SBP

Sustainable Biomass Program

Supply Base Report: DSHwood A/S

First Surveillance Audit

www.sbp-cert.org

Completed in accordance with the Supply Base Report Template Version 1.2

For further information on the SBP Framework and to view the full set of documentation see 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

Contents

1 Overview

Producer name: DSHwood A/S

Producer location: Glarmestervej 7, 7000 Fredericia

Geographic position: 55.544054, 9.693172

Primary contact: Erik T. Kjær, +45 23449555, etk@dshwood.com

Company website: www.dshwood.com

Date report finalised: 12/Sep/2017

Close of last CB audit: 18/Sep/2017 Fredericia, Denmark

Name of CB: NEPcon

Translations from English: Yes

SBP Standard(s) used: Standard 1 version 1.0, Standard 2 version 1.1, Standard 4 and Standard 5

Weblink to Standard(s) used: http://www.sbp-cert.org/documents/standards-documents/standards

SBP Endorsed Regional Risk Assessment: SBP risk assessment Denmark RRA DRAFT 15SEP16

Weblink to SBE on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	**First Surveillance**	**Second Surveillance**	**Third Surveillance**	**Fourth Surveillance**
☐	**X**	☐	☐	☐

2 Description of the Supply Base

2.1 General description

The Danish Forest area

According to Danmarks Statistik (2014) is the Danish forest area measured to 620.500 ha, equivalent to 14.4% of the country's total area. Approximately 75% of forest land is owned by private, and the last 25% owned by public organizations.

Denmark

	Number	***%***
Total	24.142	100
0,5 - 19,9 ha	21.570	89,3
20,0 - 49,9 ha	1.335	5,5
50,0 - 99,9 ha	579	2,4
100,0 - 249,9 ha	365	1,5
250,0 - 499,9 ha	145	0,6
Over 500,0 ha	148	0,6

Table 1. The number of forest properties in Denmark by size (Thomas Nord-Larsen et al)

Denmark

	Ha	***%***
Total	620.500	100
Private, person	365.786	59
Private, company	64.723	10
Fund or Foundation	27.696	4
State Forest	115.085	19
Other state Forest	7.953	1
Other public	27.260	4
Uknown	11.997	2

Table 2. Distribution of forest area by ownership type (Thomas Nord-Larsen et al)

The total growing stock in the Danish forest is 130 million m^3 equivalent to 209 m^3/ha. The largest share of the total growing stock is hardwood (57%), while softwood is 43%. From 2000 until today, have the total growing stock in the Danish forests increases significantly. The reason to the increase can be found in a growing forest area and probably a greater growing stock per hectare.

Net growth in the period 2010-2014 was approximately 2.9 million m^3 / year. In the same period was the felling amounted to 4.8 million m^3 / year. The total average annual increase has been 7.7 million m^3 / year.

Supply Base

The terrestrial environment of Denmark is divided between two EU biogeographical regions by means of a north-south divide through the middle of the Jutland Peninsula: 1) the Atlantic region, covering the western part of Jutland and the Continental region, and 2) the Continental region covering the eastern part of Jutland and Denmark's islands. These regions are used by the Danish Nature Agency under the Ministry of the

Environment and Food to the EU Commission to report on the status and management results of Natura 2000 conservation areas.

In the early 1800's, the forest cover in Denmark is estimated to have been as low as 3-4% of the total land area. Deforestation was caused by logging for timber and firewood and for animal grazing areas. Denmark's first forest legislation came into force in 1805. Its main objective and as wells as following Danish forest acts, have been to maintain the forest covered area and to protect the existing forest from overexploitation, premature felling and grazing by farm animals. In the mid nineteenth century, intensive forest management became widespread and large afforestation projects were carried out. Today approximately 14% (615,000 hectares) of Denmark's land area is covered by various types of forest.

According to the Danish Nation Forest Inventory, conducted by the Danish Nature Agency, 41% of Denmark's forest area is dominated by deciduous trees, 39% by coniferous tree species, 11% by a mixed coniferous and deciduous tree species, 5% are Christmas tree plantation (located within all the above forest types) and 4% of the area is unstocked, e.g., log loading and landing yards, fire prevention areas etc. Furthermore, 67% of the Danish forest area is covered with even-aged planted stands with 9% being even-aged stands from natural regeneration and 6% of the forest area is uneven-aged natural forest. The latter represent pockets forests that would be closest to what is considered of natural forest stands having retained or regained natural forest characteristics; which can be found in forests both under private and public ownership and they are predominantly located in the Continental region (east Jutland and the isles). The location of these natural forest stands are generally well-known, but some may still be unidentified.

Of Denmark's 615,000 hectares of forest, 440,000 hectares are managed as forest reserves (called 'fredskov' in Danish) governed under the Danish Forest Act. The Forest Act permits forest management activities within these areas; however, Article 8 (see Category 1 for more details) requires the managed area shall maintain continuous forest cover, that a maximum of 10% of the forest area can be used for short rotation Christmas trees or greenery production (e.g., cuttings typically from *Abies procera*), and another maximum of 10% of the area can be used for coppicing or for animal forest grazing. The Forest Act also protects streams and wetlands in forests that are not covered by the Nature Protection Act nor under the Ministry of Environment or local authorities. It stipulates that lakes, bogs, heaths, species-rich grasslands, coastal grasslands and swamps located in "fredskov" forest reserve may not be planted or cultivated, drained or in other way changed. It is also important to note the Forest Act does not include many measures relating to forest techniques, e.g. harvesting, planting or thinning (also see Category 1).

There are 79,000 hectares of forests designated as Natura 2000 areas (13% of the Danish forest area) which have some overlap with the 74,900 hectares' forests and other natural areas designated under the EU Habitat Directive, 51,500 hectares under the EU Birds Directive and 13,900 hectares as Ramsar sites. A harvest permit must be obtained from the Danish Nature Agency to conduct any timber harvesting activities within Natura 2000 forests; permits are given with the proviso that the natural condition of the forest will not deteriorate and issuing permits is more an exception than common practice.

