

Supply Base Report: MRE Jasper, LLC

www.sbp-cert.org



Completed in accordance with the Supply Base Report Template Version 1.3

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

Version 1.0: published 26 March 2015

Version 1.1 published 22 February 2016

Version 1.2 published 23 June 2016

Version 1.3 published 14 January 2019

© Copyright The Sustainable Biomass Program Limited 2019

Contents

1	Overview	1
2	Description of the Supply Base	2
2.1	General description	2
2.2	Actions taken to promote certification amongst feedstock supplier	3
2.3	Final harvest sampling programme	3
2.4	Flow diagram of feedstock inputs showing feedstock type [optional]	3
2.5	Quantification of the Supply Base	3
3	Requirement for a Supply Base Evaluation	6
4	Supply Base Evaluation	7
4.1	Scope	7
4.2	Justification	7
4.3	Results of Risk Assessment	7
4.4	Results of Supplier Verification Programme	7
4.5	Conclusion	7
5	Supply Base Evaluation Process	9
6	Stakeholder Consultation	10
6.1	Response to stakeholder comments	10
7	Overview of Initial Assessment of Risk	11
8	Supplier Verification Programme	12
8.1	Description of the Supplier Verification Programme	12
8.2	Site visits	12
8.3	Conclusions from the Supplier Verification Programme	12
9	Mitigation Measures	13
9.1	Mitigation measures	13
9.2	Monitoring and outcomes	19
10	Detailed Findings for Indicators	24
11	Review of Report	25
11.1	Peer review	25
11.2	Public or additional reviews	25
12	Approval of Report	26
13	Updates	27

13.1 Significant changes in the Supply Base..... 27

13.2 Effectiveness of previous mitigation measures..... 27

13.3 New risk ratings and mitigation measures 27

13.4 Actual figures for feedstock over the previous 12 months 27

13.5 Projected figures for feedstock over the next 12 months..... 27

Annex 1:Detailed Findings for Supply Base Evaluation Indicators 28

1 Overview

Producer name: Mohegan Renewable Energy, LLC
Producer location: 1580 Industrial Blvd., Jasper, TN 37347 USA
Geographic position: 35° 2'52.62"N; 85°38'27.61"W
Primary contact: Ray Fairman
 Plant Manager
 1570 Industrial Blvd., Jasper, TN 37347 USA
 281-608-2640
RFairman@MoheganRenewables.com
Company website: www.moheganrenewables.com
Date report finalised: 07/Oct/2019
Close of last CB audit: Not Applicable
Name of CB: SCS Global Services
Translations from English: Yes
SBP Standard(s) used: Standard 1 version 1.0, Standard 2 version 1.1, Standard 4 version 1.0, Standard 5 version 1.0
Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>
SBP Endorsed Regional Risk Assessment: Not Applicable
Weblink to SBE on Company website: Not Applicable

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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Mohegan Renewable Energy - Jasper (MREJ) purchases secondary & tertiary feedstock in the form of hardwood and softwood sawdust and shavings through its sixteen (16) secondary & tertiary feedstock suppliers and forty-six (46) sub-suppliers. The supply base for the pellet mill and its suppliers includes 908 counties/Cities/parishes (122,971,174 hectares) in the following states within the United States.

AL	67	GA	159	MS	82	OK	6	TX	4
AR	62	KY	120	NC	100	SC	46	VA	130
FL	10	LA	32	OH	12	TN	95	WV	55

The suppliers identified were located using GIS technology. Their estimated supply area was determined through interviews to establish the counties they source from or a stated maximum haul radius was established for each supplier. The accumulation of these feedstock supplier areas was then used to identify the origin of wood fiber by states and counties from which MREJ purchases wood fiber.

Forests are the predominant land use in this supply base (62%). Hardwood forests comprise the largest forest type (56.5%) of the supply area’s forestland followed by softwood forests (32.9%). The pine/oak forest comprises 9.6% of the supply area’s forestland while about 1% of the forestland is considered non-stocked. About 79% of the supply area’s forests are managed as natural forests while the remaining 21% of the supply area’s forests are artificially regenerated.

The forest products industry is a very large part of the area’s economy and is one of the top industries within the states MREJ receives fiber. As an example, the forest industry generates \$18.5 billion in AL (2016), \$21.3 billion in GA (2017), \$12.79 billion in MS (2014), \$24.3 billion in TN (2015), and \$17 billion in VA (2016) annually.

MREJ uses hardwood and pine chips, sawdust and shavings. Primary species used include loblolly pine (*Pinus taeda*), oak (*Quercus* spp.), Maple (*Acre* spp.), and many other hardwood species. None of these species are listed on the CITES list. Longleaf pine is on the IUCN Red List and is classified as endangered.

Pine forests are typically managed on an even-aged basis with a rotation age of 35 to 45 years. During this rotation the pine stand may be thinned one or two times during the middle of the rotation with a final harvest completing the rotation. Most pine forests are artificially regenerated with pine seedlings planted to defined stand densities. Chemical and/or mechanical site preparation is typically used to manage the less desirable hardwood species and herbaceous species at stand establishment. Chemical treatments are minimal or below label rates; do not kill all competing species and last about two years so the pine seedlings can become established. Fertilizers are not normally applied to these forests due to cost. Some private investment groups (REITS, TIMOs) may apply fertilizers on forests which are more intensively managed. These intensively managed pine forests represent a very small percentage of the overall pine forests in the supply basin.

Hardwood forests can be managed either as even-aged or uneven-aged stands. Most hardwood stands are 50 to 60 years when harvested if managed as an even-aged stand. No site preparation or fertilizers are used on hardwood forests.

The vast majority of forests in the MREJ supply area are managed according to state forestry best management practices (BMPs). Overall BMP compliance reported for the various states within the supply base are:

State	Reprt Year	BMP Comp												
AL	2016	98.2%	GA	2017	93.2%	MS	2016	96.1%	OK	2013	95%	TX	2018	93.8%
AR	2018	93%	KY	2013	74%	NC	2016	85%	SC	2016	97.0%	VA	2016	91.1%
FL	2017	99.6%	LA	2015	95.8%	OH	2010	84%	TN	2017	88.5%	WV	2013	94.5%

Sustainable forestry certification is present in MREJ's supply base. Based on state-wide reporting approximately 9% of the forestland is certified (SFI - 7%; FSC - 2% and ATF - <1%). No FSC certified fiber has been purchased to date.

2.2 Actions taken to promote certification amongst feedstock supplier

MRE promotes certification through its own certification and the certification of its secondary suppliers & sub-suppliers. MRE is certified to the Forest Stewardship Council® (FSC®) chain of custody (SCS-COC-006411). MRE also promotes certification through the purchase of feedstock from certified secondary suppliers where possible. Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. These certifications are validated at least once annually as part of the secondary supplier annual audit.

2.3 Final harvest sampling programme

Not applicable. Facility only receives secondary & tertiary feedstock.

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

2.5 Quantification of the Supply Base

Provide metrics for the Supply Base including the following. Where estimates are provided these shall be justified.

