses many if the same sources as the FSC US CWNRA. Both risk assessments conclude certain areas of specified risk in the Enviva supply area. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes. Forest Legality Initiative Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment, this supply base evaluation and revisions to the Master Wood Purchase Agreement.

The SFI Fiber Sourcing Standard Objective 1 Biodiversity in Fiber Sourcing requires Program Participants "to address the practice of sustainable forestry by conserving biological diversity". Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet Objective 1. Enviva engages with organizations like The Longleaf Alliance and Forest Steward Guild, NatureServe and the Nature Conservancy to gather additional information about the identified high conservation value areas to ensure Enviva can properly identify the Critical Biodiversity Areas in its supply base area.

	<p>The SFI Fiber Sourcing Standard Objective 1 Biodiversity in Fiber Sourcing requires Program Participants “to address the practice of sustainable forestry by conserving biological diversity”. Enviva’s ENV-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet Objective 1. Enviva engages with organizations like The Longleaf Alliance and Forest Steward Guild, NatureServe and the Nature Conservancy to gather additional information about the identified high conservation value areas to ensure Enviva can properly identify the Critical Biodiversity Areas in its supply base area.</p> <p>As part of our Responsible Sourcing Policy, Enviva engages with stakeholders to receive feedback on its current wood sourcing policies 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 evaluate its supply area to determine if there are areas of high conservation value as part of its Due Diligence System (ENV-PEFCCOC-01 PEFC Chain of Custody Procedure). ENV-COC-03 Controlled Wood/Controlled Source 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></p> <p>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. Enviva Responsible Sourcing Policy</li> <li>d. The Longleaf Alliance</li> <li>e. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>f. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>g. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>h. <b>Stakeholder engagement information</b></li> </ul>

Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	<u>Management System</u> 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	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

	Indicator
<b>2.1.2</b>	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>Most of the high conservation value areas identified in Enviva's supply base area are associated with streams or water features. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. The National Association of State Forester (NASF) recently released publication, Protecting The Nation's Water: State Forestry Agencies and Best Management Practices. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the preamble and the NASF publication concluded:</p> <p style="padding-left: 40px;">"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".</p> <p>Links to state BMP websites and state specific BMP's for the Sampson supply base area can be found in the preamble.</p> <p><u>Additional evidence:</u></p> <p>Enviva contractually requires the use of BMP's. Enviva's Track &amp; Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation. Additionally, State Forestry Commission's in Enviva's supply area have forestry and wildlife management plans with action item the state is undertaking to improve forest health and wildlife protection on both state and private ownerships.</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> </ul> <p>Most of the high conservation value areas identified in Enviva's</p>



supply base area are associated with streams or water features. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. The National Association of State Forester (NASF) recently released publication, Protecting The Nation's Water: State Forestry Agencies and Best Management Practices. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the preamble and the NASF publication concluded. "Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements". Links to state BMP websites and state specific BMP's for the Sampson supply base area can be found in the preamble. Additional evidence Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation. Additionally, State Forestry Commission's in Enviva's supply area have forestry and wildlife management plans with action item the state is undertaking to improve forest health and wildlife protection on both state and private ownerships. 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: - Illegally harvest wood; - Wood harvested in violation of traditional and civil rights; - Wood harvested from forests where high conservation values are threatened by management activities; -Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use; - Wood from forests where genetically modified trees are planted; - Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if forest management activities pose a threat to areas of high conservation value in the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and this supply base evaluation are reviewed annually to ensure Enviva is aware of changes in the supply base area. The review includes ongoing stakeholder engagement to identify potential new high conservation value areas and evaluation to determine if forest management activities could have a negative impact on these areas. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS

coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva conducts random field audits to verify stated forest management objectives are employed. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment. And Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive ecosystems, habitats or threaten biodiversity in its sourcing practices.

Each tract is assessed using a set of criteria that include the tract location within known bottomland forest settings. Every tract is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.

#### *Secondary Feedstock*

Enviva's annual District of Origin Process allows secondary feedstock suppliers to meet the requirements described in SBP's Normative Interpretations Document. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

Enviva's Responsible Sourcing Policy publicly describes Enviva's commitment to avoid wood harvested from forests where high conservation values are threatened by management activities.

The SFI Fiber Sourcing Standard Objective 1 Biodiversity in Fiber Sourcing requires Program Participants "to address the practice of sustainable forestry by conserving biological diversity". Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes processes and internal documents Enviva uses to meet Objective 1, which include partnerships with organizations such as,

Enviva and The Longleaf Alliance announced the signing of a five-year partnership to protect and restore longleaf pine forests, one of the most biodiverse ecosystems in North America. Enviva and The Longleaf Alliance will collaboratively implement Enviva's longleaf forest restoration plan (<https://www.envivabiomass.com/enviva-and-the-longleafalliance-announce-partnership-to-protect-and-restore-longleaf-pine-forests/>)

Enviva committed to enhance our ability to detect and monitor HCV areas, finalize our enhanced HCV forest types, and develop procedures for protecting them in harvest operations. As part of the plan, we committed to work with our conservation partners, notably NatureServe, state Natural Heritage programs, and Earthworm Foundation, to identify the full range of HCV types in our sourcing regions using the HCV Network Approach.



	<p>In 2019, we developed and implemented enhanced methodology for real-time monitoring and auditing of T&amp;T data using geographic information system mapping, as well as working with NEPCo to develop the first T&amp;T third-party audit standard.</p> <p>Enviva entered is working with the Forest Steward Guild to help landowners learn about proper bottomland hardwood management to maintain and enhance these forests for wildlife and water quality protection.</p> <p>Additional information about Enviva's partnerships can be found on Enviva's webpage under Responsible Sourcing (<a href="https://www.envivabiomass.com/sustainability/responsiblesourcing/responsible-sourcing-policy/#">https://www.envivabiomass.com/sustainability/responsiblesourcing/responsible-sourcing-policy/#</a>)</p> <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-PEFCCOC-01 PEFC Chain of Custody and ENV-COC-02 Controlled Wood/Controlled Sources Procedure are Enviva documents describing the workflow to ensure feedstock are legally and sustainably sourced.</p> <p><u>Conclusion</u></p> <p>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>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. And to develop methods to assess the potential impact of forest management activities. This indicator has a presumed specified risk.confirms Enviva's internal findings as part of its third-party audit assessment. And Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-</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 Certified Sourcing Implementation Manual</b></li> <li>d. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedures</b></li> <li>f. <b>District of Origin Process</b></li> <li>g. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>h. <b>Master Wood Purchase Agreement</b></li> <li>i. <b>Track &amp; Trace</b></li> <li>j. <b>HCV Tract Approval Process</b></li> <li>k. State BMP Manuals</li> <li>l. Enviva Responsible Sourcing Policy</li> <li>m. NASFPublication, Protecting The Nations Water: State Forestry Agencies and Best Management Practices</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	<u>Management System</u>

	<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. Enviva will annually review its Means of Verification and include relevant information from its stakeholders to ensure it can accurately identify and map forests and other areas of high conservation values in its supply base area.</p> <p>Enviva's supplier audit processes provide 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-compliant or SBP-controlled feedstocks. If new high conservation value areas are identified Enviva will work with its stakeholders to determine the best course of action and how to best maintain SBP-compliant sourcing practices.</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>