In relation to HCV category 3, it is worth noting that although the Forest Act §25 sets provisions for registering *'especially valuable forest*s' i.e., valuable in terms of their biodiversity and conservation value, and accompanying appropriate conservation management activities for these areas, these areas have not yet been registered by the Danish Nature Agency. Danish forests biodiversity and conservation values have been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen

University through a sampling methodological approach. Therefore, not all forest management areas have been systematically surveyed, particularly small privately forests area. The task of systematically surveying 'especially valuable forests' will be carried out by the Danish Nature Agency in the years 2016 - 2019.

Forest ownership in Denmark are divided by private forests owners, (70%), State and Municipal owners (24%), trust funds or foundations (4%) and unknown owners (2%).

Biodiversity in Danish forests

Due to its historical context, most Danish forests have been exposed to some level of forest management activities, varying from low impact to very intensive forestry. Today the majority of Denmark's forests are semi-natural ecosystems of composing of either native or exotic tree species, interspersed with a few small pockets of (recovered or remnant) natural forest-like stands. Although the forests area has increased over the last two centuries from 3-4% to more than 14%, the nature value of the pre-1800 forest stands have decreased significantly. This is due to intensive forest management practices aiming to manage even-aged, single-tree species stands. Examples of some the detrimental effects of intensive forest management practices include depleting or draining natural hydrology levels, extensive soil cultivation, eutrophication, removal of mature and over-mature trees and deadwood, semi or natural forest stand replacement with exotic species, coppicing and animal grazing.

Since the mid-1990s, forestry practices in Denmark, especially in State and Municipality owned forest, have shifted from traditional, production oriented forest management towards management regimes with a wider set of goals for conservation, biodiversity, recreation and addressing other social needs such as preserving cultural heritage sites.

Danish forest has been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen University by means of a sample methodology and their biodiversity and conservation values have been documented under the Danish National Forest Inventory (NFI) hosted by the Danish Nature Agency.

Denmark ratified the Convention on Biological Diversity in 1994. Today more than 11% of Denmark's terrestrial lands are protected, one third of which are classified as IUCN Categories I and II; of which a large number are protected under the Nature Protection Act and the Natura 2000 EU Directive. These areas have been designated specifically to protect species, landscapes, cultural heritage and/or for scientific research and/or education purposes. For conservation areas, i.e., forest management activities are only allowed in accordance with the specific protection for the individual areas, cover approximately 5% of the country's terrestrial land. Approximately, over 6,300 species in 8 major species groups in Denmark have been assessed according to IUCN Red List criteria, and just over 1,500 or 24% of these have been red-listed. Forests constitute 52% of the habitat affiliations for red-listed species. Furthermore, areas enjoying protection under the Forest Act, Natura 2000 and/or the Nature Protection Act are also mapped and available online via the Danish Nature Agency's digital nature map. Biodiversity data is updated regularly by the Danish Nature Agency and, as mentioned above, it will be completing the registry of "especially valuable forest" over 2016 - 2019. There is one forest area in North Zealand which is listed as UNESCO world heritage due to its historical significance as royal 'Parforce' (a type of hunting system) hunting grounds landscape as, the site demonstrates the application of Baroque landscaping principles to forested areas.

DSH (The Biomass producer) has adopted the description above from the draft Region Risk Assessment for Denmark.

DSHwood's wood chip resource:
DSHwood is dealing with all kinds of raw wood, wood chips and sawn wood from the Danish forests. Through our own purchasing and sales organization, we strive to buy wood directly from the supplier and sell directly to the end user. DSHwood is a pure trading company and does not own the own industry or forests.

DSH is sourcing our raw material from our supply base which is Denmark. The feedstock is supplied as wood chips produced in the forest of origin. DSH is purchasing the wood chip form Danish contractors. The contractor is performing the harvesting and chipping operations. DSHwood is supplying the produced wood chips directly from the forest via truck to the customers (heat /power plants/district heating plants)

The distribution of the volumes sold in 2016:

	% Share
Energy	44,62%
Hardwood	11,95%
Softwood	32,51%
Pulpwood	10,91%

The wood that is used for chips, is the utilization of low-quality wood cannot be used for high quality products such as timber, pulpwood.

The resource of Danish woodchip has an origin from forests across the country. Suppliers are a wide section of the Danish forest owners. The chips are typically purchased as follows:

- The forest owner, who is PEFC / FSC certified
- The forest owner who has been responsible for harvesting, driving to road and possibly chipping himself
- For a forest contractor who bought the wood standing and have completed reprocessing himself.

The certified wood will come from the forest owner who is PEFC / FSC certified and from the forest contractor who is approved Biomass Producer. Today are 5 % of our purchased chip wood from PEFC/FSC Certified forest.

Forrest management practices are based on the Danish specific forestry laws, forestry guidelines, and forest management planning practices. Even-aged forestry is the dominant method. The forest rotation period is 60-100 years, containing mostly tending of the young seedling stands, two thinning's, a final harvesting and regeneration of a mature stand. Planting or natural seeding can be used in regeneration. Recently, un-even-aged forestry has become more popular and applied to the extent possible.

Overview of the proportions of SBP feedstock for chip wood

Controlled Feedstock	100 %
SBP-compliant Primary Feedstock	>99%

SBP-compliant Secondary Feedstock	None
SBP-compliant Tertiary Feedstock	None
SBP non-compliant Feedstock	<1%

2.2 Actions taken to promote certification amongst feedstock supplier

DSHwood is today purchasing wood chip and energy wood from supplier who is certified by FSC and / or PEFC schemes to support the responsible forestry. DSH invite all our supplier to be certified to secure their future sales, as the industry requires more and more certification. The industry agreement between Dansk Fjernvarme and Dansk Energi is also pushing the suppliers to move toward certification, because the Agreement will secure sustainable biomass, and will increase up to 2019, in which 90% must be documented sustainable.
Additional with the purchased certified amount, will we prefer to buy chips with other documentation from Selected contractors who are approved as Godkendt biomasse producer.