Supply Base

- Total Supply Base area (ha): 122,971,174 ha, 76,329,790 ha (Forestlands)
- Tenure by type (ha): 65,610,587 ha (privately owned) / 10,719,203 ha (public)
- Forest by type (ha): Temperate – 76,329,790 ha
- Forest by management type (ha): 16,056,006 ha (plantation) / 58,593,403 ha (managed natural) / 1,680,381 ha (natural)
- Certified forest by scheme (ha):

HECTARES by Standard by State				
State	ATF	FSC	SFI	Cert Total
AL	22,312	271,512	1,183,326	1,477,150
AR	1,100	548,823	1,306,692	1,856,615
FL	11,858	51,154	672,414	735,426
GA	26,923	33,023	945,811	1,005,757
KY	9,560	97,834	36,524	143,918
LA	13,443	250,895	1,346,861	1,611,199
MS	10,050	101,523	853,077	964,650
NC	8,765	77,285	466,128	552,177
OH	2,194	82,481	80,897	165,573
OK	8,512	4,481	314,204	327,197
SC	5,950	132,453	427,579	565,982
TN	10,455	40,645	173,874	224,974
TX	9,835	66,158	992,196	1,068,189
VA	5,177	90,832	208,987	304,996
WV	-	397,690	117,203	514,893
State Totals	146,132	2,246,788	9,125,773	11,518,694

Feedstock

- f. Total volume of Feedstock: 0 – 200,000 tonnes*
- g. Volume of primary feedstock: 0 tonnes
- h. List percentage of primary feedstock (g), by the following categories. - Not Applicable
- i. List all species in primary feedstock, including scientific name - Not Applicable
- j. Volume of primary feedstock from primary forest – 0 tonnes
- k. List percentage of primary feedstock from primary forest (j), by the following categories. - Not Applicable
- l. Volume of secondary feedstock: specify origin and type - the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*.

Pine sawdust	0%-19%	Hdwd sawdust	0%-19%
Pine shavings	0%-19%	Hdwd shavings	0%-19%

- m. Volume of tertiary feedstock: specify origin and composition - the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*.

Pine sawdust	0%-19%	Hdwd sawdust	0%-19%
Pine shavings	40%-59%	Hdwd shavings	0%-19%

* Compelling justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. State the reasons why the information is commercially sensitive, for example, what competitors would be able to do or determine with knowledge of the information.

Bands for (f) and (g) are:

1. 0 – 200,000 tonnes or m³
2. 200,000 – 400,000 tonnes or m³
3. 400,000 – 600,000 tonnes or m³
4. 600,000 – 800,000 tonnes or m³
5. 800,000 – 1,000,000 tonnes or m³
6. >1,000, 000 tonnes or m³

Bands for (h), (l) and (m) are:

1. 0%-19%
2. 20%-39%
3. 40%-59%
4. 60%-79%
5. 80%-100%

NB: Percentage values to be calculated as rounded-up integers.

3 Requirement for a Supply Base Evaluation

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

SBE was completed so that all material can be SBP compliant in accordance with SBP Standard 4, 5.2.2.

4 Supply Base Evaluation

4.1 Scope

The scope of the supply base evaluation is to determine the level of risk as compared to the indicators of SBP Framework Standard 1: Feedstock Compliance Standard. The scope of the evaluation covered the supply area for the pellet mill including all existing sources of secondary and tertiary feedstocks, as well as the feedstocks' point of origination. The evaluation is consistent with MRE's due diligence processes and risk assessment for FSC Controlled Wood.

4.2 Justification

The evaluation assessed each of the indicators within SBP Framework Standard 1: Feedstock Compliance to determine the level of risk associated with each indicator. This assessment reviewed applicable laws and regulations and forestry best management practices, analysed high conservation areas within the supply base for their rareness and level of protection and assessed the economic impact of the company's presence in the supply base. Forestland ownership in the supply area is mainly private. The forest industry is well established with logger training and forestry best management practices required by all large wood consuming mills.

This review and analysis was completed using stated laws and regulations, published forestry best management practices, recognized research and data from the USDA Forest Service and conservation organizations such as the World Wildlife Fund, NatureServe, state forestry and wildlife agencies and other noted experts.

4.3 Results of Risk Assessment

Each indicator was assessed against MRE's FSC controlled wood and chain of custody programs. The FSC US Controlled Wood National Risk Assessment (US NRA) was used as a baseline to determine if areas of high conservation value, biodiversity and conversion exist in MRE's supply base area. Based on this assessment, MRE has determined a rating of "low risk" for each indicator with the exception of indicators 2.1.2, 2.1.3, 2.2.3, 2.2.4 and 2.4.1.

4.4 Results of Supplier Verification Programme

Not applicable; the results of the risk assessment indicate there are no indicators determined to be "unspecified risk".

4.5 Conclusion

Based on the results of the supply base evaluation there is low risk to all indicators SBP Framework Standard 1: Feedstock Compliance except for indicators 2.1.2, 2.1.3, 2.2.3, 2.2.4 and 2.4.1, which are determined to be "specified risk" and will require mitigation measures to lower this identified risk.

This conclusion is based on the strong legal and regulatory system found within the supply base. Federal, state and local laws regulations are in place to address a wide range of indicators including, but not limited to, illegal harvesting, water quality, rare and endangered species, worker health and safety, labour rights and

air quality. In addition to these laws and regulations, voluntary state forestry best management practices (BMPs) are in place to provide guidance to forest landowners and contractors on how to sustainably manage forests. The company has made these voluntary guidelines mandatory through contract language requiring the use of all BMPs.

5 Supply Base Evaluation Process

The Supply Base Evaluation was completed in partnership with Greener Options Inc., a sustainability consulting company specializing in sustainable forest certification and Biological Integrity LLC, a consulting company specializing in conservation and biodiversity assessments.

Gary Boyd, Greener Options Inc. is a Society of American Foresters (SAF) Certified Forester, a Georgia Registered Forester and an ISO 14001 Environmental Management Lead Auditor. He is also a lead auditor and conducts audits to the FSC, SFI and Programme for the Endorsement of Forest Certification (PEFC) chain of custody, controlled wood, fiber sourcing and forest management standards. He had more than 35 years of experience in the forestry profession. Mark Hughes Ph.D., Biological Integrity LLC, is an accomplished wildlife biologist who has published more than 10 scientific articles, books and monographs. He has developed more than thirty (35) risk assessments for forest products companies addressing sustainable forestry certification schemes such as the FSC and PEFC.

The supply base was determined based on secondary and tertiary feedstock suppliers to ensure the complete geography of the supply area. USDA Forest Service Forest Inventory and Analysis (FIA) data based on this established supply base was used to verify forest growth and harvest levels, forest ownership and overall forest composition (species, age, stand structure). Ecosystem and biodiversity data from WWF, GreenPeace, World Resources Institute (WRI), Conservation International (CI), NatureServe and the various state natural heritage programs from within the supply base was also reviewed to determine potential high conversation value (HCV) areas and the level of protection for these HCVs.