	Indicator
2.1.3	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.
Finding	<p>The FSC US CWNRA has identified 8 counties with the supply base area as being at risk for conversion. The FSC US CWNRA only assessed conversion risk based on urbanization and does not include a risk assessment to production plantation or other non-forest uses. Related to forest conversion 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."</p> <p>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."</p> <p><u>Additional evidence:</u>  Enviva partnered with terraPulse Inc., builders of data-driven geospatial solutions, to develop a methodology for assessing the regeneration status of forests that we sourced from in the past. Our post-harvest audits provide us with assurance that the forestland from which we source is being regenerated, but it is not always feasible for Enviva personnel to check the status of all of the harvest sites year after year. Remote sensing allows us to scale our monitoring in order to confirm that our sourcing is achieving our policy goals. Utilizing technology in developing this methodology provided us with valuable insights and better information for making decisions today about how we work with stakeholders to ensure positive harvest outcomes in the forest landscape. Learn more about Enviva's work on conversion related topics on the Enviva Responsible Sourcing</p>

webpage (<https://www.envivabiomass.com/sustainability/responsiblesourcing/responsible-sourcing-policy/#>)

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. Enviva's Master Wood Purchase Agreement specifies suppliers are to avoid all types of land use change or conversion sources of wood when providing feedstocks to Enviva.

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 Wood/Controlled Sources Procedure are Enviva documents describing the work flow to ensure feedstock are legally and sustainably sourced.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if forest management activities pose a threat to areas of high conservation value in the supply area. This document uses many of the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The review includes ongoing stakeholder engagement to identify trends in land use change and conversion within the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

The 2015 Forest2Market Report, *Historic Perspectives on the Relationship between Demand and Forest Productivity in the US South* concluded annual timberland acres have "remained stable, increasing about 3% from 1953 and 2015". The report findings are based on information from the USDA Forest Service Forest Inventory Analysis, a long running US inventory including many attributes such as changes in timberland acres. The report also found a correlation between growth in the forest product industry and increases in timberland acres over the same time period.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva

	<p>collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not from land use change or conversion sources. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <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></p> <p>There is a low risk associated with sourcing feedstock from areas of forest conversion in the supply area.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. Enviva Responsible Sourcing Policy</li> <li>d. Historic Perspective on the Relationship between Demand and Forest Productivity in the US South (Forest2Market)</li> <li>e. <b>ENV-COC-02 Controlled Wood/Controlled Sources Procedure</b></li> <li>f. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>i. <b>Track &amp; Trace</b></li> <li>j. <b>HCV Tract Approval Process</b></li> <li>k. <b>District of Origin Process</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>2.2.1</b>	<p>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.</p>
Finding	<p>The FSC US CWNRA evaluated 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>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>Further it finds, "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>Additionally, "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 Endangered Species Act was enacted in 1973 as a means to ensure threatened and endangered plant and animal species and their habitats could receive the necessary support for conservation. The Act is primarily managed and enforced by the US Fish &amp;</p>

Wildlife Service (<https://www.fws.gov/endangered/laws-policies/>). The US Fish & Wildlife Service states, "Under the ESA, species may be listed as either endangered or threatened. "Endangered" means a species is in danger of extinction throughout all or a significant portion of its range. "Threatened" means a species is likely to become endangered within the foreseeable future. All species of plants and animals, except pest insects, are eligible for listing as endangered or threatened. For the purposes of the ESA, Congress defined species to include subspecies, varieties, and, for vertebrates, distinct population segments."

In a peer reviewed publication entitled, "The Effectiveness of the Endangered Species Act: A Quantitative Analysis" (BioScience (2005), Vol. 55 Is. 4(1): 360-367.) authors Martin et al. found the Act to be vigorously enforced.

The National Association of State Forester (NASF) recently released publication, Protecting The Nation's Water: State Forestry Agencies and Best Management Practices. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.

"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".

Links to state BMP websites and state specific BMP implementation rates for the Hamlet supply base area can be found in the preamble

Additional information:

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.
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Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

Most of the high conservation value areas identified in Enviva's supply base area are associated with streams or water features. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. Enviva



contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation.

ENV-COC-03 Controlled Wood/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. Enviva reviews sources such as those listed in the preamble 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. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement

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.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies forest sites are properly managed. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.

Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from

	<p>many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p>State Forestry Commission's in Enviva's supply area have forestry and wildlife management plans with action items the state is undertaking to improve forest health and wildlife protection on both state and private ownerships.</p> <p><u>Conclusion</u> Enviva'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.</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 Certified Sourcing Implementation Manual</b></li> <li>d. <b>Master Wood Purchase Agreement</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>f. <b>Track &amp; Trace</b></li> <li>g. <b>HCV Tract Approval Process</b></li> <li>h. <b>District of Origin Process</b></li> <li>i. State BMP Manuals</li> <li>j. Assessment of Lawful Harvesting &amp; Sustainability of US Hardwood Exports</li> <li>k. US Fish &amp; Wildlife Service</li> <li>l. NASF publication, The Nation's Water: State Forestry Agencies and Best Management Practices</li> <li>m. NASF State Forest Fact Sheets</li> <li>n. NASF Water Quality Report</li> <li>o. 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
<b>2.2.2</b>	<p>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).</p>
Finding	<p>Forest BMP's are designed to protect water quality by preventing the movement of soil into waterways therefore protecting soil quality. Further, many states have specific BMP's that describe methods timber harvesters use to enhance forest soils by redistributing</p> <p>The National Association of State Forester (NASF) recently released publication, <i>Protecting The Nation's Water: State Forestry Agencies and Best Management Practices</i>. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.</p> <p>"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".</p> <p>Links to state BMP websites and state specific BMP implementation rates for the Sampson supply base area can be found in the preamble.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International and World Resources</p>



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 determined 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.

State Forestry Agency/Commission are also 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. The NASF website contains many useful reports including, *Effectiveness of forestry BMP's in the United States: Literature Review*, which was published in Forest Ecology and Management (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.

The United States Department of Agriculture Forest Service General Technical Report INT-69 titled, *Forest Soil Biology - Timber Harvesting Relationships: A Perspective*, 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.

#### Additional evidence

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

Most of the high conservation value areas identified in Enviva's supply base area are associated with streams or water features. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation.

