

# SCS Global Services Evaluation of Enviva Pellets Sampson, LLC. Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

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## Completed in accordance with the CB Public Summary Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see  
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# 1 Overview

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Current report completion date: 02/Jul/2019

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Name of the Company: Enviva Pellets Sampson, LLC.

Company contact for SBP: Don Grant, 984-89-3642 ext 1069, don.grant@envivabiomass.com

Certified Supply Base: Counties in North Carolina, South Carolina and Virginia

SBP Certificate Code: SBP-04-06

Date of certificate issue: 31/Jan/2017

Date of certificate expiry: 30/Jan/2022

This report relates to the Third Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Production of wood pellets, for use in energy production, at Enviva Pellets Sampson and transport to the North Carolina State Ports Authority for storage, aggregation, vessel loading and shipping. It also covers a Supply Base Evaluation for the sourcing of feedstock from the states of North Carolina, South Carolina, and Virginia. Includes communication of Dynamic Batch Sustainability (DBS) Data.

The scope of this surveillance audit included a review of procedures, documentation, records and databases to ensure the organization's management system is appropriate to ensuring conformance to SBP Standards 1, 2, 4, and 5. Other audit methods used were field audits, site walkthrough of pellet mill and interviews with relevant staff, port representative and supplier representatives. The evaluation included a review of documentation such as the Supply Base Report including the Risk Assessment, PEFC DDS, supplier contracts and SAR, among others.

### 3 Specific objective

The specific objective of this surveillance audit was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of SBP Standards 1: Feedstock Compliance Standard, 2: Verification of SBP-compliant Feedstock, 4: Chain of Custody, and 5: Collection and Communication of Data (including Instruction Documents 5A: Collection and Communication of Data, 5B: Energy of GHG Data, 5C: Static Biomass Profiling Data, 5D: Dynamic Batch Sustainability Data) are implemented across the entire scope of certification. This was achieved by review of risk assessments, procedures, GHG and other data, observation of harvest sites, BP facility and Port facility. Interviews with key personnel and stakeholders were also conducted.

The following critical control points were identified and evaluated:

\*Feedstock procurement: All wood delivered to the mill is tracked in a centralized system. Prior to delivery of round-wood, in-woods chips, residual chips and saw dust to the scale house, the owner name, district of origin (Lat/Long), product type, etc. are obtained from the supplier. All vendors are required to execute a Master Wood Purchase Agreement with specific terms and conditions.

\*Storage and processing: Roundwood is processed into wood pellets by being chipped, dried, hammered, and extruded into pellets and the bark is used as boiler fuel to dry feedstock. In woods chips and secondary residuals are hammered and pelletized. The conversion factors used to allocate the Roundwood, thinning, in-wood chips and secondary residuals into pellets are reasonable.

\*Volume Accounting: The procedures detail the process to properly maintain the volume credit spreadsheet, with provisions for subtracting certified product sold and for carrying only the past 12 months of credits, in accordance with PEFC standards.

\*Outgoing transactions: Invoices are issued, and all outgoing transactions of SBP-certified biomass are recorded in the DTS

\*Energy data collection and reporting: The organization developed and maintains databases to record data values and calculate energy data as required by Standard 5 and keeps records that substantiate the data.

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

### 4.2 SBP-endorsed Regional Risk Assessment

Not Applicable

## 5 Description of Company, Supply Base and Forest Management

### 5.1 Description of Company

Enviva Holdings, LP (“Enviva”) owns and operates seven plants in the south eastern United States. The design capacity of Enviva Pellets Sampson, LLC. is approximately 500,000 metric tons of pellets per year. Enviva Pellets Sampson, LLC. employs 80 people, including technicians, engineers, and operators. The Enviva Sampson pellet mill is located near Faison, NC in Sampson County. Manufacturing begun in mid-2016 and in the annual production for 2018 was 428,434 metric tonnes of pellets. Pellets are transported by truck to the North Carolina State Ports Authority in Wilmington, NC for export to customers. In exceptional circumstances pellets may be transported to the Port of Chesapeake.