Forest management regimes for the supply base were determined from information gathered from local forestry professionals and contractors within the region. Regional economic and forest health information was gathered from state forestry agencies and forestry associations.

MRE's secondary and tertiary suppliers are visited at least annually to confirm their supply base and the species they purchase for their operations.

6 Stakeholder Consultation

Twenty-seven (27) local and regional stakeholders were identified for consultation. These stakeholders represent interests from local contractors and businesses, local governments, state forestry and wildlife agencies, conservation organizations such as the Nature Conservancy, state forestry associations, local forest landowner associations, US Forest Service and US Fish & Wildlife Service.

Letters were sent to the identified stakeholders between 10 May 2019 and 16 May 2019 notifying them the intent of MRE to become SBP certified and asking for input on their thoughts on MRE's business practices and their impact on sustainable forestry in their area. Feedback was requested during the certification process via letter or email. All feedback will be reviewed and responses will be provided.

6.1 Response to stakeholder comments

No responses have been received to date.

7 Overview of Initial Assessment of Risk

The initial results of the supply base evaluation has determined there is low risk to all indicators SBP Framework Standard 1: Feedstock Compliance except for indicators 2.1.2, 2.1.3, 2.2.3, 2.2.4 and 2.4.1, which are determined to be “specified risk”. The assessment used evidence in conjunction with MRE’s FSC Controlled Wood due diligence and risk assessment. It also assessed compliance with the European Union Timber Regulation and the UK Department of Energy and Climate Change’s Timber Standard for Heat and Electricity. The low risk ratings were supported by the fact that the United States and the relevant states have well established systems of laws and regulations that satisfy all applicable SBP indicators.

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	
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

Not applicable; all indicators of the initial risk assessment were determined to be low or specified risk and no unspecified risk was identified. No Supplier Verification Programme is required.

8.2 Site visits

Not applicable.

8.3 Conclusions from the Supplier Verification Programme

Not applicable.

9 Mitigation Measures

9.1 Mitigation measures

Cape FearArch CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, owner of Greener Options, Inc. has reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Cape Fear Arch CBA.

2. MREJ will work with suppliers who source wood fiber from this area to education the suppliers, their loggers and landowners on the conservation values of Cape Fear Arch biodiversity associated with pocosins, threats from incompatible forest management, and opportunities for conservation through management that enhances biodiversity and reduces or eliminates these threats while recognizing the importance of hydrology for maintenance and enhancement of pocosins. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.
3. MREJ will engage with and/or provide monetary or in-kind resources to the Cape Fear Arch Conservation Collaboration and/or the Longleaf Alliance that are supporting or promoting programs/projects to develop new or augment existing programs that will identify and conserve pocosins and native longleaf pine systems within areas of the specified risk area and the MREJ's supply area, with a particular focus on increasing and improving implementation of management practices that will conserve pocosin and longleaf pine biodiversity.

Central Appalachians CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Central Appalachian CBA.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities

on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

3. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.

Cheoah Bald Salamander

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd, Greener Options, Inc. attended the Appalachian Region meeting on July 19, 2018 in Ashville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the CBS.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on conservation values of CBS, potential threats from forest management activities and opportunities for conservation through management that maintains, enhances, or restores CBS populations and reduces or eliminates potential threats.

Dusky Gopher Frog

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREC specifically on recommended mitigation measures for the DGF.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on conservation values of DGF, potential threats from forest management activities and opportunities for conservation through management that maintains, enhances, or restores DGF populations and reduces or eliminates potential threats.
3. MREJ is developing and implementing a procurement policy for those suppliers who source wood fiber directly from the forest in this area that reflects the above stated education & outreach mitigation measure and clearly states the requirement that the landowner/forester/logger at the source forest will not supply materials from forests where DGFs are threatened as a result of the forest management

activities that produced the forest materials. This policy will include a description of the forest type in which DGF populations occur, potential threats to DGF from forest management activities and the kinds of activities that would maintain or enhance DGF populations in the specified risk area.

Florida Panhandle CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREC specifically on recommended mitigation measures for the Southern Appalachian CBA.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity and Native Longleaf Pine Systems, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Patch-nosed Salamander

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd, Greener Options, Inc. attended the Appalachian Region meeting on July 19, 2018 in Ashville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the PNS.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on conservation values of PNS, potential threats from forest management activities and opportunities for conservation through management that maintains, enhances, or restores PNS populations and reduces or eliminates potential threats.

Southern Appalachian CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREC specifically on recommended mitigation measures for the Southern Appalachian CBA.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.
3. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.

Late Successional Bottomland Hardwoods

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREC specifically on recommended mitigation measures for Late Successional Bottomland Hardwoods (LSBH).

2. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits & values of LSBH, threats from forest management activities & related loss of values, and opportunities for conservation through management that restores or maintains LSBH and reduces or eliminates these threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.
3. Engage with and/or provide monetary or in-kind resources to conservation organizations or similar entities that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of LSBH, with a goal of long-term conservation of this forest type within the specified risk area and MREJ's supply area.

Mesophytic Cove Sites

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian

Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Southern Appalachian CBA.

2. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits and values of Mesophytic Cove Sites, how to identify them in the field, threats from incompatible forest management activities, and opportunities for conservation through management that enhances these sites and reduces or eliminates these threats. This education and outreach measure will be documented using MREC-DOC-012 Secondary Supplier Audit Checklists.

Natural Longleaf Pine Systems

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREC specifically on recommended mitigation measures for the NLPS.

2. MREJ will work with suppliers who source wood fiber from these areas to communicate and educate suppliers, their loggers and landowners on the social benefits and values of NLPS, threats from forest management and related loss of values, and opportunities for conservation through management that restores or maintains NLPS and reduces or eliminates these threats. Communications should recognize the importance of the forest understory and fire to NLPS. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.
3. MREJ will engage with and/or provide monetary or in-kind resources to conservation organizations such as the Longleaf Alliance that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of NLPS, with a goal of long-term conservation of this system within the specified risk area and the MREJ's supply area.

Forestland Conversion

1. The Company is developing and implementing binding written agreements with its applicable feedstock suppliers that:
 - 1) mitigate the risk that material supplied originates from forest areas converted into plantation or non-forest use; or
 - 2) assure that if some conversion has occurred, that material supplied originates from limited and legal sources of conversion (e.g., conversion that results in conservation benefits, publicly approved changes in zoning in urban areas, etc.) and does not come from sources where the conversion threatens High Conservation Values.

2. The Company has committed to improving the education and awareness of this ecoregion through the representation of company at FSC Controlled Wood Regional Meetings held in 2018. Information from these regional meetings on forestland conversion was reviewed by company personnel.
3. The Company reviews this educational information with its suppliers who source wood fiber from these counties to educate the suppliers, their loggers and landowners on the social benefits of keeping forests as forests, and the value enhancing alternatives to conversion and opportunities for the maintenance of forests. This education and outreach measure will be documented using MREC-DOC-012 Secondary Supplier Audit Checklists.
4. The Company will also maintain membership in the Tennessee Forestry Association to keep abreast of forestry issues within the Company's supply area. Below are some sources of information used to educate suppliers and their loggers, and landowners of forest conservation.