#### Primary Feedstock

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the

	<p>mill. Enviva randomly conducts field audits and verifies forestry BMP's are used and the removal of forest residues do not have a negative impact on soil quality. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment. And Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Each tract is assessed using a set of criteria that include the tract location within known bottomland forest settings. Every tract is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>Enviva's annual District of Origin Process allows secondary feedstock suppliers to meet the requirements described in SBP's Normative Interpretations Document. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</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". Enviva's ENV-SFIS-01 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 its suppliers and further requires them to require forestry best management practices be employed by their suppliers.</p> <p><u>Conclusion</u></p> <p>There is a low risk the Enviva 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 Certified Sourcing Implementation Manual</b></li> <li>c. <b>Track &amp; Trace</b></li> <li>d. <b>HCV Tract Approval Process</b></li> <li>e. <b>District of Origin Process</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. State BMP Manuals</li> <li>h. NASF publication, <i>The Nation's Water: State Forestry Agencies and Best Management Practices</i></li> <li>i. NASF Water Quality Report</li> <li>j. BMP implementation rate information for states in supply base area</li> <li>k. Effectiveness of forestry BMP's in the United States: Literature Review.</li> <li>l. 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
2.2.3	<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>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 key ecosystems and habitats that are at risk in its supply base area. Those CBA’s are listed in indicator 2.1.1 and examples of most at risk key ecosystems and habitats are protected by federal and state agencies.</p> <p><u>Additional evidence:</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>- 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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source 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 in all of Enviva's supply areas. The program requires an assessment of each risk area to determine if forest management activities are impacting eco-regions of significant high conservation values. Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 also finds 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 authors of the FSC US CWNRA.</p> <p>Many areas of high conservation value are found in conjunction with rivers, streams, etc. SFI Fiber Sourcing Standard Objective 2 indicator 2.1 requires Program Participants to develop a verifiable monitoring system to ensure BMP’s are evaluated across its wood supply area, ensure implementation rates are maintained and identify areas for</p>

improvement. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual and its Track & Trace Fields Audits to meet the requirements. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement.

ENV-SFIS-01 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".

Enviva and The Longleaf Alliance announced the signing of a five-year partnership to protect and restore longleaf pine forests, one of the most biodiverse ecosystems in North America. Enviva and The Longleaf Alliance will collaboratively implement Enviva's longleaf forest restoration plan (<https://www.envivabiomass.com/enviva-and-the-longleaf-alliance-announce-partnership-to-protect-and-restore-longleaf-pine-forests/>)

Enviva committed to enhance our ability to detect and monitor HCV areas, finalize our enhanced HCV forest types, and develop procedures for protecting them in harvest operations. As part of the plan, we committed to work with our conservation partners, notably NatureServe, state Natural Heritage programs, and Earthworm Foundation, to identify the full range of HCV types in our sourcing regions using the HCV Network Approach.

In 2019, we developed and implemented enhanced methodology for real-time monitoring and auditing of T&T data using geographic information system mapping, as well as working with NEPCo to develop the first T&T third-party audit standard

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill.

Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Enviva randomly conducts field audits and verifies feedstocks are not sourced from areas of high conservation value. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner

	<p>and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Outreach:</u> In early 2019 Enviva invited leaders in the longleaf pine restoration effort to tour Hamlet and to discuss collaboration opportunities. Representatives from the Longleaf Alliance, Milliken Forestry and the Longleaf Partnership Council met at the Hamlet mill, toured the facility and discussed plans to work on various longleaf pine restoration projects.</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. Enviva Sourcing Policy</li> <li>d. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>e. <b>ENV-COC-03 Controlled Source Risk Assessment</b></li> <li>f. <b>Track &amp; Trace</b></li> <li>g. <b>HCV Tract Approval Process</b></li> <li>h. <b>District of Origin Process</b></li> <li>i. <b>Stakeholder engagement</b></li> <li>j. <b>Master Wood Purchase Assessment</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	<p><u>Management System</u> Enviva will annually review it's Means of Verification, engage with Stakeholders, use its proprietary Track &amp; Trace Program, HCV Tract Approval Process and District of Origin Process to ensure key ecosystems and habitats are or conserved or set aside.</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>

	Indicator
2.2.4	The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Finding	<p>The FSC US CWNRA only identified two specified risk species that have habitat located in the Enviva supply base area:</p> <p>Cheoah Bald Salamander – The range of this salamander is not well defined but is thought to be in a limited portion of the Appalachian Mountains between meters – 1,524 meters in elevation and only in the very western extent of North Carolina associated with the Cheoah Bald (parts of Graham and Swain counties). The salamander is found in the mesic forests on the bald with much of its known range in the Nantahala National Forest.</p> <p>Patchnose Salamander – thought to be located in a 3-county area located in the northern portion of Enviva’s supply base area the Patch-nosed Salamander range is limited to a small first order stream located at the foot of the Blue Ridge Mountains in Stephens County GA.</p> <p><u>Additional evidence:</u></p> <p>Longleaf pine forests are a critical forest ecosystem in the southeastern U.S. They are considered high conservation value forests because of their rarity and biodiversity value. Longleaf forests support some of the highest levels of small-scale species diversity of any forest ecosystem in North America. Well-managed longleaf pine forests provide critical habitat for 29 threatened and endangered species, including the red-cockaded woodpecker, the gopher tortoise, and the Eastern indigo snake.</p> <p>Enviva and The Longleaf Alliance announced the signing of a five-year partnership to protect and restore longleaf pine forests, one of the most biodiverse ecosystems in North America. Enviva and The Longleaf Alliance will collaboratively implement Enviva’s longleaf forest restoration plan (<a href="https://www.envivabiomass.com/enviva-and-the-longleaf-alliance-announce-partnership-to-protect-and-restore-longleaf-pine-forests/">https://www.envivabiomass.com/enviva-and-the-longleaf-alliance-announce-partnership-to-protect-and-restore-longleaf-pine-forests/</a>)</p> <p>In 2019, we developed and implemented enhanced methodology for real-time monitoring and auditing of T&amp;T data using geographic information system mapping, as well as working with NEPCo to develop the first T&amp;T third-party audit standard.</p> <p>Enviva entered is working with the Forest Steward Guild to help landowners learn about proper bottomland hardwood management to maintain and enhance these forests for wildlife and water quality protection.</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 a Master Wood Supply Agreement. 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</p>



audit suppliers to ensure conformance. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

Most of areas of high biodiversity identified in Enviva's supply base area are associated with streams or water features. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation.

The National Association of State Foresters (NASF) recently released publication, *Protecting The Nation's Water: State Forestry Agencies and Best Management Practices*. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.

"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".

Links to state BMP websites and state specific BMP implementation rates for the Sampson supply base area can be found in the preamble.

ENV-COC-03 Controlled Wood/Controlled Source 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 in all of Enviva's supply areas. The program requires an assessment of each risk area to determine if forest management activities are impacting biodiversity. Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 also finds 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 authors of the FSC US CWNRA.

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".

As part of our Responsible Sourcing Policy, Enviva engages with stakeholders to receive feedback on its current wood sourcing policies 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
- Earthworm

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Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 determined 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. Logger training in each state contains endangered species components.

#### Conclusion



	<p>The two species are very localized and specific in their habitat and those habitats are 4.2% of the total hectares in Enviva's supply base. There is a low risk Enviva's sourcing policies would affect either of them. Regardless, 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>
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Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	<p><u>Management System</u></p> <p>Enviva will annually review its Means of Verification, engage with Stakeholders, use its proprietary Track &amp; Trace Program, HCV Tract Approval Process and District of Origin Process to ensure key ecosystems and habitats are or conserved or set aside.</p>
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

	Indicator
<b>2.2.5</b>	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 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> </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 a Master Wood Supply Agreement. 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. The Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

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, *Forest Soil Biology - Timber Harvesting Relationships: A Perspective*, 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.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 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. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation. The NASF website contains many useful reports including, *Effectiveness of forestry BMP's in the United States: Literature Review*. Published in Forest Ecology and Management (2016, pgs 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.

The National Association of State Forester (NASF) recently released publication, *Protecting The Nation's Water: State Forestry Agencies and Best Management Practices*. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.