## 5.2 Description of Company's Supply Base

Enviva operates one pellet mill in Sampson County, North Carolina under the name Enviva Pellets Sampson, LLC. Its supply base encompasses a total area of 10.8 million hectares of timberland within North Carolina, South Carolina and Virginia and is referred to as Wilmington Supply base area.

99.4% of feedstock is sourced directly from the forest in the form of low-grade roundwood or woodchips, all of which are vetted and qualified prior to delivery. Suppliers must sign a contract with Enviva Sampson prior to first delivery. This contract requires suppliers to use duly-trained loggers during harvest, follow Best Management Practices (BMPs) for water and soil quality, and to avoid controversial sources of fiber, such as illegal logging, wood harvested in violation of traditional and civil rights, wood harvested in forests converted to plantations or non-forest use, and wood from forests in which genetically modified trees are planted.

Enviva may use forest residues, such as tree tops, limbs, deformed trees and any other wood produced during harvest that is otherwise unacceptable to other wood users in the area. Enviva's sourcing does not directly compete with other forest product industries since there are few economically viable options for low-grade material outside of pulp & paper. Due to structural changes in the pulp & paper industry and shifting demand for pulp & paper products, Enviva can accept low-grade hardwood material that used to be sold almost exclusively to local pulp mills. However, it warrants mention that pulp & paper still represents the dominant use of low-grade material with there being at least three mills within the procurement radius of Enviva Sampson. Enviva does not use sawlogs in the production of pellets, nor does the plant use any construction debris, treated wood, or post-consumer material.

The Sampson mill sources a small amount of secondary feedstock (.6%) from sawmills or 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.

Additional details are provided in the Enviva Sampson Supply Base Report (SBR), which can be found on its website at the following address:

<http://www.envivabiomass.com/wp-content/uploads/Enviva-Pellets-Sampson-LLC-SBP-Supply-Base-Report-Annex-1.pdf>

## 5.3 Detailed description of Supply Base

The supply base:

- Includes 10.8 million hectares of timberland.
  - Approximately 52% mixed hardwoods and 48% conifer species.
  - Growth to Drain Ratio for all species is 1.83:1, 2.88:1 for Hardwood and 1.64:1 for Conifers
  - Currently Enviva Sampson sources predominantly primary material and 0.6% secondary feedstock.
  - In 2017, pellet industry used 0.2% of regions standing forest inventory.
  - Approximately 90% of the timberland is privately held
  - Enviva employs approximately 100 people in region and support an additional 50 forest related jobs.
- A quantitative description of the Supply Base can be found in the Enviva Sampson's Supply Base Report (SBR).

## 5.4 Chain of Custody system

Enviva has implemented documented Chain of Custody (COC) procedures to determine feedstock compliance to SBP requirements. The organization uses its PEFC COC certificate covered by Enviva's group certificate, NSF-PEFC-COC-C0246258, as the base for its SBP control system. All wood, both primary and secondary feedstock, is tracked from the district of origin, through the pellet mill, and to the port. Feedstock is brought in via trucks to the mill. The feedstock is segregated by type; woodchips, roundwood, and bark/saw dust (used in the dryer). After pelletizing the material is loaded into trucks and transported to the Port of Wilmington, NC for aggregation and loaded onto a ship. The legal point of sale is at the loading of the ship. Enviva uses a database to gather and control information related to feedstock such as supplier name, logger, scale tickets, fibre type, certification, and district of origin. This database can appropriately track output volumes. Trademark/logo use is controlled from the Enviva Head Office and will not be used by Enviva Sampson.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