IUCN Centres for Plant Diversity (CPD)

NA24 - Piedmont granitic rock outcrops

1. It is unlikely that commercial timber harvesting will occur on these granite rock outcrop sites.
MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the conservation values of granite rock outcrops and the rare plants that may occur on these sites. Emphasis will be placed on educating suppliers not to use these areas as loading decks or landings for timber harvesting operations. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

NA25 – Eastern Serpentine flora

1. It is unlikely that commercial timber harvesting will occur on these serpentine soils.
MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the conservation values of the rare plants that may occur on these sites. Emphasis will be placed on educating suppliers not to use these areas as loading decks or landings for timber harvesting operations. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

GreenPeace Intact Forest

1. There is a strong system of protection (effective protected areas and legislation) in place within the MREJ district of origin that ensures survival of this intact forest.
2. No wood is harvested out of the described National Wilderness Area which is managed by the Department of Interior. If wood is harvested from the surrounding forests described above, The Department of Interior or the Georgia Forestry Commission conducts environment impact studies and oversees all timber harvesting on these forests within the HCV providing complete protection of the site.

World Wildlife Fund (WWF). Global 200 Ecoregions

Appalachian Mixed Mesophytic Forests (NA0402)

1. This ecoregion is within the Central and Southern Appalachian CBAs. The mitigation measures described for the Central and Southern Appalachian CBAs will also be used for this site.

Southeastern mixed forests (NA0413) and the Southeastern conifer forests (NA0529)

1. WWF has declared more than 99% of this ecoregion having been converted. The remaining examples within this ecoregion are known to occur on protected lands.

Southeastern conifer forests (NA0529)

1. This ecoregion is within the Native Longleaf Pine Systems (NLPS) area. The mitigation measures described for NLPS will also be used for this site.

Protected Areas Database of the United States

1. MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the importance of protected areas and their conservation values.

9.2 Monitoring and outcomes

Mitigation is being implemented. Monitoring will occur during annual supplier audits and documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Cape Fear Arch CBA

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.
3. Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Central Appalachians CBA

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.
3. Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Cheoah Bald Salamander

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education

materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Dusky Gopher Frog

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.
3. The Company will annually review Fiber Supply Agreements to ensure agreements contain applicable requirements.

Florida Panhandle CBA

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Patch-nosed Salamander

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Southern Appalachian CBA

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

3. Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Late Successional Bottomland Hardwoods

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to these suppliers, loggers and landowners.
3. Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Mesophytic Cove Sites

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to these suppliers, loggers and landowners.

Natural Longleaf Pine Systems

1. Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
2. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to these suppliers, loggers and landowners.
3. Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Forestland Conversion

1. The Company will annually review Fiber Supply Agreements to ensure agreements contain applicable requirements.

2. Consultant will have an annual review with the company on forestland conversion to review any updates or changes on forestland conversion. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.
3. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on forestland conversion. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.
4. MREJ will also maintain membership in the Tennessee Forestry Association to keep abreast of forestry issues within MREJ's supply area.

IUCN Centres for Plant Diversity (CPD)

NA24 - Piedmont granitic rock outcrops

1. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

NA25 – Eastern Serpentine flora

1. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

GreenPeace Intact Forest

1. There is a strong system of protection (effective protected areas and legislation) in place within the MREJ district of origin that ensures survival of this intact forest.
2. No wood is harvested out of the described National Wilderness Area which is managed by the Department of Interior. If wood is harvested from the surrounding forests described above, The Department of Interior or the Georgia Forestry Commission conducts environment impact studies and oversees all timber harvesting on these forests within the HCV providing complete protection of the site.

World Wildlife Fund (WWF), Global 200 Ecoregions

Appalachian Mixed Mesophytic Forests (NA0402)

1. This ecoregion is within the Central and Southern Appalachian CBAs. The mitigation measures described for the Central and Southern Appalachian CBAs will also be used for this site.

Southeastern mixed forests (NA0413) and the Southeastern conifer forests (NA0529)

1. WWF has declared more than 99% of this ecoregion having been converted. The remaining examples within this ecoregion are known to occur on protected lands.

Southeastern conifer forests (NA0529)

1. This ecoregion is within the Native Longleaf Pine Systems (NLPS) area. The mitigation measures described for NLPS will also be used for this site.

Protected Areas Database of the United States

1. The Company will meet with suppliers annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education

materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1.

11 Review of Report

11.1 Peer review

No peer review has been completed.

11.2 Public or additional reviews

No additional external review of this report has been completed by other stakeholders.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Gary Boyd</i>	<i>Owner Greener Options Inc.</i>	<i>6 October 2019</i>
	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 finalisation of the report.			
Report approved by:	<i>Ray Fairman</i>	<i>Plant Manager</i>	<i>[date]</i>
	Name	Title	Date
Report approved by:	<i>Gerry Amenta</i>	<i>V P of Logistics</i>	<i>[date]</i>
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

Not applicable; This is the certification audit report.

13.2 Effectiveness of previous mitigation measures

Not applicable; This is the certification audit report.

13.3 New risk ratings and mitigation measures

Not applicable; This is the certification audit report.

13.4 Actual figures for feedstock over the previous 12 months

Not applicable; This is the certification audit report.

13.5 Projected figures for feedstock over the next 12 months

Not applicable; This is the certification audit report.

Annex 1: Detailed Findings for Supply Base Evaluation Indicators

	Indicator
1.1.1	The Biomass Producer’s Supply Base is defined and mapped.
Finding	The Company’s Supply Base is defined and mapped as part of the company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment. The map (Figure 1) and list of states and counties (Tables 1&2) are defined by secondary and tertiary feedstock suppliers and sub-suppliers of the facility. Supply areas for each feedstock supplier and sub-supplier were determined by input obtained from the supplier and/or sub-supplier where either specific states & counties were identified as their supply area or they provided a maximum haul distance from which they define their supply area. States/counties that intersected the stated radius were considered a part of their supply area. All supplier and sub-supplier supply area information was merged into the Company’s overall supply area.
Means of Verification	Origin of secondary and tertiary feedstocks are determined initially on the MRE Supply Area Declaration. Once an supplier is active, the suppliers are verified during the Company’s secondary supplier audits that are conducted annually for each supplier and documented on MREJ-DOC-012 Secondary Supplier Audit Checklist.
Evidence Reviewed	<ul style="list-style-type: none"> • MRE Supply Area Declaration • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklist
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.1.2	Feedstock can be traced back to the defined Supply Base.
Finding	Secondary & tertiary feedstock comes from approximately sixteen (16) suppliers and forty six (46) sub-suppliers providing pine &/or hardwood chips, sawdust or shavings. Feedstock can be tracked by scale tickets upon receipt from supplier or sub-suppliers. Communications with suppliers and sub-suppliers confirms feedstock originates from within the Company supply base and is recorded using MREJ-DOC-012 Secondary Supplier Audit Checklist. Traceability to the county of origin is required in Company policies and procedures.