2.3 Final harvest sampling programme

DSH only use a limited amount of clear cutting. i.e. logging of larger contiguous areas. Instead the forest is managed according to nature principles.

DSH chip wood production amounted in 2016 total: 150.000 M³

treetops: 125.000 m³ or 85 % of the total

Chipping of hardwood treetops in connection with harvesting of aged and older hardwoods. Treetops are stacked, driven to forest road and chipped by forest road.

Round timber 25.000 m³ or 15 % of the total

Produced as residual product after the harvesting of timber/softwood. The wood chips are the use of low-quality wood that can't be utilized for high quality products such as timber. The harvesting machine is doing the harvesting, then driven to forest road from where the wood is chipped. From here the chip wood are driven directly to the customer.

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

N/A

2.5 Quantification of the Supply Base

DSHwood is defining the Supply Base as all Denmark. Data is collected from the National Forest Inventory (2014)

Supply Base

a. Total Supply Base area (ha): 620.500 ha
b. Tenure by type (ha): 458.205 ha Privately owned/ 150298 ha Public/ 0 ha Community concession/ 11997 ha unknown
c. Forest by type (ha): 0 ha Boreal/ 620.500 ha Temperate/ 0 ha Tropical
d. Forest by management type (ha): 409.530 ha Plantation/ 117.895 ha Managed Natural/93.075 ha Natural
e. Certified forest by scheme (ha): 204.107 ha of FSC or 250.000 ha PEFC-certified forest. (http://www.trae.dk/leksikon/certificering-af-skovdrift-systemerne/) Please note that many forests hold both FSC and PEFC PEFC certificates.

Feedstock

f. Total volume of Feedstock: 100.000-150.000 m^3
g. Volume of primary feedstock: 100.000-150.000 m^3
h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes
   - 40 % forest holdings certified to an SBP-approved Forest Management Schemes
   - 60 % forest holdings not certified to an SBP-approved Forest Management Schemes
i. List all species in primary feedstock, including scientific name

Softwood			
Abies Alba	Larix spp	Pinus Contorta	Pinus spp
Abies Grandis	Picea Abies	Pinus Nigra	Pseudotsuga Menziesli
Abies Normaniana	Picea Glauca	Pinus Ponderosa	Thuja Plicata
Abies Procera	Picea Sitchensis	Pinus Strobus	Tsuga Heterophylla (Raf.) Sarg
Abies spp.	Picea spp	Pinus Sylvestris	

Hardwood			
Acer Platanoides	Betula Pubescens	Populus Tremuloides	Quercus Rubra
Acer Pseudoptatanus	Carpinus Betuius L	Populus spp	Quercus spp
Alnus Glutinosa	Fagus Sylvatica	Prunus Avium	Salix spp
Alnus Incana	Fraxinus Excelsior	Quercus Petraea	Sorbus spp
Betula Pendula	Populus Tremula	Quercus Robur	

j. Volume of primary feedstock from primary forest 0%
k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
   - 0 %Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme

- 0 % Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme

l. Volume of secondary feedstock: None.

m. Volume of tertiary feedstock: None.

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
X	□

A supply Base Evaluation is required because a significant proportion of the wood used to the chip wood is not certified. This evaluation will determine the legality and sustainability of the wood chip traded by DSHwood.

.

4 Supply Base Evaluation

4.1 Scope

Scope of this evaluation is based on SPB standards 1, 2, 4 and 5. DSH purchases all our feedstock in Denmark. The majority of supply is traded with contractors and originate from private land. The contractors are buying the feedstock as standing volume, or in stacks in the forest of origin. The contractor is chipping in the forest and the chipped wood is transported directly to the heating Plant. That means that DSH have a short supply chain and that the traceability is easy to get.

Almost all off the supply comes from private forest owners. Some of the forest owners are larger holdings which are certified but there are many smaller forest owners that are not.

To ensure that our supply chain complies with the SBP Standard 1 we have focused on, how we ensure that our contractors/suppliers and our purchasers are ensuring the areas we are trading our chip wood from.

4.2 Justification

DSHwood is trading chip wood from private forest owners, contractors and state forests in all Denmark who are the supply area for chip wood. DSHwood have used SBP risk assessment Denmark RRA DRAFT 15SEP16 which cover all Denmark (our Primary Feedstock)

The intent of the supply base evaluation was to decide the risk level of DSHwood trading compared to SBP standard 1.

4.3 Results of Risk Assessment

DSH have used the SBP risk assessment Denmark RRA DRAFT 15SEP16 which cover all Denmark (our Primary Feedstock). This draft Risk Assessment has been in consultation for Danish stakeholders and have been approved. The draft RRA for Denmark has been prepared with a number of Danish organizations supporting the process economically. DSH has contributed to this and have used the draft RRA as the basis for our RA. SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

The SBP risk assessment Denmark concluded that most aspects are classified as “Low Risk” in the feedstock area.

Indicator 2.1.1, 2.1.2, 2.2.3 and 2.2.4 are classified as “Specified Risk”

The “Specified Risk” are regarding “source type” Feedstock from uneven-aged stands or stands of broadleaf species”

The goal of the mitigation measure is to ensure that any HCV and key biotopes in the area within the Supply Base is identified and sufficiently mapped before sourcing begins of feedstock for biomass production, so

that the information about any HCVs and key biotopes can be securely passed on to staff carrying out the felling and chipping operation.

1 aspect is regarding “feedstock originating from forest estates with a Green Management plan” where we have to be aware about that there is no requirement that the HCVs and key biotopes are monitored and protected from forest management.

4.4 Results of Supplier Verification Programme

DSH is using 10-15 different contractors/supplier who are all registered in the Danish company registry. The suppliers are collaborators that DSH have been trading with for many years and can rely on. DSH will in collaboration with our suppliers make the checklist (Appendix 1) on all new areas we inspect. With the checklist and further guidelines, we ensure that the standards in SPB is followed.