|  |  |                           |
|--|--|---------------------------|
| <b>Site Name or Location:</b>                                  | Enviva Sampson   |                           |
| <b>Date and Time of Audit:</b>                                 | June 25-27, 2019   |                           |
| <b>Audit Activity</b>  | <b>Items to Review / Actions</b>   | <b>Approx. Start Time</b> |
| <b>Day 1</b>   |  |                           |
| Opening meeting  | Introductions, auditor review of audit scope, audit plan and intro/update to SBP, FSC, and SCS standards and protocols, client description of organization   | <b>June 25</b><br>8:30 AM |
| Review of previous nonconformities                             | Review of evidence of corrective actions taken by organization since previous audit (records, documents, pictures, etc.)   | 9:00 AM                   |
| Review of CoC/SBP procedures, products and material accounting | Written procedures, work instructions, feedstock description (see ID 5B section 4), product group list, accounting system (transfer, percentage or credit; physical separation, percentage method)   | 9:30 AM                   |
| Review of material balances and records                        | Auditor-selected sample of the following: material tracking system, summary of purchases and sales, invoices, shipping documents, training records, outsourcing agreements, other applicable SBP/CoC systems, procedures and records, tracebacks from certified outputs to eligible inputs | 11:00 AM                  |
| Lunch  | Lunch TBD  | 12:00 PM                  |
| Verification of calculations                                   | Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable   | 1:00 PM                   |
| Evaluation of trademarks                                       | Review of auditor-selected sample of SBP/FSC/PEFC and/or SCS on-product and/or promotional trademark uses; review of any on-site trademark uses such as banners, posters, entryway signs   | 2:00 PM                   |
| SBP ST 5, ID5A, ID5B, & ID5C                                   | Review of GHG data collection (onsite)   | June 25-27                |
| Walkthrough of facility  | Review of physical inputs and outputs, material receipt, processing, storage, credit account (if applicable), sale, and overall control  | 3:00 PM                   |
| Staff interviews (During facility tour)                        | Interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position  | June 25-27                |
| Closing meeting and review of findings                         | Convene with all relevant staff to summarize day's audit findings and discuss next day's plan  | 4:30 PM                   |
|  |  |                           |
| <b>Day 2</b>   |  |                           |
| Field visits   | Sampled harvest sites-(3 Sites Selected)<br>(Lunch stop included in harvest site visits)   | <b>June 26</b><br>8:00 AM |
| Staff Interviews (Sampson)                                     | Enviva Sampson: Interviews with EHS Manager and Human Resources Manager (or designated representatives)  | 3:00 PM                   |
| Closing meeting and review of findings                         | Convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next day's plan  | 4:00 PM                   |
|  |  |                           |
| <b>Day 3</b>   |  |                           |
|  | Agenda Review (2 Sawmills Selected) – Supplying secondary (2 secondary suppliers in total)   | <b>June 27</b><br>8:30 AM |

|  |   |          |
|--|---|----------|
| Secondary/Tertiary Supplier Interviews (Conducted via Phone) |   |          |
| Travel to Port of Wilmington                                 | Travel Distance approximately 76 miles (1 hour 15 minutes)  | 9:30 AM  |
| Staff Interviews (Port)                                      | Wilmington Port: Interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position              | 10:45 AM |
| Lunch  | Lunch-TBD   | 12:00 PM |
| Walkthrough of facility (Port)                               | Wilmington Port: Review of physical inputs and outputs, material receipt, processing, storage, credit account (if applicable), sale and overall control | 1:30 PM  |
| Closing meeting and review of findings                       | Convene with all relevant staff to summarize day's audit findings and discuss next steps  | 4:00 PM  |
| End  |   |          |