Means of Verification	Company procedures, records in feedstock inventory system and communications with suppliers
Evidence Reviewed	<ul style="list-style-type: none"> • Scale Tickets • MREJ-POL-001 Sustainability Policy • MREJ-PROC-001 Chain of Custody Procedures • MREJ-PROC-002 Due Diligence Procedures • MREJ-PROC-003 SBP Procedures • MREJ-DOC-012 Secondary Supplier Audit Checklist
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.1.3	The feedstock input profile is described and categorised by the mix of inputs.
Finding	The Company purchases secondary & tertiary feedstocks that are described in MREJ-DOC-004 Chain of Custody Product Group List as a part of its FSC Chain of Custody system. Receiving records record the type of feedstock and the species group purchased from secondary & tertiary suppliers and sub-suppliers. The Company’s inventory system tracks all feedstock purchases. Receiving records are maintained for a five-year period to meet FSC Chain of Custody standard requirements.
Means of Verification	Verify wood purchases in feedstock inventory system.
Evidence Reviewed	<ul style="list-style-type: none"> • Feedstock receiving records • Scale Tickets • MREJ-DOC-004 Chain of Custody Product Group List • MREJ-PROC-001 Chain of Custody Procedures • MREJ-PROC-002 Due Diligence Procedures • MREJ-PROC-003 SBP Procedures
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.2.1	The Biomass Producer has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base.
Finding	<p>The Company has approved and implemented MREJ-POL-001 Sustainability Policy that provides guidance to demonstrate the Company is committed to adhering to all applicable Federal, State and local laws and regulations. This policy also requires the avoidance of sourcing wood fiber from illegally harvested wood.</p> <p>Fiber Purchase Agreements executed with suppliers contain language requirements of meeting applicable laws and regulations and not knowingly purchasing illegally harvested wood. MREJ-PROC-001 Chain of Custody Procedures and MREJ-PROC-002 Due Diligence Procedures provide guidance on the purchase of feedstock to ensure it is legally sourced.</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 1: Illegally harvested wood to be “low risk”. MREJ-DOC-005 FSC Controlled Wood Risk Assessment supports this low risk assessment through the listing of various applicable laws showcasing the rule of law and public agency governance.</p>
Means of Verification	Fiber Purchase Agreements, Federal & State laws
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-PROC-001 Chain of Custody Procedures • MREJ-PROC-002 Due Diligence Procedures • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • FSC US Controlled Wood National Risk Assessment (US NRA)
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.3.1	The BP has implemented appropriate control systems and procedures to ensure that feedstock is legally harvested and supplied and is in compliance with EUTR legality requirements.
Finding	<p>The Company has approved and implemented MREJ-POL-001 Sustainability Policy that provides guidance to demonstrate the Company is committed to adhering to all applicable Federal, State and local laws and regulations. This policy also requires the avoidance of sourcing wood fiber from illegally harvested wood.</p> <p>Fiber Purchase Agreements executed with suppliers contain language requirements of meeting applicable laws and regulations and not knowingly purchasing illegally harvested wood. MREJ-PROC-001 Chain of Custody Procedures and MREJ-PROC-002 Due Diligence Procedures provide guidance on the purchase of feedstock to ensure it is legally sourced and in compliance with EUTR legality requirements.</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 1: Illegally harvested wood to be “low risk”. MREJ-DOC-005 FSC Controlled Wood Risk Assessment supports this low</p>

	risk assessment through the listing of various applicable laws showcasing the rule of law and public agency governance.
Means of Verification	Fiber Purchase Agreements, Federal & State laws
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-PROC-001 Chain of Custody Procedures • MREJ-PROC-002 Due Diligence Procedures • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • FSC US Controlled Wood National Risk Assessment (US NRA)
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.4.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date.
Finding	<p>The Company has implemented appropriate control systems and procedures to verify that payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date. MREJ-POL-001 Sustainability Policy states the Company will abide by all laws and regulations, including those laws associated with taxes and harvesting rights. Severance and/or ad valorem taxes are paid by the Company for feedstock. The Company will pay this tax per state regulations.</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 1: Illegally harvested wood to be “low risk”. Indicators 1.5 Payment of royalties and harvesting fees, 1.6 Value added taxes and other sales taxes and 1.7 Income and profit taxes are all determined to be “low risk”.</p> <p>Furthermore, Transparency International has identified no issues with corruption bribery or other illegal activities with the US having a Corruptions Perceptions Index score of 71 in 2018. AHEC Legality Study determined the Company’s supply area is a low risk for illegal activity. The World Bank ranked the US in the top 90th percentile in the Rule of Law category (91.83/100 in 2017).</p>
Means of Verification	Tax payment records, Fiber Purchase Agreements
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • Tax payments • FSC US Controlled Wood National Risk Assessment (US NRA) • MREJ-POL-001 Sustainability Policy
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA

Comment or Mitigation Measure	
-------------------------------	--

	Indicator
1.5.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is supplied in compliance with the requirements of CITES.
Finding	The Company has implemented appropriate control systems and procedures to verify that feedstock is supplied in compliance with the requirements of CITES. Based on review of the CITES list it is determined that there are no species used in Company operations that are included in the CITES list.
Means of Verification	List of species used by Company located in MREJ-DOC-004 Chain of Custody Product Group List and CITES list located in MREJ-DOC-005 High Conservation Value Areas Risk Assessment
Evidence Reviewed	<ul style="list-style-type: none"> • MREJ-DOC-004 Chain of Custody Product Group List • MREJ-DOC-005 FSC Controlled Wood Risk Assessment
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
1.6.1	The Biomass Producer has implemented appropriate control systems and procedures to ensure that feedstock is not sourced from areas where there are violations of traditional or civil rights.
Finding	<p>MREJ-POL-001 Sustainability Policy states the Company will abide by all laws and regulations, including those laws associated with traditional and civil rights.</p> <p>Harvesting in the supply basin presents a low risk of violation of traditional, civil and collective rights based on the following factors: (1) There is no UN Security Council ban on timber exports from the country concerned; (2) The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber); (3) There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned; and (4) There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 2: Wood harvested in violation of traditional and human rights to be “low risk”.</p>
Means of Verification	MREJ-POL-001 Sustainability Policy, FSC US Controlled Wood National Risk Assessment (US NRA)
Evidence Reviewed	<ul style="list-style-type: none"> • MREJ-POL-001 Sustainability Policy • MREJ-DOC-005 FSC Controlled Wood Risk Assessment