"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".

Links to state BMP websites and state specific BMP implementation rates for the Sampson supply base area can be found in the preamble.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if removals of forest residues have a negative influence on forests in the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The review includes ongoing stakeholder engagement to identify potential new high conservation value areas and evaluation to determine if forest management activities could have a

	<p>negative impact on these areas. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><i>Primary Feedstock</i></p> <p>Enviva uses its proprietary Track &amp; Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not sourced in a manner that could harm ecosystems. Enviva randomly conducts field audits and verifies feedstock forcing practices do not harm forest soils. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u></p> <p>There is a low risk the Enviva sourcing practices will affect residue removal from forests.</p>
Means of Verification	<ol style="list-style-type: none"> <li>Preamble citations</li> <li><b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li><b>Master Wood Purchase Agreement</b></li> <li><b>Track &amp; Trace</b></li> <li><b>District of Origin Process</b></li> <li><b>HCV Tract Approval Process</b></li> <li>State BMP Manuals and BMP monitoring data</li> <li>BMP implementation rate information for states in supply base area</li> <li>Effectiveness of forestry BMP's in the United States: Literature Review.</li> </ol>

	j. Forest Soil Biology - Timber Harvesting Relationships: A Perspective k. NASF publication, <i>The Nation's Water: State Forestry Agencies and Best Management Practices</i>
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>2.2.6</b>	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>The FSC US CWNRA indicator 3.4 HCV 4 determined there is a low risk of forest management activities affecting water quality. 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>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>The National Association of State Forester (NASF) recently released publication, <i>Protecting The Nation's Water: State Forestry Agencies and Best Management Practices</i>. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.</p> <p>"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".</p> <p>Links to state BMP websites and state specific BMP implementation rates for the Sampson supply base area can be found in the preamble.</p> <p><u>Additional evidence:</u> 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>

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if forest management activities pose a threat to water quality in the supply area. This document uses many of the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The review includes annual reviews of state forestry BMP studies to incorporate state findings into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 determined 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.

Enviva is a member of state forestry associations within its supply base area and these organizations are responsible for reviewing and developing logger training in conjunction with state forestry commissions related to forestry best management practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement. Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value such as those identified. And even in areas not associated with streams or water features forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation.

Enviva is an SFI Program Participant certified to SFI's Fiber Sourcing Standard. Objective 2 requires Program Participants to mandate the use and monitor the implementation of forestry BMP's to protect water quality. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes how Track & Trace and its harvest site inspection process fulfills the Objective as well as SFI Fiber Sourcing Standard Objective 3 requiring Program Participants to promote the use of trained logger.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a

	<p>result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks harvesting does not impact ground water quality. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><u>Secondary Feedstock</u>  Enviva's annual District of Origin process allows secondary feedstock suppliers to meet the requirements described in SBP's Normative Interpretations Document. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u>  There is a low risk the Enviva's sourcing practices will have a negative impact on water quality.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. FSC US CWNRA</li> <li>c. NASF publication, <i>The Nation's Water: State Forestry Agencies and Best Management Practices</i></li> <li>d. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>f. State BMP Manuals and BMP monitoring data</li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. <b>Track &amp; Trace</b></li> <li>i. <b>District of Origin Process</b></li> <li>j. <b>HCV Tract Approval Process</b></li> <li>k. NASF Water Quality Report</li> <li>l. US Clean Water Act</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
2.2.7	The Biomass Producer has implemented appropriate control systems and procedures for verifying that air quality is not adversely affected by 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 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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure it Enviva is aware of forest impact assessments, planning implementation and monitoring efforts of forestry best management practices including regulations related to forest management activities effect on air quality in all of Enviva's supply areas.</p> <p>Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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. All states in the supply area have forestry regulations pertaining to the use of fire as a silvicultural tool. 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 long-standing business practice in the supply base area.</p> <p>Enviva is a member of regional state forestry associations responsible for reviewing and developing logger training in conjunction with state forestry commissions related to forestry best manage practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement including air quality from forest management.</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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 resulted in no findings related to forest management activities. 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 supply base area have haze/smoke laws that are enforced at the local level.</p> <p>Air quality can also be affected by the forest management use of herbicides and pesticides to control unwanted vegetation and insect. State specific herbicide BMP regulations can be found in the appendix and preamble.</p> <p>Though each state has varying guidance for herbicide and pesticide use all use of these chemicals is regulated by the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). FIFRA is a federal statute that governs the registration, distribution, sale, and use of pesticides in the United States. With certain exceptions, a pesticide is any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, or intended for use as a plant regulator, defoliant, or desiccant, or desiccant, or any nitrogen stabilizer.</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><i>Primary Feedstock</i></p> <p>Enviva uses its proprietary Track &amp; Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not sourced from areas without forestry regulations governing air quality. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and</p>
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	<p>against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u> There is a low risk the Enviva sourcing practices will have a negative impact on air quality.</p>
Means of Verification	<ol style="list-style-type: none"> <li>Preamble citations</li> <li><b>Master Wood Purchase Agreement</b></li> <li><b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li><b>Track &amp; Trace</b></li> <li><b>District of Origin Process</b></li> <li><b>HCV Tract Approval Process</b></li> <li>Clean Air Act</li> <li>State Forestry Regulations</li> <li>USDA Forest Service</li> <li>US EPA</li> <li>US Fire Administration</li> <li>World Bank Worldwide Governance Indicators</li> </ol>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<b>X Low Risk</b> <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

	Indicator
<b>2.2.8</b>	<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>Air quality can also be affected by the forest management use of herbicides and pesticides to control unwanted vegetation and insect. State specific herbicide BMP regulations can be found in the appendix and preamble.</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 a Master Wood Supply Agreement. 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</p>

audit suppliers to ensure conformance. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

Enviva's ENV-COC-03 Controlled Wood/Controlled Source 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.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 determined 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. Findings are incorporated into Enviva's ENV-COC-03 Controlled Sources Risk Assessment and revisions to the Master Wood Purchase Agreement.

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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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.

Though each state has varying guidance for herbicide and pesticide use all use of these chemicals is regulated by the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). FIFRA is a federal statute that governs the registration, distribution, sale, and use of pesticides in the United States. With certain exceptions, a pesticide is any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, or intended for use as a plant regulator, defoliant, or desiccant, or desiccant, or any nitrogen stabilizer.

Examples of enforcement of Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) can be found on the United States Environmental Protection Agency website ([https://cfpub.epa.gov/compliance/criminal\\_prosecution/](https://cfpub.epa.gov/compliance/criminal_prosecution/)).

Information about Integrated Pest Management can be found on the USDA Forest Service website (<https://www.fs.fed.us/foresthealth/protecting-forest/integrated-pest-management/>).

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not from land where forest chemicals are used in

	<p>excess. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessments.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u></p> <p>There is a low risk the Enviva 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. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>d. <b>Track &amp; Trace</b></li> <li>e. <b>District of Origin Process</b></li> <li>f. <b>HCV Tract Approval Process</b></li> <li>g. USDA Forest Service</li> <li>h. Federal Insecticide, Fungicide and Rodenticide Act</li> <li>i. US EPA</li> <li>j. World Bank Governance Indicators</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>2.2.9</b>	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> </ul>

- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International 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 determined 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. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

Enviva is a member of state forestry associations within its supply base area and these organizations are responsible for reviewing and developing logger training in conjunction with state forestry commissions related to forestry best management practices. Enviva interacts with these groups to improve forestry best management practices guidelines and monitor enforcement.