We exclude suppliers sourcing chip wood with the following claims (FM and CoC) from our supplier verification programme: PEFC 0<100 % certified, FSC 0<100 %, FSC mix credit and SBP-compliant.

Suppliers in our supplier verification programme are grouped into 3 groups: 1. suppliers evaluated against “Kravspecifikation for alternative documentation for bæredygtig biomasse” by a relevant CB; 2. Suppliers in DSHwood supplier programme and 3. Suppliers characterized by contacting DSHwood for a spot trade and therefore having received no training or guidance. DSHwood monitor and control the 3 groups in our supplier verification programme.

Our Supplier Verification Programme has been implemented with a half day introduction training of suppliers from the western part of Denmark and a half day introduction training of suppliers from the eastern part of Denmark. Afterwards all suppliers undergo bilateral training in order to assure administrative as well as field implementation.

Suppliers not following our guidelines correctly will be assessed and assisted thoroughly with an ultimate risk of being expelled from our supplier program.

4.5 Conclusion

There is “low risk” to all indicators of the SBP standard 1 apart from four: 2.1.1, 2.1.2, 2.2.3 and 2.2.4. based on Nepcon’s SBP risk assessment Denmark RRA DRAFT 15SEP16. In the draft, there is an identification of the four indicators with specified risk and clear risk mitigation measures to get these four specified risk indicators down to low risk. By using our checklist (Appendix 1). SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

DSH will get the overview to control and monitor the forest operations and meet SPB requirements together with our new procedure and supplier training programme. The most important element in our supply chain is to follow the checklist (Appendix 1) together with the screening. That will ensure that all consideration points are checked. Also, we can control and trust that the collaborators we have been working with for many years all following the same guidelines, which are to ensure that all specified feedstock are in full compliance with SBP Standards.

5 Supply Base Evaluation Process

DSHwood have used SBP risk assessment Denmark RRA DRAFT 15SEP16 which is covering all Denmark (our Primary Feedstock). This risk assessment is a result of an open stakeholder process, and was conducted by NEPCon. SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

DSH will keep abreast and update the supply base evaluation if changes occur.

6 Stakeholder Consultation

An email consultation was sent to a total of 22 Danish stakeholder organisations on 30 March 2017. The group of stakeholders was based on the list normally used at FSC and PEFC FM consultations plus additional stakeholders identified from the energy sector.

Organisation	Kontaktperson	Email
BAT Kartellet	Sidse Buch Gunde Odgaard	sidse.buch@batkartellet.dk gunde.odgaard@batkartellet.dk
Danmarks Naturfredningsforening	Nora Skjernaa Hansen	nsh@dn.dk
Dansk Energi	Kristine van het Erve Grunnet	keg@danskenergi.dk
Dansk Fjernvarme	Kate Wieck-Hansen	kwh@danskfjernvarme.dk
Dansk Skovforening	Marie-Louise Bretner	mlb@skovforeningen.dk
De Danske Skovdyrkerforeninger	Svend Christensen Michael Gehlert	sjc@skovdyrkerne.dk mgh@skovdyrkerne.dk
DM&E (Dansk Skoventreprenørforening	Claus Danefeldt Clemmensen	cdc@dmoge.dk
Energistyrelsen	Lars Martin Jensen	lmj@ens.dk
Friluftsrådet	Thorbjørn Eriksen	toe@friluftsraadet.dk
FSC Danmark	Sofie Tind Nielsen	sofie@fsc.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
HedeDanmark	Steen Riber	Svr@hededanmark.dk
Københavns Universitet	Vivian Kvist Johansen	vkj@ign.ku.dk
Miljøstyrelsen		mst@mst.dk svana@svana.dk niboe@nst.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
Vedvarende Energi		olesen@ve.dk
Verdens Skove	Jakob Ryding	jr@verdensskove.org
WWF,Verdensnaturfonden	Bo Normander	b.normander@wwf.dk
Danmarks Ornitologiske Forening	Henrik Wejdling	henrik@wejdling.dk
Dansk Industri	Mikkel Mørch	mimo@di.dk
DONG Energy	Peter K. Kristensen	pekkr@dongenergy.dk
Træforeningen	Jakob Klaumann	jakob@dktimber.dk

6.1 Response to stakeholder comments

Provide a summary of all stakeholder comments received and how the comments were taken into consideration in the SBE process.

Comment 1: Response 1:

7 Overview of Initial Assessment of Risk

DSHwood have used Nepcon's SBP risk assessment Denmark RRA DRAFT 15SEP16 which are covering all Denmark (our Primary Feedstock) The initial risk assessment for DSH determined that many of the indicators are Low Risk. Only indicator Based on the information available during the risk assessment process, the level of risk for each of the criteria was chosen. Below is the summary of the indicator for which specified risk was identified. SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

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

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

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
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

DSHwoods process for Supplier Verification programme was performed “in house”. The personnel who was chosen to the evaluation team was already working with the standard within DSH’s CoC, PEFC and FSC Certification. Evidence collected and work performed to achieve and maintained pre-existing certification programs was used in the SBE.

DSH employees know the procedure in DSH best and what/how to improve them. The team includes employees with education within Forest & landscape engineer, Master of Forestry and Logistics – and are a perfect picture of the real processes where the team already is working together. For the personnel who have an education within Forest & landscape engineer and Master of Forestry have the skills to evaluate the area and do the mapping – the skills who is necessary to assessing a forest operation within our supply base. The personnel who works in Logistics knows the procedure in the office, and can collect, file and store the documentation, so that the documentation can be found at any time.

The DSH team have been looking at our processes, adjusted the processes so they comply with SBP standard and are beginning to implement the new processes. The team have made the processes as simple as possible so that they are available to all our collaborators, easy to use and evident guidelines. The team have made the processes that way to make sure that we minimize mistakes and make sure that the guidelines for SBP is followed.