	<ul style="list-style-type: none"> FSC US Controlled Wood National Risk Assessment (US NRA)
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.1.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation values are identified and mapped.
Finding	<p>The Company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment identified and mapped the presence or absence of the following high conservation value areas within its supply base. The FSC US Controlled Wood National Risk Assessment (US NRA) was the basis for the identification and mapping of areas with high conservation value (HCV). The US NRA consulted with and applied recommendations from over 200 conservation groups and databases including, but not limited to, Protected Areas Database of the United States (PAD-US), International Union for the Conservation of Nature (IUCN), The Nature Conservancy, NatureServe, & USFS Inventoried Roadless Areas to map these HCVs.</p> <p>In addition to the US NRA, the company used World Wildlife Fund (WWF) eco-regions and Critical Ecosystem Partnership Fund biodiversity hotspots to identify and map HCV areas.</p> <p>The Company determined its feedstock supply area based on the secondary and tertiary feedstock the facility is receiving. The company has expanded its identification and mapping of high conservation value areas (HCVs) by mapping HCV by supplier. These supplier HCV maps collectively define the overall supply area for the company. These more detailed supplier maps utilize the conservation measures from the FSC Controlled Wood US National Risk Assessment (US NRA) where HCVs of “specified risk” have been identified. These supplier maps are used in conjunction with MREJ-DOC-012 Secondary Supplier Audit Checklist to annually review each supplier’s supply area, areas of “specified risk” that are identified in their supply areas and mitigation measures being implemented to reduce “specified risk” to “low risk”. MREJ-DOC-005 FSC Controlled Wood Risk Assessment identifies and maps HCVs with “specified risk” designations.</p>
Means of Verification	Maps included in MREJ-DOC-005 FSC Controlled Wood Risk Assessment and MREJ-DOC-012 Secondary Supplier Audit Checklist
Evidence Reviewed	<ul style="list-style-type: none"> MREJ-DOC-005 FSC Controlled Wood Risk Assessment MREJ-DOC-012 Secondary Supplier Audit Checklist FSC US Controlled Wood National Risk Assessment (US NRA) https://us.fsc.org/en-us/certification/controlled-wood/fsc-us-controlled-wood-national-risk-assessment-us-nra Protected Areas Database of the United States (PAD-US) https://www.usgs.gov/core-science-systems/science-analytics-and-synthesis/gap/science/protected-areas International Union for the Conservation of Nature (IUCN) https://www.iucn.org/ The Nature Conservancy https://www.nature.org/en-us/

	<ul style="list-style-type: none"> • NatureServe http://explorer.natureserve.org/ • World Wildlife Fund (WWF) https://www.worldwildlife.org/biome-categories/terrestrial-ecoregions • Critical Ecosystem Partnership Fund https://www.cepf.net/our-work/biodiversity-hotspots/north-american-coastal-plain
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.1.2	<p>The Biomass Producer has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</p>
Finding	<p>MREJ has implemented the US NRA for its supply area. MREJ has determined the following categories of controlled wood as “low risk”:</p> <ul style="list-style-type: none"> • Category 1: Illegally harvested wood; • Category 2: Wood harvested in violation of traditional and human rights; • Category 5: Wood from forests in which genetically modified trees are planted. <p>MREJ has determined there may be areas within its supply area that are considered “specified risk” to the following categories of controlled wood:</p> <ul style="list-style-type: none"> • Category 3: Wood from forests where high conservation values are threatened by management activities; <ul style="list-style-type: none"> ○ HCV1 – Cape Fear Arch Critical Biodiversity Area (CBA); ○ HCV1 – Central Appalachian CBA; ○ HCV1 – Cheoah Bald Salamander; ○ HCV1 – Dusky Gopher Frog; ○ HCV1 - Florida Panhandle CBA; ○ HCV1 – Patch-Nosed Salamander; ○ HCV1 – Southern Appalachian CBA; ○ HCV3 – Late Successional Bottomland Hardwoods; ○ HCV3 – Mesophytic Cove Sites; ○ HCV3 - Natural Longleaf Pine Systems; • Category 4: Wood from forests being converted to plantations or non-forest use. <p>In addition to the FSC Controlled Wood categories described above, MREJ has identified other high conservation value areas that occur near or within the MREJ supply area. These other high conservation values areas include:</p> <ul style="list-style-type: none"> • IUCN Centres for Plant Diversity; • Critical Ecosystem Partnership Fund – North American Coastal Plain; • GreenPeace Intact Forest; • World Wildlife Fund (WWF), Global 200 Ecoregions;

- Protected Areas as identified by Protected Areas Database of the United States (PAD-US).

MREJ has mapped these “specified risk” areas by supplier and will implement, as needed, adequate control measures to either avoid or to mitigate specified risk related to origin and/or risk related to mixing with non-eligible inputs in the supply chain.

Cape Fear Arch CBA

The Cape Fear Arch CBA is located in Brunswick and Columbus Counties in North Carolina. Two (2) suppliers purchase wood fiber from these counties. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The Cape Fear Arch region has resulted in a diversity of wet and dry habitats. The region is considered to have the greatest biological diversity along the Atlantic Coast. Important drivers of biodiversity in this region include longleaf pine forests and pocosins (coastal peatlands).

Pocosins occur within nutrient-poor peatlands in shallow depressions on plateaus and are typically continuously saturated with water. They harbor rare species like the venus fly trap and Red-cockaded Woodpecker. The overstory is usually pine, often Pond pine. Higher, drier sites typically have a dense evergreen shrub layer, while the wettest may only have low shrubs, stunted pines and beds of sphagnum, pitcher plants and cranberry.

Longleaf pine forests once covered much of the Atlantic Coastal Plain, but the extent and condition of the system has been severely depleted due to habitat fragmentation, unsustainable harvest, conversion to other land uses and vegetative types, invasive species, and exclusion of natural fire regimes. There have been recent gains, but the forest type is still very rare.

Identified threats:

- Pocosins - Canopy removal, conversion of native pine to planted pine, changes in hydrology due to ditching, conversion to agriculture, road construction, and sand quarrying, habitat fragmentation, introduction of non-native species, and fire suppression.
- Longleaf pine - conversion of longleaf to other pine types, herbicide application that have the potential to inhibit native understory communities, fire suppression, urban development, fragmentation, non-native species, and intensive pine straw raking.

Central Appalachian CBA

The Central Appalachian CBA is located within the MREJ supply area. Fifteen (15) suppliers providing wood fiber to MREJ source from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

This CBA corresponds with the higher elevation portions of WWF’s ‘Appalachian Mixed Mesophytic Forest’ area, one of their Global 200 biodiversity areas. The broadleaf forests and aquatic habitats drive the region’s biodiversity. The forests are significant in the diversity of different forest types that occur and within them the large number of different tree species that occur, along with incredibly diverse understories and associated wildlife species. The geologic history, change in elevation, and diverse topography and climate have resulted in a very large number of microhabitats within the region – each with a unique biodiversity.

Identified Threats:

- Mixed Mesophytic Forests - The priority threats to the forests as a whole include climate change, pollution from mining, new highways and utility rights-of-way, ORV recreation and overpopulation of deer.

- Aquatic Habitats - Hydrologic alteration partially due to forestry practices and conversion from hardwood forests to non-native planted pine, reduced water quality partially due to loss of near-stream forested habitat and sedimentation associated with forestry practices and lack of Best Management Practice (BMP) implementation, and severe erosion of river banks.