Forestry BMP's are the best tool available to ensure forest management activities do not adversely impact forests and other areas of high conservation value. Enviva contractually requires the use of BMP's. Enviva's Track & Trace Program includes a harvest site auditing component to ensure suppliers conform to the requirement. The Forestry Commissions for each state in the supply area monitor and enforce BMP implementation. Forestry BMP's for each state have a waste removal component.

The National Association of State Forester (NASF) recently released publication, *Protecting The Nation's Water: State Forestry Agencies and Best Management Practices*. The publication covers all 50 US States and eight of its territories. The state forestry BMP implementation rates for the Sampson supply base area are listed in the appendix and the NASF publication concluded.

"Across the country, BMP's are implemented appropriately, when and where they are needed, 92% of the time. This is a figure not only one state forestry agency can be proud of: it serves as strong evidence in support of a silvicultural exemption to Clean Water Act permitting requirements".

Links to state BMP websites and state specific BMP implementation rates for the Sampson supply base area can be found in the preamble.

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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th percentile in Rule of Law. Chemical

	<p>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 resulted in no findings related to forest management activities. The United States has a robust legal system that deters the abuse of state and federal regulation</p> <p>Enviva is an SFI Program Participant certified to SFI's Fiber Sourcing Standard. Objective 2 requires Program Participants to mandate the use and monitor the implementation of forestry BMP's that include proper waste disposal. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes how Enviva's Track &amp; Trace and its harvest site inspection process fulfils the Objective.</p> <p><i>Primary Feedstock</i></p> <p>Enviva uses its proprietary Track &amp; Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not sourced from tracts without proper waste disposal. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u></p> <p>There is a low risk the Enviva sourcing practices will harm forest due to waste disposal.</p>
Means of Verification	<ol style="list-style-type: none"> <li>Preamble citations</li> <li><b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li><b>Master Wood Purchase Agreement</b></li> <li><b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> </ol>

	e. <b>Track &amp; Trace</b> f. <b>District of Origin Process</b> g. <b>HCV Tract Approval Process</b> h. State BMP Manuals and monitoring data i. World Bank Worldwide Governance Indicators
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>2.3.1</b>	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.
Finding	<p>Enviva's ENV-COC-03 Controlled Wood/Controlled Source 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. 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>The annual growth to drain ratio of the supply base is 1.68:1 for all species, 2.09:1 for hardwood, and 1.52:1 for pine. A positive growth to drain ratio indicates that forest growth exceeds harvest removals. In the Hamlet supply base, total inventory has increased by an average of 1.28% annually between 2000 and 2018. Since 2000, US Forest Service Forest Inventory Analysis (FIA) data indicates an increase in forest area in the states covered included in the Enviva supply base area.</p> <p>Enviva is just one of several industries and entities sourcing wood in its supply base area. Removals of both pine and hardwood for pellet production in the Southern region comprised only 7% of total harvest volume in 2018. Primary harvesting activity and wood consumption in the South is driven by saw-timber markets, with total removals for all wood industry sectors t only 2.0% (8.4 million tons) of the total estimated standing inventory of 418.4 million tons In 2017, pine pulpwood removals for the entire pellet industry accounted for 3.8% of total pine pulpwood removals for all wood product classifications.</p>

	<div data-bbox="563 212 1230 607"> <p>Hamlet Supply Base, Forestland Inventory</p> <p>Billions of cubic feet</p> <p>2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018</p> <p>Forestland Inventory</p> </div> <div data-bbox="587 676 1200 965"> <p>U.S. South Gulf Region Pine Pulpwood Removals</p> <p>Million Tons</p> <p>2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017</p> </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. 9% of Enviva’s feedstock is sourced as processing residues from secondary sources which harvested wood is intended for saw timber-derived products.</p> <p>Enviva's ENV-COC-03 Controlled Wood/Controlled Source 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. The annual review requires an analysis of growth to drain in the supply area.</p> <p><u>Conclusion</u></p> <p>There is a low risk the Enviva sourcing practices will harm growth to drain levels in the supply area.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>c. USFS FIA web site</li> <li>d. Growth Drain study</li> <li>e. 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> </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>
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	Indicator
<b>2.3.2</b>	Adequate training is provided for all personnel, including employees and contractors (CPET S6d).
Finding	<p>In the United States regulation of worker training and protection has its roots in federal law and acts and state laws and regulations. The United States has a robust legal system that deters the abuse of state and federal act, laws and regulation. The United States ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th percentile in Rule of Law. Workforce laws in use in the United States follow OSHA guidance and include in-woods practices through manufacturing and transportation</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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>The Agreement require suppliers to ensure their supply chain follows all applicable laws including and ensure each crew is led by a properly trained foreman. 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>. Enviva annually reviews supplier training to ensure it is current.</p> <p>The SFI Fiber Sourcing Standard Objective 6 requires Program Participants to contractors, and personnel and appropriately trained to do their tasks and requires the use of qualified logging professionals. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes the internal processes Enviva uses to ensure these requirements are met.</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> </ol>



	<p>4. Protection of Biological Diversity  5. Aesthetics and Recreation  6. Protection of Special Sites  7. Responsible Fiber Sourcing in North America  8. Legal Compliance  9. Research  10. Training and Education  11. Community Involvement and Social Responsibility  12. Transparency  13. Continual Improvement</p> <p>Specifics for each state program can be found</p> <p>North Carolina - <a href="https://www.ncforestry.org/prologgers/">https://www.ncforestry.org/prologgers/</a>  South Carolina – <a href="https://www.scforestry.org/top">https://www.scforestry.org/top</a></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. Enviva conducts in-depth internal training for all employees and those records are checked during third party audits</p> <p>Enviva's staff with Sustainable Biomass Program responsibility all have college/university degrees in Forestry or a related field. Additional 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> <li>• Track &amp; Trace</li> <li>• Climate change</li> <li>• Community relations</li> <li>• Safety</li> </ul> <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><u>Conclusion</u>  Enviva sourcing practices ensures adequate training is provided by Enviva, its contractors and suppliers.</p>
Means of Verification	<p>a. Preamble citations  b. <b>ENV-SFIS-Certified Sourcing Implementation Manual</b>  c. <b>Master Wood Purchase Agreement</b>  d. <b>Staff training documentation</b>  e. State logger training websites  f. World Bank Worldwide Governance Indicators</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
2.3.3	Analysis shows that feedstock harvesting and biomass production positively contribute to the local economy, including employment.
Finding	<p>The National Association of State Foresters website contains State-wide Assessments describing the contributions the timber industry has in each state contained in the Enviva 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 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 employs 70 people at its mill located in Hamlet County South Carolina. The mill purchases feedstock from 26 local logging companies providing on average 26 million dollars in revenue to the local economy.</p> <p><u>Conclusion</u> Evidence demonstrates the economic benefits of Enviva's presence in the supply area.</p>
Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. National State Forester web site</li> <li>c. <b>Internal Economic Impact Study</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
2.4.1	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>Forest landowners in the supply base area can participate in numerous federal funding opportunities to maintain forest health. One of the most successful programs is the Southern Pine Beetle Prevention Program. Since 2003, the program has allocated millions of dollars to improving the health of pine stands primarily through thinning and understory management. Between 2003 and 2016, over 1 million acres of private and public lands were granted funding to help prevent against pine beetle infestations. (<a href="https://www.srs.fs.usda.gov/compass/2016/12/20/southern-pine-beetle-prevention-program/">https://www.srs.fs.usda.gov/compass/2016/12/20/southern-pine-beetle-prevention-program/</a>)</p> <p>In addition, the Forest Health Protection (FHP) program also provides federal aid for management for insect species such as the Gypsy moth, Southern pine beetle and Hemlock wooly-adelgid, and many other native and invasive. (<a href="https://www.fs.fed.us/foresthealth/">https://www.fs.fed.us/foresthealth/</a>).</p> <p>The USFS also provides forest health monitoring that includes state level Forest Health Highlights for each state (<a href="https://www.fs.fed.us/foresthealth/protecting-forest/forest-health-monitoring/monitoring-forest-highlights.shtml">https://www.fs.fed.us/foresthealth/protecting-forest/forest-health-monitoring/monitoring-forest-highlights.shtml</a>). These reports describe state level efforts underway to protect and/or enhance forest health</p> <p>Resources describing forest health protection efforts in the supply base area can be found at <a href="http://southernforesthealth.net/">http://southernforesthealth.net/</a>.</p>

