

nviva is thrilled to be expanding our footprint in the Gulf Coast this year. Right now we are building a new plant at Lucedale, Mississippi and a new port at Pascagoula, Mississippi, and soon we'll break ground on a new mill in Sumter County, Alabama.

The Gulf region is new to us, of course: Enviva began its first US-based operations over ten years ago in the Chesapeake region of North Carolina and Virginia. Today we operate nine pellet mills and five ports, and we ship our wood pellets around the world to customers who use them to produce energy that has a lower carbon footprint than the fossil fuels they replace. The 1,000+ people of Enviva wake up every morning and dedicate themselves to our company's mission, which is to displace coal, grow more trees, and fight climate change.

Let's dig into the "grow more trees" part of this mission.

At Enviva, we think about sustainable sourcing for good biomass from a few different angles. The first angle is climate. We work to make sure that our wood pellets are delivering real, measurable emissions reductions for our customers. and that starts in the forest. The carbon benefit of our product requires that the forests in the regions where we source are being harvested at a sustainable rate, such that forest regrowth meets or exceeds forest harvest. We also ensure that the wood we take is the lowestvalue wood, such that it would not otherwise used for longer-lived products such as furniture or construction that would store

The second angle is forest health protection: we work to ensure that when we choose to buy wood, the harvest operation

carbon over the long term.

is carried out responsibly and that the harvest decision was the right outcome for that forest at that time. This means that we have a Responsible Sourcing Policy in place to govern our wood purchases, along with the appropriate systems in place to map, and avoid where appropriate, High Conservation Value forests. It also means that we have robust due diligence processes in place, like our Track & Trace® program, to ensure that we know - prior to purchase - exactly where the wood we source is coming from.

Importantly, forest health can often be improved by targeted removal of low-value wood. A good example of this is in longleaf pine ecosystems, where the growth of hardwood beneath the open-canopy longleaf overstory can choke the understory and degrade the forest's habitat quality. Removal of that low-value material can open up the longleaf stand, improving its habitat and aesthetic value. Enviva's fiveyear partnership with the Longleaf Alliance, announced in March 2020, allows us to be absolutely certain that our sourcing from tracts with longleaf restoration will lead to measurable improvements habitat quality.

Policy in govern ood walk away from a planned operation because we believe that harvest is not the right outcome, we work hard to help landowners to find other options for that land because we know that landowners rely on their forests to generate revenue. For example, the Enviva Forest Conservation Fund is a ten year, \$5M commitment to conservation of sensitive

bottomland hardwood forests. Through the fifth year of the program in 2019, so far we've conserved over 22,000 acres of forests in North Carolina and Virginia, and we're well on track to meet our goal of conserving 35,000 forested acres in ten years.

Another program we're (HCV) especially excited about is our new partnership with Finite Carbon, North leading America's developer and supplier of forest carbon offsets. By agreeing to defer harvest for a period of time, landowners who enroll their forests

will store additional carbon. Finite's CORE platform will enable interested landowners to access the carbon offset market easily and readily, providing real, measurable forest carbon storage that will contribute to solving the climate crisis while providing landowners with an alternative source of revenue.

We're also very pleased to be an active part of the conservation community on the ground in the areas where we operate. We seek to engage directly with local conservation leaders in order to learn about the issues that are most important in each region, so that we can make sure to address those issues directly in our landowner outreach, sourcing activities, and other partnerships.

For much more on the systems and processes we have in place to ensure that we source good biomass, please see our webpage and our recent Sustainability Report. And please subscribe to our mailing list, by emailing sustainability@envivabiomass.com.

We're quite pleased to be joining the Alabama Forestry community with our new mills and port. We can't wait to get started!

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