Cheoah Bald Salamander

The Cheoah Bald Salamander (CBS) is located within 2 counties in NC within the MREJ supply area. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

The CBS's range is not yet well defined but is believed to be limited a portion of the Appalachian Mountains at the very western extent of NC within the elevational range of 975-1,524 meters, associated with the Cheoah Bald. The salamander's primary habitat is the mesic forests and the species may be common in areas with suitable habitat. It appears that much of the species' range may occur within the Nantahala National Forests and it is identified as a Federal Species of Concern.

Identified threats include forest disturbance; primarily clearcuts.

Dusky Gopher Frog

The Dusky Gopher Frog (DGF) is located within 4 counties in MS within the MREJ supply area. Three (3) suppliers provide wood fiber to MREJ sourced from these 4 counties and it is considered to be "specified risk" resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The DGF is considered an HCV because it is a rare species population with very limited distribution. The DGF historically occurred on the Coastal Plain from eastern Louisiana to the Mobile River delta in Alabama. Now, it is only known from one site in Harrison County, MS and a couple of sites in Jackson County, MS, although there are also active efforts to reintroduce into wetlands in Perry County, MS. It is federally endangered wherever found and is also listed as endangered by the State of Mississippi. The species occurs in upland areas of sandy soils that were historically forested with longleaf pine and in temporary wetland breeding sites within the forested landscape. Most of its life cycle is spent in or near underground areas of refuge that historically were gopher tortoise burrows. Critical habitat was designated in 2012 within four counties in Mississippi and one in Louisiana. Current populations are documented in two of the Mississippi Counties (Harrison and Jackson) and active efforts toward reintroduction are occurring in the third (Perry).

Identified Threats include habitat degradation, driven by multiple sources including, changes in forest type from longleaf pine to other forest types, forest degradation caused by grazing and the disruption of the natural fire regime, and land management practices that alter the soil horizon, forest litter, herbaceous community and the occurrence of down woody debris. Timber site prep and other forestry practices that alter temporary wetlands can damage breeding areas.

Florida Panhandle CBA

The Florida Panhandle CBA is located within 7 counties in 3 states within the southern portion of the MREJ supply area. Four (4) suppliers provide wood fiber to MREJ sourced from these 7 counties and it is considered to be "specified risk" resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The Florida Panhandle is reported to be one of the 5 richest biodiversity hotspots in North America. Of particular importance is the richness of frogs, snakes, turtles, and mussels. This concentration of biodiversity is driven by the river systems, longleaf pine savanna habitat and unique steephead ravines. Biodiversity richness is centered on the area where the Chattahoochee River meets the Flint River and form the Apalachicola River. Species of particular interest include the Okaloosa darter (*Etheostoma okaloosae*) which is

endemic to the Florida Panhandle, and the Red-cockaded Woodpecker (*Picoides borealis*) which is associated with the longleaf pine.

Identified Threats:

- Apalachicola Bay/River System - Threats to this aquatic system are varied and include persistent drought resulting in reduced flow level, loss of floodplain and wetland habitat due to reduced flow levels, point and non-point source pollution (including sediments from forestry operations due to insufficient ground cover and inadequate buffers), unrestrained growth and development.
- Longleaf Pine Savanna - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use management techniques, including herbicide application that have the potential to inhibit native understory communities. Other threats include fire-suppression, urban development, fragmentation, and non-native species. It is possible to harvest in and sustainably manage longleaf pine systems and therefore timber management by itself is not considered a threat.
- Steephead Ravines - Reported threats include altered hydrologic regimes, conversion to other land uses, fire suppression.

Patch-Nosed Salamander

The Patch-Nosed Salamander (PNS) is located within 3 counties in 2 states in the MREJ supply area. Five (5) suppliers provide wood fiber to MREJ sourced from these 3 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The PNS is the smallest known salamander in North America – typically around 5 cm in length, half of which is the tail. The known range of the Patch-nosed salamander includes a limited number of small, first order stream located at the foot of the Blue Ridge escarpment in Stephens and Habersham counties (near Lake Tugaloo) of Georgia, within the Chattahoochee National Forest. There is one additional population known in Oconee County, South Carolina. Identified individuals of this species have all been found in leaf litter or under rocks in the above water streambeds or banks of first-order streams. It is not yet known whether adjacent hardwood forests also provide habitat. This species is not listed at either the federal or state level.

Identified threats have not yet been documented. The species depends on riparian habitat, so any factor that would disrupt water flow, canopy cover, or the leaf-litter layer would likely impact the species.

Southern Appalachian CBA

The Southern Appalachian CBA is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Biodiversity values in the southern Appalachians include aquatic habitats, glades, and montane longleaf pine. Alabama is recognized as having the greatest number of freshwater species of mollusks and fish in the United States, and many of these species have very restricted distributions and specialized habitat requirements that make them highly vulnerable to extinction. The Cahaba River watershed is the center of the biodiversity hotspot, but the biodiversity area includes other smaller watercourses as well. Aquatic habitats driving this concentration of biodiversity include lakes, rivers, streams, bogs, swamps, ephemeral pools, fens, seeps, swamp forests and wet meadows. Other drivers of biodiversity include glades and montane longleaf pine. Bibb County Glades (i.e. rock outcrops), exposed limestone glades, and sandstone glades in Central Alabama have high density of rare plants. These are open habitats that are dominated by upland herbaceous plant species. There is typically an absence of a tree canopy on glades, resulting in large amounts of sunlight and heat on the surface. Montane longleaf pine

habitats occur in steep rolling topography historically maintained by fire, mostly outside of or on the edge of the Coastal Plain. Biodiversity values are driven in part by the understory plant community.

Identified Threats:

- Aquatic Habitats - Numerous sources of information identify threats from forest management activities, particularly non-point source pollution in aquatic habitats, and disturbance to riparian zones.
- Glades - Threats include grazing, non-native species, quarrying, root-digging, plant and animal collecting, removal of large rocks for landscaping, urban development, plowing for fire breaks, use as logging decks (resulting in soil/vegetation disturbance and soil erosion), conversion to other land uses, and ORV damage.
- Montane Longleaf Pine - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use of management techniques, including herbicide application that have the potential to inhibit native understory communities.

Late Successional Bottomland Hardwoods

Late Successional Bottomland Hardwoods is located along the major watersheds in the MREJ supply area. Eight (8) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Much of the original bottomland hardwood in the US was cleared for agriculture, particularly in the Mississippi valley, and much of the remainder was mismanaged leaving very few intact examples. Bottomland Hardwoods are periodically inundated, floodplain forests, where the entire ecosystem is driven by hydrology. Late successional stands are not defined by the species, as much as by the structural composition (e.g., more stratification) and existence of large wood debris, including standing hollow trees – these changes occur at about 80 years in most Bottomland Hardwood types and perhaps a little later in cypress swamps.

Identified threats include development, hydrologic changes (droughts, water withdraws, ditching), incompatible forest management, pollution, fragmentation, invasive species and economic drivers that alter forest management goals.

Mesophytic Cove Sites

Mesophytic Cove Sites is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

Mesophytic cove sites are highly diverse, closed-canopy hardwood forest occurring on sheltered sites at low- to moderate-elevation (1,000-3,600 ft), and sometimes higher. They tend to occur in large patches on concave slopes that accumulate nutrients and moisture.