**VI.**

|                                   |  |                           |
|-----------------------------------|--|---------------------------|
| <b>Site Name or Location:</b>     | Enviva Sampson   |                           |
| <b>Date and Time of Audit:</b>    | June 28, 2019 ( <i>desk audit</i> )  |                           |
| <b>Audit Activity</b>             | <b>Items to Review / Actions</b>   | <b>Approx. Start Time</b> |
| Opening meeting                   | Introductions, auditor review of audit scope, audit plan and intro/update to SBP, FSC, and SCS standards and protocols, client description of organization | 10:00 AM-1:00 PM (EST)    |
| SBP ST 5, ID5A, ID5B, ID5C & ID5D | Review of GHG data collection and interviews with relevant staff   |                           |

## 6.2 Description of evaluation activities

The onsite Surveillance Audit was conducted over the course of four days and included an audit of the Supply Base Evaluation, Documented Management System, Collection and Communication of Greenhouse Gas data, site tour, port tour and procurement sites.

Audit methods consisted of review of documentation, studies, assessments, surveys, websites, and staff interviews. The site tour and visits were evaluated by review of documentation, monitoring results, observations, and interviews. Most time was spent on the Supply Base Evaluation. Equal time was spent on the Documented Management System and Greenhouse Gases.

## 6.3 Process for consultation with stakeholders

Third Surveillance audit – 2018 Update: The Sampson Supply Base Area is unchanged, no additional formal stakeholder consultation required. Enviva is proactive in terms of stakeholder engagement throughout the year.

In 2019, Enviva is collaborating with the NC Coastal Land Trust on two longleaf pine restoration projects. One project involved clearcutting a young loblolly stand in preparation to plant longleaf; to support the restoration work, Enviva paid a little extra hauling cost. The other project will involve thinning a loblolly and

longleaf stand on a privately-owned tract under a conservation easement near the Croatan National in order to restore habitat for red cockaded woodpeckers (which are present on nearby tracts on the Croatan NF).

SCS relies on its Master Stakeholder List, which contains stakeholders that are identified by type, e.g. ENGO, Government/regulatory, Educational/Academic, Industry, Indigenous/Aboriginal/Tribal, etc... This list is categorized by country and state/province at the very least, and for this consultation was filtered to omit any stakeholders that were not geographically relevant to the certificate-holder/applicant's supply area(s). A stakeholder notification is sent out to all identified stakeholders after the BP's stakeholder consultation period has ended. Stakeholder comments that are received outside of regular stakeholder consultation periods are fully taken into account. SCS did not conduct a stakeholder consultation for this audit project. No other comments from stakeholders came to the attention of SCS.

## 7 Results

### 7.1 Main strengths and weaknesses

The main strengths of the Enviva Sampson include an effective greenhouse gas record keeping system. The Sustainability and Procurement personnel involved in the SBP program at Enviva Sampson are knowledgeable and demonstrated understanding of SBP procedures. The Enviva organization maintains an effective tracking program (Track and Trace) for all suppliers of primary and secondary feedstock. The Enviva organization has demonstrated through its FSC/PEFC/SFI chain of custody certifications, FSC Controlled Wood certification and SFI Fiber Sourcing certification detailed procedures and commitment by management to source fiber sustainably. The organization has demonstrated its commitment to conservation by the establishment of Conservation Fund with documented achievements. The weaknesses are described in section 10.

### 7.2 Rigour of Supply Base Evaluation

Enviva has developed a detailed SBE including a clear description of the Supply Base Area. The geographical scope of the SBE for the Wilmington supply base includes counties from the coastal plains to the piedmont regions of North Carolina, South Carolina and Virginia of the United States of America for primary and secondary feedstock. A sample of purchase orders (contracts) and Enviva Track & Trace data was reviewed to ensure that fiber is sourced from within the SBE scope. The SBE was developed internally by qualified personnel using credible third-party data sources (e.g., USDA Forest Service FIA data), as well as existing management and monitoring systems implemented to meet other voluntary standards and designed to ensure compliance with applicable laws and regulations.