The annual growth to drain ratio of the supply base is 1.68:1 for all species, 2.09:1 for hardwood, and 1.52:1 for pine. A positive growth to drain ratio indicates that forest growth exceeds harvest removals. In the Hamlet supply base, total inventory has increased by an average of 1.28% annually between 2000 and 2018. Since 2000, US Forest Service Forest Inventory Analysis (FIA) data indicates an increase in forest area in the states covered included in the Enviva supply base area.

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 *Summary of Conservation Planning Efforts in Forested Regions of the United States: 2014 Update* 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.

The SFI Fiber Sourcing Program Objective 5 requires Program Participants to individually or with others participate in research related to forest health issues. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual describes the internal processes Enviva uses to meet the requirement. Markets for residual by-products benefit sawmills which in turn benefits forest landowners and helps support reforestation.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure it Enviva is aware of state forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas. The annual review requires a review of evidence to ensure harvesting practices do not harm forest health or vitality. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Agreement requires the use of forestry BMP's that are the best tool available to ensure forest management activities do not adversely impact forest health and vitality. Even in areas not associated with streams or water features, forestry BMP's specify how roads, trails and other forest management activities are performed to minimize their impact on the forest.

*Primary Feedstock*

	<p>Enviva uses its proprietary Track &amp; Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits that reviews the reforestation success and health of forest tracts. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p>Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p><u>Conclusion</u></p> <p>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 whether forest health and vitality and other forest services are conserved." Use of the FSC CWNRA is suggested but is considered incomplete.</p> <p>Enviva engages with willing stakeholders to continually assess for improvements in health, vitality and other forest services (<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. <b>ENV-COC-03 Controlled Sources Risk Assessment</b></li> <li>c. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</b></li> <li>d. <b>Master Wood Purchase Agreement</b></li> <li>e. <b>Track &amp; Trace</b></li> </ul>

	f. <b>District of Origin Process</b> g. <b>HCV Tract Approval Process</b> h. NCASI Technical Bulletin No 982 & No. 1022 Summary of Conservation Planning Efforts in Forested Regions of the United States: 2014 Update
Evidence Reviewed	All means of verification reviewed
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comments and Mitigation Measures	<u>Management System</u> Enviva will annually review its Means of Verification, engage with Stakeholders, use its proprietary Track & Trace Program, HCV Tract Approval Process and District of Origin Process to develop meaningful way to assess forest health, vitality and ecosystem services are maintained or improved.
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

	Indicator
<b>2.4.2</b>	<p>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).</p>
Finding	<p>Each state within the Enviva supply base has a state 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.</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>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.</p> <p>In some cases, Enviva can help landowners control infestations by providing a market for diseased, damaged or infested wood which allow landowners to replant healthy forests. In 2018 the Florida Forest Service determined Hurricane Michael damaged over 2.8 million acres of forestland (<a href="http://floridaforest.org/wp-content/uploads/Hurricane-Michael-Initial-Timber-Damage-Estimate.pdf">http://floridaforest.org/wp-content/uploads/Hurricane-Michael-Initial-Timber-Damage-Estimate.pdf</a>). Enviva joined with other sponsors to hold a landowner workshop to help affected landowners get sound advice to plan their reforestation recovery efforts (<a href="http://sfrc.ufl.edu/extension/florida_forestry_information/events_calendar/files/Hurricane_Recovery_Blountstown19_Booklet.pdf">http://sfrc.ufl.edu/extension/florida_forestry_information/events_calendar/files/Hurricane_Recovery_Blountstown19_Booklet.pdf</a>).</p> <p>The USFS also provides forest health monitoring that includes state level Forest Health Highlights for each state (<a href="https://www.fs.fed.us/foresthealth/protecting-forest/forest-health-monitoring/monitoring-forest-highlights.shtml">https://www.fs.fed.us/foresthealth/protecting-forest/forest-health-monitoring/monitoring-forest-highlights.shtml</a>). These reports describe state level efforts underway to protect and/or enhance forest health</p>

	<p>Resources describing forest health protection efforts in the supply base area can be found at <a href="http://southernforesthealth.net/">http://southernforesthealth.net/</a>.</p> <p>.</p> <p>Enviva is also a member of the National Council on Air and Stream Improvement (NCASI). NCASI is a 501 (c) (6) tax-exempt association that serves the forest products industry as a center of excellence by providing unbiased, scientific research and technical information to help the wood products industry achieve environmental and sustainability goals. 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 NCASI Technical Bulletin 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 bulletin contains information on 19 national conservation planning initiatives, 9 regional conservation planning initiatives,</p> <p>Though each state has varying guidance for herbicide and pesticide use all use of these chemicals is regulated by the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). FIFRA is a federal statute that governs the registration, distribution, sale, and use of pesticides in the United States. With certain exceptions, a pesticide is any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, or intended for use as a plant regulator, defoliant, or desiccant, or desiccant, or any nitrogen stabilizer.</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>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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 resulted in no findings related to forest management activities. The United States has a robust legal system that deters the abuse of state and federal regulation</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure it Enviva is aware of state forest impact assessments, planning implementation and monitoring efforts, forestry best management practices in all of Enviva's supply areas. The annual review requires a review of evidence to ensure harvesting practices do not harm forest health or vitality. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</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> </ul>
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- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
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Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Agreement requires the use of forestry BMP's that are the best tool available to ensure forest management activities do not adversely impact forest health and vitality.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits to ensure suppliers manage the health of forest tracts. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.

