



## Enviva LP Corporate Sustainability Policy

Enviva's mission is to become the preferred partner and supplier of sustainably sourced wood pellets and other processed woody biomass to serve power generation and industrial customers seeking to decrease their dependence on fossil fuels and reduce their carbon footprint. Enviva has been supplying wood chips and wood pellets to customers in the U.S. and Europe since 2007.

Enviva has a public commitment to sustainability which is front and center in its mission statement where by connecting biomass sources to energy consumers, Enviva will reliably provide customers throughout the world with sustainably generated, clean biomass to improve the environmental profile of energy generation.

Company-wide, Enviva's operations are designed & implemented to meet or exceed all applicable social and environmental laws – from fiber procurement, to manufacturing and logistics, to corporate policy.

This policy sets out Enviva's commitments to sustainability, both in maximizing GHG emissions reductions and minimizing environmental impacts, at every level of the supply chain.

### Fiber Procurement: The Enviva Forest Credo

Wood fiber is one of the world's greatest renewable resources. As a leading producer of wood biomass fuels, we have a special responsibility to ensure that, over time, there are more – not less – forest stocks in the areas in which we operate. That is why we only locate facilities in regions like the southeastern United States, where forest inventories are increasing and will continue to grow amidst our operations. This is fundamental to sustainable forestry, and it is at the heart of our procurement policy.

Enviva sources its wood fiber from working forests, sawmills, and other wood industry manufacturers. We are proud that our procurement activities provide essential markets for low-value wood and help keep forests forested. Our raw materials consist of:

- **Low-grade wood fiber:** Wood that is unsuitable for, or rejected by the sawmilling and lumber industries because of small size, defects (e.g. crooked, knotty, etc.), disease, or pest-infestation;
- **Tops and limbs:** The parts of trees that cannot be processed into lumber;
- **Commercial thinnings:** Harvests that promote the growth of higher value timber by removing weaker or deformed trees to reduce competition for water, nutrients, and sunlight; and
- **Mill residues:** Chips, sawdust, and other wood industry by-products.

For Enviva, sourcing wood fiber in a sustainable way means preserving soil and water quality, protecting unique and biodiverse habitats, and ensuring continuous growth of forest inventories and carbon stocks. This is a more expensive way of doing business, but it is the right thing to do.

Our procurement policy is based on five pillars, which we call ethics:

- **Our Legal Ethic:** Enviva's employees, suppliers, and subcontractors comply with all applicable federal, state, and local environmental laws. We require and audit adherence to forestry Best Management Practices (BMPs) in order to protect water quality, promote soil conservation, and ensure long-term forest productivity.

- **Our Land Ethic:** Enviva recognizes that the US has established a strong forest stewardship record, successfully managing forests for wildlife habitat, recreation, wood production, and investment. Our wood comes from working forests where landowners grow trees in order to cut, sell, and regrow them. We know that healthy markets for wood create thriving forests and help to prevent the worst outcome of all for forestland – land use change. We believe that forests should continue to be forests after harvest, so we do not accept fiber from forests that the landowner intends to convert to another use.

We also know that there are special places in the woods that should remain so. That can be subjective, so we have drawn some bright lines: We do not harvest or source from primary forests or other areas of special concern that we have identified in partnership with leading conservation organizations.

- **Our Harvest Ethic:** Since we are a supplier of low-carbon fuel, our activities must promote increased forest carbon absorption. We only procure wood and residues that cannot be used for solid wood products (like lumber or furniture) and would otherwise be left in the forest. We prefer to buy raw materials that have the greatest positive impact on carbon storage (e.g. sawmill residuals or tops and limbs left in the forest). This means we do not source stumps, root systems, or sawlogs for our own use. Our facilities are incapable of processing trees greater than 26" in diameter. If a sawlog does inadvertently enter one of our sites, it is segregated and then remerchandised through fiber exchanges with local sawmillers.