DSH are using suppliers/contractors who are registered in the Danish company registry. DSH are using (and have been using for many years) the same 10-15 contractors. This means that our cooperation is based on trust and valuable experience through time. DSH know that the contractors we are using, have educated experienced forest workers and that the forest workers are covered by a collective agreement which secure the work environment. DSH will invite all our contractors to be in our “DSHwood Supplier Program” because it will minimize the risk in our supply chain as they will be trained and controlled to follow the guidelines for SBP regulations.

We will evaluate our suppliers/contractors with the following risk levels

- **Suppliers/contractors with third party evaluation as PEFC, FSC, SBP Certified Supplier, “Godkendt Biomasseproducent” Approved Biomass Producer or Alternative documentation sustainable biomass**, Feedstock originating from FSC, PEFC or SBP certified forests within the Supply Base is identified and sufficiently mapped before sourcing begins of feedstock for biomass production. Feedstock handled by an Approved Biomass Producer or a supplier with Alternative documentation will have adjusted their working procedure, educated the contractor, forest workers, chipper and harvester according to the guidelines for SBP regulations. That means that the forest workers are aware about Information about area(mapping), source type, species, chipper, where and when the chips are delivered, Risk assessment and Risk minimization are informed, controlled and stored, and therefor will we make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

The Supplier/contractor has completed "DSHwoods supplier Program", if our suppliers/contractors have completed DSHwoods supplier program, then the suppliers will have adjusted their working procedure, educated the contractor, forest workers, chipper and harvester according to the guidelines for SBP regulations. That means that the forest workers are aware about Information about area(mapping), source type, species, chipper, where and when the chips are delivered, Risk assessment and Risk minimization are informed, controlled and stored. To make sure that HCVs, key biotopes and habitats are identified and mapped have the supplier/contractor followed the SBP guidelines and made a checklist to make sure that the right procedure are followed and HCVs, key biotopes and habitats are protected. Therefor will we make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

The Supplier/ contractors has not completed "DSHwood supplier Program", DSH cannot be sure that HCVs, key biotopes and habitats have been identified and mapped. The forests with a green management plan, HCVs, key biotopes and habitats have been identified and mapped, but since there is no requirement for independent evaluation of adherence to limitations in the green management plan, the plan including the maps must be consulted and planned activities must be compared to HCV, key Biotopes and habitats identified the green management plan. For forests without at least a green management plan, HCVs, key Biotopes and habitats in the area where feedstock for biomass production is sourced must first be identified and mapped, and sufficient maps and instruction prepared – for personnel in charge of the felling or other activities – to ensure that HCVs, key Biotopes and habitats will not be threatened by forest management activities.

To make sure that HCVs, key biotopes and habitats are identified and mapped will we sent a forest professional to screen the area and make the checklist, to make sure that the right procedure are followed and HCVs, key biotopes and habitats are protected.

DSH's supply base is Denmark and the contractors/suppliers we are trading with are all Danish. Many off our contractors are at the time off this evaluation, undergoing commissioning to "DSHwoods supplier Program" so there is limited trading and operational experience available to inform some aspects. The forest elements of the evaluation were not affected by this, but lack of information regarding the handling/controlling of the documentation. DSH will follow the suppliers in the process and DSH are ready to take over the control of the documentation if necessary.

DSH will update all relevant information (personal master/data card) on the Suppliers who are participating DSH Supplier Verification Program once a year.

8.2 Site visits

Our purchasers have been making the site visits using the checklist (see appendix 1) Before the site visit have our purchasers been controlling/reviewing the area by using the online HNV forest map (which available at http://miljoegis.mim.dk/spatialmap?profile=privatskovtilskud) prior to a field survey of HCVs for a calculated indication of the potential for HCVs, and this is used in deciding the scale and intensity of the field survey and mapping activities.

1. The area is defined as forest but the area is not certified or have a Green Management Plan. Thinning in forestation and uniform and there are no consideration points in the work area. The inspected area contains even-aged beech. At first, they will harvest the round wood and afterwards chip the wood of the remaining wood. There are no observations related to harvesting.

2. The area is defined as forest but the area is not certified or have a Green Management Plan. There is Ancient monuments and dikes in the area. Thinning of all 170 ha forest. The forest consists primarily of diversified aging hardwood. The forest has never been driven conventionally so it is very varied. There is an ancient monument in the south-western part of the forest that are physically marked to avoid damaging it during work. The work has been going on for almost a year because the soil at the site requires dry weather to carry the heavy Forest machinery.

Conclusion, the area is rated to Specified according to SVP, because of the Ancient monument and uneven-aged stands of broadleaf species. So DSH have be making a very thorough survey of the area to make sure that any key biotopes and HCV are identified and mapped. DSH have also marked the Ancient monument. Information and instructions are given to the personnel in charge of the felling or other forest activities

3. The area is defined as forest but the area is not certified or have a Green Management Plan. Thinning in forestation and uniform and there are no consideration points in the work area. Drift of three smaller plots totaling 4 ha of spruce which has disintegrated. At first, they will harvest the round wood and afterwards chip the wood of the remaining wood. There are no observations related to harvesting.

8.3 Conclusions from the Supplier Verification Programme

DSH have qualified employees and collaborators who have been working in the forest industry for many years. DSH's Forest workers, purchasers, collaborators have the education/skills so that they know the forest "best practice" and how to operate in the forest to comply to the sustainable management of forests.

We use simple processes, screenings and check mark charts. The simple processes are made to make sure that everyone have access and that it is possible for everyone to follow. The check mark charts together with the screening will ensure that all phases in the procedures are followed according to the SBP Standard 2 and 4 guidelines.

It gives DSH purchasers an overview by using the checklist/screening to know where the risk is and where to take mitigation measures. By using this procedure it is possible for DSH to act and assure control of flow from the beginning of the supply chain.

Table 2. Overview of risk ratings after SVP evaluation and after review of mitigation measures.

Indicator	Supplier or Sub-scope	Risk rating after SVP		Mitigation measure taken? (Y, N or N/A)	Risk rating after taking mitigation measure	
		Low	Specified		Specified	Low
1.1.1	External supplier	X		No		X
2.1.1	External supplier		X	Yes		X
1.1.1	External contractor	X		No		X

N/A = not applicable

9 Mitigation Measures

9.1 Mitigation measures

DSH has developed our procedures by using the checklist together with the screening to get the overview over the work area.