Enviva's HCV Tract Approval Process ensures forest management activities do not harm sensitive eco-systems, habitats or threaten biodiversity in its sourcing practices. Every tract meeting potential HCV criteria is evaluated for forest health concerns, wildlife considerations, location within the landscape, conservation value and other criteria. Enviva will only purchase wood from a tract if the assessment determines harvesting is the best outcome for the forest.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

Enviva reviews sources such as the National Association of State Foresters, USFS Forest Inventory Analysis, World Wildlife Fund, Conservation International and World Resources

	<p>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 determined 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><u>Conclusion</u> Enviva 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. Florida Forest Service</li> <li>e. World Bank Governance Indicators</li> <li>f. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. <b>Track &amp; Trace</b></li> <li>i. <b>District of Origin Process</b></li> <li>j. <b>HCV Tract Approval Process</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>2.4.3</b>	<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>FCS 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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 Enviva supply base area.</p> <p><u>Additional evidence:</u> 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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase</p> <p><i>Primary Feedstock</i></p> <p>Enviva uses its proprietary Track &amp; Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and verifies feedstocks are not from illegal mining or encroachment activities. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.</p> <p><i>Secondary Feedstock</i></p> <p>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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if illegal mining or encroachment are prevalent in the supply base area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The review concluded the same as the FSC US CWNRA that there is a low risk of illegal logging activity in the US. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><u>Conclusion</u></p> <p>Laws and regulations are enforced in the United States and Enviva'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-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>d. <b>Master Wood Purchase Agreement</b></li> <li>e. <b>Track &amp; Trace</b></li> <li>f. <b>District of Origin Process</b></li> </ul>

	g. World Bank Worldwide Governance Indicators
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>2.5.1</b>	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>FCS 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>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 related to the violation of customary or traditional tenure and use rights of indigenous people groups in the Enviva supply base area.</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 primarily private forestlands where there are no issues related to traditional use or tenure rights. When Enviva does source from public lands, those forest managers are required to follow state or federal requirements to ensure harvests maintain the forest to the good of the public, including working with Native Americans. Native American reservations do exist within the Enviva 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><u>Additional evidence:</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>- 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> </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 a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if its sourcing activities would pose a threat to legal, customary or traditional land use rights in the supply area. This document uses many of the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. The review came to the same determination as the FSC US CWNRA meaning there is a low risk Enviva's sourcing practices would threaten these people groups or their rights. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and can assess whether sourcing activities threaten indigenous peoples or local communities forest access rights. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

#### Conclusion

	There are adequate law and regulation in the United States and Enviva's supply area to ensure there are no threats to traditional or customary land use rights.
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. <b>Track &amp; Trace</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>f. <b>District of Origin Process</b></li> <li>g. <b>Master Wood Purchase Agreement</b></li> <li>h. World Bank Worldwide Governance Indicators</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>2.5.2</b>	<p>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.</p>
Finding	<p>Excerpt from the FSC US CWNRA</p> <p>“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.” There are no subsistence communities sourcing basic needs from the forest in the Enviva supply area.</p> <p>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 to suggest forest activities are threatening water supplies or subsistence means of communities in the Enviva supply base area.</p> <p><u>Additional evidence:</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>- Illegally harvest wood;</li> <li>- Wood harvested in violation of traditional and civil rights;</li> </ul>

- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if there are subsistence communities in the supply base area. This document uses many of the same sources as the FSC US CWNRA. As did the FSC US CWNRA, the review determined there are no subsistence communities in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

#### *Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and can assess whether sourcing activities threaten subsistence communities. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.

#### *Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track & Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.

#### Conclusion

	There is a low risk Enviva's sourcing practices will impact a community relying on the forest for its subsistence.
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 Wood/Controlled Source Risk Assessment</b></li> <li>d. <b>Track &amp; Trace</b></li> <li>e. <b>District of Origin Process</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> <li>g. World Bank Worldwide Governance Indicators</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>	<p>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.</p>
Finding	<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>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><u>Additional evidence:</u></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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 related to the suppression of lawsuits in the grievance process of forest related activities in the Enviva supply base area.</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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement. The Master Wood Purchase.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if there are adequate laws and enforcement to permit resolution to valid complaints. This document uses many of the same sources as the FSC US CWNRA. The FSC US CWNRA and Enviva's analysis both arrived at the same conclusion, there are appropriate mechanisms and a low risk of violations. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</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><u>Conclusion</u></p> <p>Enviva'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. State and federal laws</li> <li>c. Occupational Health and Safety Administration</li> <li>d. FSC US CWNRA</li> <li>e. <b>ENV-PEFCCOC-01 PEFC Chain of Custody</b></li> <li>f. <b>Master Wood Purchase Agreement</b></li> </ul>

	g. <b>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment</b> h. <b>ENV-PEFCCOC-01 PEFC Chain of Custody Procedure</b> i. World Bank Worldwide Governance Indicators
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>2.7.1</b>	<p>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.</p>
Finding	<p>The FSC US CWNRA determined:            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>            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, FSC determined,            “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>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 violating the freedom of association or collective bargaining in the Enviva supply base area.</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> <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.</p>



	<p>(<a href="https://www.dol.gov/general/aboutdol/majorlaws">https://www.dol.gov/general/aboutdol/majorlaws</a>)</p> <p><u>Additional evidence:</u>  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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if collective bargaining rights exist and are enforced in the supply area. This document uses many of the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><u>Conclusion</u>  Analysis of Enviva'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 Worldwide Governance Indicators</li> </ul>
Evidence Reviewed	All means of verification reviewed
Risk Rating	<b>X Low Risk</b> <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

	Indicator
2.7.2	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>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><u>Additional evidence:</u>  "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>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".</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>US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 related to the use of compulsory labor in the wood products industry in the Enviva supply base area.</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> </ul>

	<p>- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</p> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if compulsory labor exists the supply area. This document uses many of the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist to prevent compulsory labor in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><u>Conclusion</u> Analysis of Enviva's sourcing practices confirms the existence of appropriate laws and regulations prohibiting compulsory 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. FSC US CWNRA</li> <li>d. <b>Enviva HR policies and procedures</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 Code</li> <li>i. United States Department of Labor</li> <li>j. World Bank Worldwide Governance Indicators</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>2.7.3</b>	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour.
Finding	<p>The FSC CWNRA finds</p> <p>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</p>

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.”

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.”

The United States Department of Labor provides verification of enforcement.  
(<https://www.dol.gov/general/topic/youthlabor/enforcement>)

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.

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.”

“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.”

US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 use of child labor in the Enviva supply base area.

Additional evidence:

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- 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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

	<p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if child labor exists the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist to prevent child labor in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p>Enviva does not employ anyone under the age or 18 years.</p> <p><u>Conclusion</u> Analysis of Enviva'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. FSC US CWNRA</li> <li>d. <b>Enviva HR policies and procedures</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source 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 Worldwide Governance Indicators</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>2.7.4</b>	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	<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</p>

federal government;"

"All indicators In the Category 1 (legality) assessment were designated as 'low risk' at a national scale, indicating that the relevant legislation is enforced."

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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th percentile in Rule of Law.

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."

The United States Department of Labor provides verification of enforcement.  
(<https://www.dol.gov/general/aboutdol/majorlaws>)

Additional evidence:

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- 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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if labor discrimination exists the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist to prevent labor discrimination in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.

Conclusion

Analysis of Enviva's sourcing practices confirms the existence of appropriate laws and regulations prohibiting discrimination in the workplace.