Risk was designated low for all core Indicators. Enviva developed control systems and procedures to determine low risk as described in the SBE and SBR. The primary method of control is through the HCV Tract Approval Process. The first step involves comparing GIS data of wetlands, natural heritage information, soil series, and other publicly available data layers to maps of each proposed harvest site. If risk is specified, then Enviva completes an HCV Tract Approval form, which frequently involves a site-level visit to determine the extent of the identified HCV. Enviva's Trace & Trace System is used to evaluate and monitor a sample of active and completed harvest operations.

*The Supply Base Evaluation was updated in 2019 based on approval of FSC US Controlled National Risk Assessment.* Enviva used the FSC US Controlled Wood National Risk Assessment V1-0 D3-0, stakeholder engagement, its third party certified PEFC/SFI Due Diligence System and FSC Controlled Wood Risk Assessment to continually improve the SBE. Various third party data sources were also used for research in the region such as; Forest Stewardship Council, The Nature Conservancy, United States Forest Service, United States Department of Labor, United States Department of Environmental Protection, State Forest Service Divisions, National Council for Air and Stream Improvement, World Wildlife Fund, World Bank Governance Index, Illegal Logging Portal, Transparency International Conservation International, World Resources Institute, Convention on International Trade in Endangered Species, International Union for Conservation of Nature and the Databasin web mapping tool. Risk was designated low for all core indicators, except 2.1.1, 2.1.2, 2.2.3, 2.2.4 and 2.4.1.

SCS Global Services conducted a review of the SBE process and concluded that the control systems in place meet the SBP standard requirements during the surveillance audit.

## 7.3 Collection and Communication of Data

Enviva Pellets Sampson has a comprehensive database where all Greenhouse Gas data is compiled and maintained. All compilation is conducted by personnel at Enviva corporate in Bethesda, MD. Records and data are maintained separately for each facility under the Enviva umbrella. For Enviva Pellets Sampson, energy use is invoiced by the month and requires adjustment to match the reporting period for electricity. Other energy use, diesel, does not require adjustments.

## 7.4 Competency of involved personnel

The SBE was completed by Enviva's in-house fiber procurement group who has local forestry experience and knowledge of ecological and social values associated with the supply base, applicable laws and regulations, business management practices, operation of suppliers, and the local forest resource.

Enviva's management and control systems for SBP are the same as those used to meet the SFI/PEFC CoC, which have been in place since 2012. Key personnel tasked with implementing and maintaining the management and control systems relating to SBP compliance are well trained and competent. Enviva assigned management with appropriate skills and competency to implement and execute the management and control systems relating to SBP compliance. Management interviewed during the assessment were found to be knowledgeable of the SBP requirements.

## 7.5 Stakeholder feedback

SCS did not conduct a stakeholder consultation and no additional comments were brought or came to the attention of the auditors.

## 7.6 Preconditions

Not Applicable

## 8 Review of Company’s Risk Assessments

*Describe how the Certification Body assessed risk for the Indicators. Summarise the CB’s final risk ratings in Table 1, together with the Company’s final risk ratings. Default for each indicator is ‘Low’, click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.*

Review of updated Assessment of Risk designated all core indicators as low, except 2.1.1, 2.1.2, 2.2.3, 2.2.4 and 2.4.1. Risk ratings were determined by reviewing the SBE, SBR and other supporting evidence such as Feedstock Compliance Implementation Manual, Controlled Wood Controlled Source Risk Assessment, Chain of Custody Procedures, supplier agreements and verification through field visits and interviews. No SVP is required.

**Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.**

| Indicator | Risk rating (Low or Specified) |           |
|-----------|--------------------------------|-----------|
|           | Producer                       | CB        |
| 1.1.1     | Low                            | Low       |
| 1.1.2     | Low                            | Low       |
| 1.1.3     | Low                            | Low       |
| 1.2.1     | Low                            | Low       |
| 1.3.1     | Low                            | Low       |
| 1.4.1     | Low                            | Low       |
| 1.5.1     | Low                            | Low       |
| 1.6.1     | Low                            | Low       |
| 2.1.1     | Specified                      | Specified |
| 2.1.2     | Specified                      | Specified |
| 2.1.3     | Low                            | Low       |
| 2.2.1     | Low                            | Low       |
| 2.2.2     | Low                            | Low       |
| 2.2.3     | Specified                      | Specified |
| 2.2.4     | Specified                      | Specified |
| 2.2.5     | Low                            | Low       |
| 2.2.6     | Low                            | Low       |
| 2.2.7     | Low                            | Low       |
| 2.2.8     | Low                            | Low       |
| 2.2.9     | Low                            | Low       |

| Indicator | Risk rating (Low or Specified) |           |
|-----------|--------------------------------|-----------|
|           | Producer                       | CB        |
| 2.3.3     | Low                            | Low       |
| 2.4.1     | Specified                      | Specified |
| 2.4.2     | Low                            | Low       |
| 2.4.3     | Low                            | Low       |
| 2.5.1     | Low                            | Low       |
| 2.5.2     | Low                            | Low       |
| 2.6.1     | Low                            | Low       |
| 2.7.1     | Low                            | Low       |
| 2.7.2     | Low                            | Low       |
| 2.7.3     | Low                            | Low       |
| 2.7.4     | Low                            | Low       |
| 2.7.5     | Low                            | Low       |
| 2.8.1     | Low                            | Low       |
| 2.9.1     | Low                            | Low       |
| 2.9.2     | Low                            | Low       |
| 2.10.1    | Low                            | Low       |



|       |     |     |
|-------|-----|-----|
| 2.3.1 | Low | Low |
| 2.3.2 | Low | Low |

**Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.**

| Indicator | Risk rating (Low or Specified) |     |
|-----------|--------------------------------|-----|
|           | Producer                       | CB  |
| 1.1.1     | Low                            | Low |
| 1.1.2     | Low                            | Low |
| 1.1.3     | Low                            | Low |
| 1.2.1     | Low                            | Low |
| 1.3.1     | Low                            | Low |
| 1.4.1     | Low                            | Low |
| 1.5.1     | Low                            | Low |
| 1.6.1     | Low                            | Low |
| 2.1.1     | Low                            | Low |
| 2.1.2     | Low                            | Low |
| 2.1.3     | Low                            | Low |
| 2.2.1     | Low                            | Low |
| 2.2.2     | Low                            | Low |
| 2.2.3     | Low                            | Low |
| 2.2.4     | Low                            | Low |
| 2.2.5     | Low                            | Low |
| 2.2.6     | Low                            | Low |
| 2.2.7     | Low                            | Low |
| 2.2.8     | Low                            | Low |
| 2.2.9     | Low                            | Low |
| 2.3.1     | Low                            | Low |
| 2.3.2     | Low                            | Low |

| Indicator | Risk rating (Low or Specified) |     |
|-----------|--------------------------------|-----|
|           | Producer                       | CB  |
| 2.3.3     | Low                            | Low |
| 2.4.1     | Low                            | Low |
| 2.4.2     | Low                            | Low |
| 2.4.3     | Low                            | Low |
| 2.5.1     | Low                            | Low |
| 2.5.2     | Low                            | Low |
| 2.6.1     | Low                            | Low |
| 2.7.1     | Low                            | Low |
| 2.7.2     | Low                            | Low |
| 2.7.3     | Low                            | Low |
| 2.7.4     | Low                            | Low |
| 2.7.5     | Low                            | Low |
| 2.8.1     | Low                            | Low |
| 2.9.1     | Low                            | Low |
| 2.9.2     | Low                            | Low |
| 2.10.1    | Low                            | Low |