If any consideration points are found in the work area, DSH will take the necessary mitigations measures to ensure that any high conservation value is identified, protected and addressed.

2.1.1. DSH has implemented appropriate control systems and procedures for verifying that forest and other areas with high conservation value in the Supply Base are identified and mapped.

2.1.2. DSH has implemented appropriate control systems and procedures to identify and address potential treats to forests and other areas with high conservation values from forest management activities.

2.2.3. DSH has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state.

2.2.4. DSH has implemented appropriate control systems and procedures to ensure that biodiversity is protected.

The four specified risk indicators are all related to appropriate control systems and procedures to identify, address potential threats and avoid damage to nature values during forest operations.

DSH intend to ensure that biodiversity is sufficiently protected. The supplier/contractor must leave biologically valuable dead and decaying and deadwood on the forest floor. To ensure that biologically valuable dead and decaying and deadwood is not removed or chipped DSH will inform and control our suppliers/contractors with guidance and supervision of forest workers/contractors. DSH has only intentions to use wood suitable for wood chips production, and therefore leave biologically valuable dead and decaying and deadwood in the forest.

The risk mitigation measures covering all four indicators are described in the following procedure:

(1) Supplier/contractor is offers DSHwood to purchase wood to chip wood
(2) The purchaser is asking questions according to the “checklist for sustainable chip wood” we have made. This checklist is divided into 3 parts

a) Traceability, as Owner and address, tree species, and who is the harvesting contractor, chipper and haulier
b) General, were source type are defined
c) Consideration, in the work area as HCV, §3 areas, protected areas and special considerations

– please see Appendix 1

(3) The purchaser is controlling/reviewing the area by using the online HNV forest map (which is available at http://miljoegis.mim.dk/spatialmap?profile=privatskovtilskud) prior to a field survey of HCVs for a calculated indication of the potential for HCVs, and this is used in deciding the scale and intensity of the field survey and mapping activities. To ensure that any HCV in the area within the Supply Base is identified and sufficiently mapped before sourcing begins of feedstock for biomass production, so that the information about any HCVs can be securely passed on to staff carrying out the felling and chipping operation.
(4) Physical control of the area, using skilled professional and trained forest personnel to carry out the survey. He will identify and mapping of key biotopes based on his knowledge/skills, using the HCV forest map. Or if there already is a useful mapping of the key biotopes in the area, he will, examine, control and add.
(5) The purchaser is deciding if the chip wood can be purchased as SBP
(6) Information, Once the maps resulting from the identification and mapping of 'forests containing particular natural values' as per the Danish Forest Act (Article 25) is available, we give the information to the contractor who use the information as the indication of the presence of HCVs. (Checklist, map)

DSH will complete this procedure and DSH will control that everybody who is working in our supply chain ensures and follow the guidelines for SBP regulations. DSH intend to use suppliers who are Certified or in our "DSHwood Supplier Program"

DSH will collect the SBP documentation and mapping on each area and file the documentation in cases belonging to the individual heating plant on monthly basis. Only Suppliers/contractors with third party evaluation will store the SBP documentation and mapping themselves. This documentation will be available to stakeholders at any time.

It appears that DSH comes to an area where the logs/timber is already picked up and the wood is already chipped. Here it is not possible for DSH to be ahead to secure the area. Our forest personnel can only register if the guidelines in the SBP standards has been followed in the area. This point is particularly important, because chip wood often is the residual product after the harvesting of logs/ timber. That is why we invite our contractors and suppliers to be a part of "DSHwoods Supplier Program"

Contractors and suppliers who are a part of "DSHwoods Supplier Program" will all be trained to follow SBP guidelines by using the checklist and overviewing the area by using http://miljoegis.mim.dk/spatialmap?profile=privatskovtilskud .

The contractors and suppliers will make the screening and fill in the checklist themselves. Only when there are areas with HCV over 7, will DSH's forest personnel take over and make the control, Risk assessment and Risk minimization ourselves.

DSH will control and train the suppliers and make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

9.2 Monitoring and outcomes

N/A

10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1.

11 Review of Report

N/A

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	***Margrethe Juhl Ruby***	***Logistic Coordinator***	***12.09.2017***
	Name	**Title**	**Date**
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalization of the report.			
Report approved by:	***Dennis Flanz***	***Manager Energy Wood***	***12.09.2017***
	Name	**Title**	**Date**
Report approved by:	***Palle Haugsted***	***CFO***	***12.09.2017***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**

13 Updates

DSH will update the SBR at least once a year.

If DSH discover any significant changes in the supply base or SBR will DSH make the necessary changes and inform SBP.

DSH will sent the SBR to SBP for approval. DSH will upload an updated SBR in Danish and English on our homepage at least 90 days after approval.

Note: Updates should be provided in the form of additional pages, either published separately or added to the original public summary report.

13.1 Significant changes in the Supply Base

N/A.

13.2 Effectiveness of previous mitigation measures

N/A

13.3 New risk ratings and mitigation measures

N/A.