In forests where the land is wet for one or more seasons of the year, including permanent wetlands, Enviva suppliers take extra care by using specialized harvesting equipment and techniques that minimize environmental impacts and protect soil and water quality.

- **Our Certification Ethic:** Independent forest certification programs provide a consistent and transparent framework for evaluating the sustainability of a company's operations, from forest to product. We believe that landowner certification of forestland is a good thing, and we pay more for fiber from certified forests. We engage in ongoing land owner outreach and make direct investments to support certifications of forestlands. But as we continue working to improve the total percentage of lands certified, we also ensure that non-certified fiber comes from responsible sources. Enviva secures and maintains certifications by the Forest Stewardship Council™ (FSC®), the Program for the Endorsement of Forest Certification (PEFC), and the Sustainable Forestry Initiative® (SFI®) (Chain of Custody Standard Requirements as well as SFI Certified Sourcing Certification

- **Our Track and Trace Ethic:** Having policies in place is not good enough; we have to be able to regularly confirm that we and our suppliers are doing the right thing. In addition to our rigorous internal supply chain audits and the traditional third-party audits and certifications that the forest product industries have employed for years, our fiber supply and sustainability teams are implementing a "track and trace" system that allows us to specifically identify the source of our fiber to the truck load and to further monitor and audit our procurement activities. We pay particular attention to: land use change, use and effectiveness of BMPs, wetlands, biodiversity, and certification status.

These ethics form the foundation of our commitment to protecting the environmental, social, and economic benefits of working forests. They inform everything we do when we source wood – and, importantly, what we do not do. They are essential to who we are as a company.

## Greenhouse Gas Reduction

In addition to being audited against rigorous and well-respected forestry certifications, all Enviva-owned facilities are certified to the Green Gold Label (GGL) program, which is a European-based program that covers chain-of-custody, processing, and green house gas accounting. Certification under GGL ensures that the sourcing, handling and processing of wood fiber to make wood pellets results in high quality pellets made from fiber from responsible sources. In addition, the program calculates a GHG footprint from forest to end-user, to ensure the use of wood pellets for energy production results in significant reductions of GHG emissions.

Enviva also carefully scrutinizes and documents the carbon emissions of our entire supply chain and commits to lowering our footprint. Our company also submits greenhouse gas emissions data to government authorities in order to meet increasingly stringent standards and carbon-emissions thresholds of the countries where our customers operate. All facilities and partners are audited annually for both carbon and energy balance by well-known third party audit firms such as Société Générale de Surveillance (SGS) and Control Union.

## Independent Verification & Continual Improvement

To help implement and achieve the above Standards, Enviva has developed and adopted appropriate documents, manuals and procedures to guide its emissions tracking, fiber sourcing, tracking of certified forest content, and making off-product promotional claims. Enviva is regularly audited by third-party, independently accredited certification bodies to verify on-going conformance with all applicable standards.

The company is committed to annually monitor and review the effectiveness of its Sustainability Policy and associated programs to continually improve and broaden the practice of sustainable forestry and improve greenhouse gas reductions.

## Logistics

At Enviva we recognize that transportation and shipping contribute to our overall green house gas emissions. We seek to minimize transportation emissions by sourcing biomass in close proximity to our facilities and we strive to locate our manufacturing facilities close to waterways and major ports. Additionally, we will actively support those partners attempting to replace traditional, high emission fuel with low emission alternative fuels such as natural gas and biodiesel and seek to maximize the lot size of overseas transport to minimize total emissions.

## Manufacturing

Enviva designs facilities to maximize overall efficiency. Where appropriate we will redesign and/or upgrade our manufacturing operations in order to further lessen our environmental impact by seeking out other low-emission, low-impact equipment throughout the manufacturing process, such as using biomass fuel for all drying operations at our mills.

## Corporate

We commit to reducing Enviva's environmental impact and our carbon footprint through a variety of initiatives, including the reduction of electricity and resource usage, seeking out ways of reducing corporate travel, and minimizing office waste.

John Keppler, CEO  
Enviva LP