## 9 Review of Company’s mitigation measures

| Indicator  | Risk Assessment   | Management system   |
|--|---|---|
| <p>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.</p>                 | <p>The US does not have an SBP approved regional risk assessment that fully considers all of the indicators.</p>  | <p>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</p>  |
| <p>2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</p> | <p>Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management systems or mitigation measures cannot be implemented to reduce risk.</p> | <p>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</p>  |
| <p>2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>                              | <p>Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside</p>              | <p>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 their reach into additional areas of conservation . Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p> |

|  |  |   |
|--|--|---|
| <p>2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</p>  | <p>Related to 2.1.1 Identification of areas with biodiversity concerns is necessary to begin the process of identifying if they are properly protected</p>   | <p>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 their reach into additional areas of conservation<br/>Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p> |
| <p>2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).</p> | <p>Related to 2.1.1 Identification of forest ecosystems that provide key services is necessary to ensure proper control systems are employed to ensure forest health, vitality and other services are maintained</p> | <p>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. Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p>                     |

## 10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

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| <b>NC number</b> OBS 1  | <b>NC Grading:</b> Observation   |
| <b>Standard &amp; Requirement:</b>  | SBP Framework Standard 1: Feedstock Compliance V1.0, 2.2.6<br>SBP Framework Standard 1: Feedstock Compliance V1.0, 2.2.2 |
| <b>Description of Non-conformance and Related Evidence:</b>   |  |
| Site inspection for #1520 confirmed no use of water-bars to prevent soil movement on intermittent stream. Impact to water quality observed and noted within organizations inspection documents. Organization confirmed contractor will bring equipment and build water diversions/bars as recommended. Field Site Visit and Interview with key personnel. |  |
| <b>Timeline for Conformance:</b>  | By the next surveillance audit, but no later than 12 months from report finalisation date                                |
| <b>Evidence Provided by Company to close NC:</b>  | <i>Click or tap here to enter description provided by Company to close the NC.</i>                                       |
| <b>Findings for Evaluation of Evidence:</b>   |  |
| <b>NC Status:</b>   | Open   |

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| <b>NC number</b> OBS 2                                      | <b>NC Grading:</b> Observation                             |
| <b>Standard &amp; Requirement:</b>                          | SBP Framework Standard 1: Feedstock Compliance V1.0, 2.2.9 |
| <b>Description of Non-conformance and Related Evidence:</b> |  |

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| Field site inspection of #1596 observed 5-gallon bucket of oil left on site with no lid. No evidence of spill, but future rainfall will over-flow product to ground. Observations at other sites inspected confirmed no waste disposal or spills of hydro carbons. |   |
| <b>Timeline for Conformance:</b>   | Other   |
| <b>Evidence Provided by Company to close NC:</b>   | <i>Click or tap here to enter description provided by Company to close the NC.</i>    |
| <b>Findings for Evaluation of Evidence:</b>  | <i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i> |
| <b>NC Status:</b>  | Open  |

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| <b>NC number</b> OBS 3   | <b>NC Grading:</b> Observation  |
| <b>Standard &amp; Requirement:</b>   | SBP Framework Standard 1: Feedstock Compliance V1.0, 6.1                              |
| <b>Description of Non-conformance and Related Evidence:</b>  |   |
| Review of hyper-links within Appendix III for selected sites not available. Links to following sites not operational:<br>1) Virtual Library: Forestry<br>2) NCFA ProLogger Search Database<br>3) SC TOP Logger Program |   |
| <b>Timeline for Conformance:</b>   | Other   |
| <b>Evidence Provided by Company to close NC:</b>   | <i>Click or tap here to enter description provided by Company to close the NC.</i>    |
| <b>Findings for Evaluation of Evidence:</b>  | <i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i> |
| <b>NC Status:</b>  | Open  |

## 11 Certification decision

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| <b>Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:</b> |   |
| <b>Certification decision:</b>   | Certification approved                  |
| <b>Certification decision by (name of the person):</b>   | Sebastian Häfele                        |
| <b>Date of decision:</b>   | 11/Sep/2019                             |
| <b>Other comments:</b>   | <i>Click or tap here to enter text.</i> |