13.4 Actual figures for feedstock over the previous 12 months

n. *Total volume of Feedstock: 100.000-150.000 m^3
o. *Volume of primary feedstock: 100.000-150.000 m^3
p. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes
   - 5 % forest holdings certified to an SBP-approved Forest Management Schemes
   - 95 % forest holdings not certified to an SBP-approved Forest Management Schemes
q. List all species in primary feedstock, including scientific name

Softwood			
Abies Alba	Larix spp	Pinus Contorta	Pinus spp
Abies Grandis	Picea Abies	Pinus Nigra	Pseudotsuga Menziesli
Abies Normaniana	Picea Glauca	Pinus Ponderosa	Thuja Plicata
Abies Procera	Picea Sitchensis	Pinus Strobus	Tsuga Heterophylla (Raf.) Sarg
Abies spp.	Picea spp	Pinus Sulvestris	

Hardwood			
Acer Platanoldes	Betula Pubescens	Populus Tremuloides	Quercus Rubra
Acer Pseudoptatanus	Carpinus Betuius L	Populus spp	Quercus spp
Alnus Glutinosa	Fagus Sylvatica	Prunus Avium	Salix spp
Alnus Incana	Fraxinus Excelsior	Quercus Petraea	Sorbus spp
Betula Pendula	Populus Tremula	Quercus Robur	

r. Volume of primary feedstock from primary forest: 0 m³
s. List percentage of primary feedstock from primary forest (i), by the following categories. Subdivide by SBP-approved Forest Management Schemes
   - 0 % Primary feedstock from primary forest certified to an SBP-approved Forest Management Schemes
   - 0 % Primary feedstock from primary forest not certified to an SBP-approved Forest Management Schemes
t. Volume of secondary feedstock: None
u. Volume of tertiary feedstock: None

* Disclosure of the exact figures would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. Volumes are sensitive as they may give competitors and idea about capacity, resources and market share.

13.5 Projected figures for feedstock over the next 12 months

v. *Total volume of Feedstock: 100.000-150.000 m^3
w. *Volume of primary feedstock: 100.000-150.000 m^3
x. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes
   - 40 % forest holdings certified to an SBP-approved Forest Management Schemes
   - 60 % forest holdings not certified to an SBP-approved Forest Management Schemes
y. List all species in primary feedstock, including scientific name

Softwood			
Abies Alba	Larix spp	Pinus Contorta	Pinus spp
Abies Grandis	Picea Abies	Pinus Nigra	Pseudotsuga Menziesli
Abies Normaniana	Picea Glauca	Pinus Ponderosa	Thuja Plicata
Abies Procera	Picea Sitchensis	Pinus Strobus	Tsuga Heterophylla (Raf.) Sarg
Abies spp.	Picea spp	Pinus Sulvestris	

Hardwood			
Acer Platanoldes	Betula Pubescens	Populus Tremuloides	Quercus Rubra
Acer Pseudoptatanus	Carpinus Betuius L	Populus spp	Quercus spp
Alnus Glutinosa	Fagus Sylvatica	Prunus Avium	Salix spp
Alnus Incana	Fraxinus Excelsior	Quercus Petraea	Sorbus spp
Betula Pendula	Populus Tremula	Quercus Robur	

z. Volume of primary feedstock from primary forest: 0 m³

aa. List percentage of primary feedstock from primary forest (i), by the following categories. Subdivide by SBP-approved Forest Management Schemes

- 0 % Primary feedstock from primary forest certified to an SBP-approved Forest Management
- 0 % Primary feedstock from primary forest not certified to an SBP-approved Forest Management

bb. Volume of secondary feedstock: None

cc. Volume of tertiary feedstock: None

* Disclosure of the exact figures would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. Volumes are sensitive as they may give competitors and idea about capacity, resources and market share.

14 Appendix 1

	Checklist for sustainable chip wood				
Referense no.					
Date					
Owner					
Address					
Postal code/city					
Telephone / mobile					
Responsible person for screening					
Tree species					
Cutter					
Chipper					
Generel					
The forest is certificed PEFC/FSC/SBP ?		Yes		No	
If NO fill out the following fields:					
The area is forest or registered as forest		Yes		No	
The area is **not** defined as forest, but e.g. as windbreaks ?		Yes		No	
The area is **not** defined as forest, but e.g. as areas protected by the nature conservation		Yes		No	
The area is **not** defined as forest, but e.g. as city, road or park area ?		Yes		No	
The forest has a Green Management Plan ?		Yes		No	
The activity is thinning in uniform coniferous forest or first time thinning in afforestated a		Yes		No	
The activity is Conversion of forest ?		Yes		No	
Consideration points checked in the work area					
HCV value over 7, orientation SBP **		Yes		No	
§ 3 areas		Yes		No	
Ancient monuments and dikes		Yes		No	
Protected areas		Yes		No	
Nature 2000 area ?					
Special considerations obtained from the owner, incl. Forest law agreements*		Yes		No	
Instructions and remarks for the assignment					
Instruction:					
Remark:					
Offer:					
Order:					
Send order:					
Observations related to harvesting					
* http://mst.dk/erhverv/skovbrug/lovgivning/vejledning-om-skovloven/					
** http://miljoegis.mim.dk/spatialmap?profile=privatskovtilskud					

15 Amendements to SBR

Section 4.3: SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

Section 4.4 DSH is using 10-15 different contractors/supplier who are all registered in the Danish company registry. The suppliers are collaborators that DSH have been trading with for many years and can rely on. DSH will in collaboration with our suppliers make the checklist (Appendix 1) on all new areas we inspect. With the checklist and further guidelines, we ensure that the standards in SPB is followed.

We exclude suppliers sourcing chip wood with the following claims (FM and CoC) from our supplier verification programme: PEFC 0<100 % certified, FSC 0<100 %, FSC mix credit and SBP-compliant.

Suppliers in our supplier verification programme are grouped into 3 groups: 1. suppliers evaluated against "Kravspecifikation for alternative documentation for bæredygtig biomasse" by a relevant CB; 2. Suppliers in DSHwood supplier programme and 3. Suppliers characterized by contacting DSHwood for a spot trade and therefore having received no training or guidance. DSHwood monitor and control the 3 groups in our supplier verification programme.

Our Supplier Verification Programme has been implemented with a half day introduction training of suppliers from the western part of Denmark and a half day introduction training of suppliers from the eastern part of Denmark. Afterwards all suppliers undergo bilateral training in order to assure administrative as well as field implementation.

Suppliers not following our guidelines correctly will be assessed and assisted thoroughly with a ultimate risk of being expelled from our supplier program.

Section 4.5 conclusion : … SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change…

Section 5 and 7. SBP has finalized the Danish risk assessment by 29 June 2017, DSHwood has adopted this and has found that the conclusions from the draft assessment did not change.