Means of Verification	<ul style="list-style-type: none"> <li>a. Preamble citations</li> <li>b. Federal and State web sites</li> <li>c. FSC US CWNRA</li> <li>d. <b>Enviva HR policies and procedures</b></li> <li>e. <b>ENV-COC-03 Controlled Wood/Controlled Source 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. Word Bank Worldwide Governance Indicators</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>	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.
Finding	<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 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 and establishing minimum wage requirements. Enviva's HR practices ensure worker wages are comparable to other similar employment opportunities in the regions we operate.</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><u>Additional evidence:</u></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. 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. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if poor working conditions exists the supply area. A review of federal and state laws and guidelines addressing worker safety and pay found no instances of violations. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><u>Conclusion</u> Analysis of Enviva'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/Controlled Source 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> <li>i. World Bank Worldwide Governance Indicators</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>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>

US ranks in the top 92nd percentile in Regulatory Quality in the World Bank, Worldwide Governance Indicators and in the top 89th 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 related to the violation of forest worker health and safety laws in the Enviva supply base area.

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.

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]

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 [www.whistleblowers.gov](http://www.whistleblowers.gov) or worker rights.

The SFI Fiber Sourcing Standard Objective 4 requires Program Participants to adhere to health and safety laws. Enviva's ENV-SFIS-01 Certified Sourcing Implementation Manual outlines the processes Enviva uses to meet the requirement.

The United State Department of Labor Occupational Safety and Health Administration provides verification of enforcement.  
(<https://www.osha.gov/dep/index.html>)

Additional evidence:

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.

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

	<p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if poor work conditions exist the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist to prevent occurrences of poor work conditions in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</p> <p><u>Conclusion</u> Analysis of Enviva'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-03 Controlled Wood/Controlled Source Risk Assessment</b></li> <li>d. <b>ENV-SFIS-01 Certified Sourcing Implementation Manual</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 Worldwide Governance Indicators</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 Wood/Controlled Source 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. 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>The annual growth to drain ratio of the supply base is 1.68:1 for all species, 2.09:1 for hardwood, and 1.52:1 for pine. A positive growth to drain ratio indicates that forest growth exceeds harvest removals. In the Hamlet supply base, total inventory has increased by an average of 1.28% annually between 2000 and 2018. Since 2000, US Forest Service</p>

	<p>Forest Inventory Analysis (FIA) data indicates an increase in forest area in the states covered included in the Enviva supply base area.</p> <p>Wetlands and peatlands are recognized as areas of high carbon stocks as well as areas of important ecological function. Wetlands such as swamps, ponds and bottoms are common within the supply base, but peatlands such as bogs and fens are usually associated with the Northeast United States and well outside of the supply base. The exception to this is Pocosin, which is the only Southeastern bog and is only found along the Atlantic coast from Virginia to Florida and not likely to occur within the supply base. Our HCV procedures recognize Pocosin and Carolina Bay habitats as high conservation areas; each harvest site that supplies the Sampson mill with fiber is vetted to ensure that we are not receiving fiber from these sensitive sites.</p> <p><a href="http://water.epa.gov/type/wetlands/types_index.cfm">http://water.epa.gov/type/wetlands/types_index.cfm</a></p> <p>While current BMP's are structured to allow selective harvesting within a wetland, guidelines are in place to protect wetland function and minimize site impacts during harvest. BMP's specifically do not allow forestry activities to alter the hydrologic conditions or drainage patterns of wetlands. By limiting harvest size and requiring leave trees and Streamside Management Zones within the wetland, BMP's work to maintain the carbon sink values associated with wetlands. The use of innovative harvesting techniques such as mat or shovel logging utilize concentrated skid trails and "mats" of felled wood to minimize ground disturbance during wetland harvest. It is common practice for logging slash to be left on site during wetland harvest and natural regeneration of the wetland takes place fairly quickly after harvest.</p> <p><u>Conclusion</u> Analysis of Enviva'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. BMP manuals and Compliance reports</li> <li>c. Clean Water Act</li> <li>d. USDA Forest Service Forest Inventory Analysis data</li> <li>e. HCV Tract Approval Process</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>2.9.2</b>	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 ENV-COC-03 Controlled Wood/Controlled Source 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. The analysis includes a study of carbon stocks in the supply area.</p> <p>The annual growth to drain ratio of the supply base is 1.68:1 for all species, 2.09:1 for hardwood, and 1.52:1 for pine. A positive growth to drain ratio indicates that forest growth exceeds harvest removals. In the Hamlet supply base, total inventory has increased by an average of 1.28% annually between 2000 and 2018. Since 2000, US Forest Service Forest</p>

Inventory Analysis (FIA) data indicates an increase in forest area in the states covered included in the Enviva supply base area.

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 is 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.”

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 Enviva supply base follow the U.S. trend of steady to increasing forested acres.

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 thinning’s, 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 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>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.</p> <p>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 Enviva'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
<b>2.10.1</b>	Genetically modified trees are not used.
Finding	<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 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>



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, *Populus nigra* (Black Poplar, Lombardy Poplar).

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.

Additional evidence:

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.

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:

- Illegally harvest wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested from forests where high conservation values are threatened by management activities;
- Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;
- Wood from forests where genetically modified trees are planted;
- Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.

Enviva requires all suppliers to sign a Master Wood Supply Agreement. 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. Enviva will only purchase feedstocks from suppliers who it has an established business relationship and a signed agreement.

*Primary Feedstock*

Enviva uses its proprietary Track & Trace for all primary wood purchases. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. The information Enviva collects for every tract its suppliers harvest includes; data on the forest type, age, GPS coordinates, acreage, and the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva's Procurement Foresters must obtain this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the mill, each load is linked to that tract's ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill. Enviva randomly conducts field audits and can assure timber GMO species are not in the supply area or feedstock. During annual certification audits an independent certifying body confirms Enviva's internal findings as part of its third-party audit assessment.

*Secondary Feedstock*

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. The process collects information about the suppliers sourcing area, species processed at the mill, the types of information collected about the landowner and other pertinent information as described in the guidance found in Standard 2 Section 8.4 of the Interpretations. This information is mapped and compared to Enviva's supply base area and against known areas with potential high conservation value to ensure that



	<p>any risk to HCV values associated with suppliers of secondary feedstocks is appropriately included in the SBP supply base evaluation process to ensure the suppliers' sourcing practices do not pose a threat to these areas. Enviva purchases primary feedstock from many of the same timber harvesting crews as its secondary feedstock suppliers. Since Enviva uses its proprietary Track &amp; Trace program to purchase primary feedstock it, by extension, has quite a bit of information about the source tracts of its secondary feedstock suppliers.</p> <p>ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment contains the work done to determine if commercial timber GMO species the supply area. This document uses many if the same sources as the FSC US CWNRA. Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment is reviewed annually to ensure Enviva is aware of changes in the supply base area. As with the FSC US CWNRA the review determine laws and enforcement does exist to prevent the establishment of commercial timber GMO species in the supply base area. Findings are incorporated into Enviva's ENV-COC-03 Controlled Wood/Controlled Source Risk Assessment and revisions to the Master Wood Purchase Agreement.</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><u>Conclusion</u> Enviva does not use genetically modified trees at any facility including Enviva.</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>Track &amp; Trace</b></li> <li>d. <b>District of Origin Process</b></li> <li>e. <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>