Section 8.1 DSH will invite all our contractors to be in our "DSHwood Supplier Program" because it will minimize the risk in our supply chain as they will be trained and controlled to follow the guidelines for SBP regulations.

We will evaluate our suppliers/contractors with the following risk levels

- **Suppliers/contractors with third party evaluation as PEFC, FSC, SBP Certified Supplier, "Godkendt Biomasseproducent" Approved Biomass Producer or Alternative documentation sustainable biomass**, Feedstock originating from FSC, PEFC or SBP certified forests within the Supply Base is identified and sufficiently mapped before sourcing begins of feedstock for biomass production. Feedstock handled by an Approved Biomass Producer or a supplier with Alternative documentation will have adjusted their working procedure, educated the contractor, forest workers, chipper and harvester according to the guidelines for SBP regulations. That means that the forest

workers are aware about Information about area(mapping), source type, species, chipper, where and when the chips are delivered, Risk assessment and Risk minimization are informed, controlled and stored, and therefor will we make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

The Supplier/contractor has completed "DSHwoods supplier Program", if our suppliers/contractors have completed DSHwoods supplier program will the suppliers have adjusted their working procedure, educated the contractor, forest workers, chipper and harvester according to the guidelines for SBP regulations. That means that the forest workers are aware about Information about area(mapping), source type, species, chipper, where and when the chips are delivered, Risk assessment and Risk minimization are informed, controlled and stored. To make sure that HCVs, key biotopes and habitats are identified and mapped have the supplier/contractor followed the SBP guidelines and made a checklist to make sure that the right procedure are followed and HCVs, key biotopes and habitats are protected. Therefor will we make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

The Supplier/ contractors has not completed "DSHwood supplier Program", DSH cannot be sure that HCVs, key biotopes and habitats have been identified and mapped. The forests with a green management plan, HCVs, key biotopes and habitats have been identified and mapped, but since there is no requirement for independent evaluation of adherence to limitations in the green management plan, the plan including the maps must be consulted and planned activities must be compared to HCV, key Biotopes and habitats identified the green management plan. For forests without at least a green management plan, HCVs, key Biotopes and habitats in the area where feedstock for biomass production is sourced must first be identified and mapped, and sufficient maps and instruction prepared – for personnel in charge of the felling or other activities – to ensure that HCVs, key Biotopes and habitats will not be threatened by forest management activities.

To make sure that HCVs, key biotopes and habitats are identified and mapped will we sent a forest professional to screen the area and make the checklist, to make sure that the right procedure are followed and HCVs, key biotopes and habitats are protected.

DSH will update all relevant information (personal master/data card) on the Suppliers who are participating DSH Supplier Verification Program once a year.

Section 9.1 DSH intend to use suppliers who are Certified or in our "DSHwood Supplier Program"

DSH will collect the SBP documentation and mapping on each area and file the documentation in cases belonging to the individual heating plant on monthly basis. Only Suppliers/contractors with third party evaluation will store the SBP documentation and mapping themselves. This documentation will be available to stakeholders at any time.

It appears that DSH comes to an area where the logs/timber is already picked up and the wood is already chipped. Here is it not possible for DSH to be ahead to secure the area. Our forest personnel can only register if the guidelines in the SBP standards has been followed in the area. This point is particularly

important, because chip wood often is the residual product after the harvesting of logs/ timber. That is why we invite our contractors and suppliers to be a part of “DSHwoods Supplier Program”

Contractors and suppliers who are a part of “DSHwoods Supplier Program” will all be trained to follow SBP guidelines by using the checklist and overviewing the area by using http://miljoegis.mim.dk/spatialmap?profile=privatskovtilskud .

The contractors and suppliers will make the screening and fill in the checklist themselves. Only when there are areas with HCV over 7, will DSH’s forest personnel take over and make the control, Risk assessment and Risk minimization ourselves.

DSH will control and train the suppliers and make sampling per square root of the number of projects within DSHwood, in the current year, that the supplier/contractor/DSHwood budgets with.

Section 13. DSH will update the SBR at least once a year.

If DSH discover any significant changes in the supply base or SBR will DSH make the necessary changes and inform SBP.

DSH will sent the SBR to SBP for approval. DSH will upload an updated SBR in Danish and English on our homepage at least 90 days after approval.

SBR UPDATE 04.09.2018

DSHwood has evaluated its Supplier Evaluation Program and the associated risk mitigation measures for our Danish Supply Base in July 2018 with the following conclusions and changes:

Conclusions:

i. The Supplier Evaluation Program has been effective, and, with certain challenges, entrepreneurs have adopted the risk minimization measures. The main challenge has been timely preparation of screenings. We will continue to evaluate our categorization of contractors in the Supplier Evaluation Program.

ii. We have assessed our risk minimization measures for their effectiveness, amongst others through internal control of 34 cases and ongoing contact with our suppliers. Our assessment is that our risk minimization efforts are effective, it has however been problematic to monitor on deadwood, monitoring has therefore happened in connection with field visits.

Changes

In DSHwood's Supplier Program we include entrepreneurs and forest owners who can deliver sustainable biomass. In the program, entrepreneurs and forest owners are not third party evaluated according to “the requirements specification for alternative documentation for sustainable biomass”, but, through the program it is ensured that "the requirement specification for alternative documentation for sustainable biomass” is met.

DSHwood expects low risk for our contractors’ actions on all low risk areas, cf. SBP's national risk assessment for Denmark

Risk mitigation measures regarding "Specified risk", cf. SBP risk assessment for Denmark, are ensured by:

i. Entrepreneurs or forest owners supplying SBP compliant feedstock document whether SBP procedures are met or not and,

ii. Entrepreneurs or forest owners have project managers who are adequately trained in SBP procedures.

DSHwood will randomly check projects and training documentation to a level of low risk of non-compliance with SBP procedures. Sample rate: square root of the number of projects and minimum one yearly review of educational material.

DSHwood assists its suppliers with SBP professional material