They are characterized by high species diversity and a complex forest structure. The ground level flora in particular has high species richness, often with abundant spring ephemerals. Rich cove forests have very fertile soils with a diverse herb layer containing few shrubs. Acidic cove forests are less fertile than rich coves, but otherwise similar.

Identified Threats to this forest type are invasive species and conversion to other uses. Threats also include incompatible forest management that results in alterations to the structure and composition of the forest or conversion to other forest types (white pine), climate change, chronic deer herbivory, harvesting of herbs and pollution.

Native Longleaf Pine Systems

Native Longleaf Pine Systems (NLPS) are located in the MREJ supply area. Nine (9) suppliers provide wood fiber to MREJ source from counties that have been identified as containing native longleaf systems resulting in a low level of mitigation required (FSC US

Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

NLPS were once one of the most widespread forest types in the US but were reduced to less than 5% of their original range, becoming one of the rarest forest systems in the world. This historical reduction was driven by suppression of fire and conversion to other forest types. These forest systems are associated with high animal and plant diversity, including many rare, threatened and endangered species such as the Red-cockaded Woodpecker, Bachman’s Sparrow, Gopher Tortoise, Eastern Indigo Snake, and Flatwoods Salamander.

“Native” in this instance refers to existing longleaf pine that is on a site that has historically been maintained as longleaf pine. Longleaf pine stands that have been restored in areas that have not been historically maintained in longleaf pine do not apply under this definition. “Native” does not imply a particular regeneration method; these stands may be either planted or naturally regenerated.

Identified threats include altered stand structure (due to lack of fire), conversion to other forest types, conversion to other land uses, habitat disturbance (including management techniques that inhibit native understory communities which may include herbicide application), and fragmentation.

IUCN Centres for Plant Diversity (CPD)

There is two CPD sites that occur within the MREJ supply area.

1. NA24 - Piedmont granitic rock outcrops

These rare plant community occurrences are sporadic in AL, GA & SC. Granite rock outcrops are a prominent feature of the Piedmont region. There are about 10,800 acres of exposed granite in Georgia which is about 90% of all the exposed granite in the Southeast. GIS data is available that shows the location of granite bedrock which identifies possible locations of granite outcrops. Weathering of soils over granite bedrock exposes the bedrock at the surface. Once exposed, the granite bedrock is called a granite outcrop, granite outcrops are another name for exposed granite bedrock. A high percentage (33%) of plants associated with these rock outcrops are endemics. A handful of rare species are known to occupy high quality granite outcrops and their occurrences indicate the locations of granite outcrops.

2. NA25 – Eastern Serpentine flora

Serpentine flora is restricted to soils derived from serpentine rock outcrops found in association with ultramafic rock. NA25 is restricted to the Piedmont physiographic province. Serpentine soils, associated with ultramafic bedrock, formed along a linear boundary between ancient continents. Serpentine soils have relatively higher levels of heavy metals (cadmium and nickel) and lower levels of calcium than other soils. Therefore, are toxic to most plants. Clays in serpentine soils have a high affinity for water, more so than other clays, making less water available to plants. Plants found in this CPD are specialists. They are adapted to the harsh conditions created by these soils and cannot survive outside of this habitat, making them obligate endemics to serpentine soils.

Critical Ecosystem Partnership Fund

North American Coastal Plain was added to the Biodiversity Hotspot list in 2016. The North American Coastal Plain reaches from a small section of northern Mexico along the Gulf of Mexico and up the East Coast to southeastern Massachusetts. Despite the 1,816 endemic plant species and the 1.13 million square kilometers of area, the hotspot has a low level of geographic variety and an unusually low level of elevation change when compared to the other hotspots, leading the scientific community to assume it would be less biodiverse.

GreenPeace Intact Forest

A Greenpeace Intact Forest is located in Charlton and Ware Counties, GA which is within the MREJ supply area. It is almost entirely within the 403,119 acre Okefenokee National Wildlife Refuge which has been described as “one of North America’s most unspoiled,

fascinating and precious natural areas”. The Okefenokee Swamp is the largest, intact, un-fragmented, freshwater and black water wilderness swamp in North America. There are 353,000 acres designated as a National Wilderness Area within the refuge. Two small fingers of the Greenpeace Intact Forest extend into the Dixon Memorial Wildlife Management Area which is a state-owned forest and beyond the northern end of the refuge. The remainder of the intact forest is within the Okefenokee National Wildlife Refuge where it receives federal protection from the Department of the Interior.

World Wildlife Fund (WWF), Global 200 Ecoregions

Two World Wildlife Fund Global 200 Ecoregions (Number 69 & 75) intersect the MREJ supply area. The WWF ecoregion #69 is divided into two sub-ecoregions, but only one, the Appalachian Mixed Mesophytic Forests (NA0402) is designated Critical/Endangered. The other sub-ecoregion is designated Vulnerable and therefore does not require assessment. For that reason, it is not shown above. The other Global 200 ecoregion (Number 75) intersects the is divided into two Critical/Endangered sub-ecoregions, the Southeastern mixed forests (NA0413) and the Southeastern conifer forests (NA0529).

1. The Appalachian and Mixed Mesophytic Forests is Number 69 of the Global 200 is ranked vulnerable. Although this risk assessment address only those Global 200 ranked critical/endangered, it is important to look at the two sub-ecoregions that make up Number 69. One of the sub-ecoregions, the Appalachian Mixed Mesophytic Forests (NA0402), is ranked critical/endangered and is therefore significant at the national level. The other sub-ecoregion, Appalachian-Blue Ridge Forests (NA0403), intersects the District. However, since it is ranked vulnerable, it does not require evaluation.
2. The Southeastern mixed forests (NA0413) is a highly degraded ecoregion with more than 99% of the original habitat having been converted to other uses. Settlers within the ecoregion logged and then cleared the land for agriculture. The ecoregion overlaps and is synonymous with the Piedmont physiographic province along the Atlantic Slope and the rest falls into the Coastal Plain on the Gulf Coast. WWF reports that there is little habitat left to conserve in this critical/endangered ecoregion. There are multiple examples of protected areas within this ecoregion.
3. The Southeastern conifer forests (NA0529) is the second terrestrial ecoregion that makes up the global ecoregion # 75. The ecoregion extends from the Savannah River in Georgia across the coastal plain to the eastern parishes of Louisiana and south into Florida in the vicinity of Lake Okeechobee.

This ecoregion is equated with the longleaf pine ecosystem that once spanned a significant portion of the coastal plain. It was dominated by a longleaf pine overstory and an exceptionally diverse array of plants in the understory and especially in the herbaceous layer. The entire ecology of this region was driven by fire which maintained a longleaf pine dominance in the overstory. Many species of birds, reptiles, and amphibians adapted to this environment as well. The red-cockaded woodpecker, gopher tortoise, indigo snake, and flatwoods salamander are some of the more threatened, regulated, and managed of those taxa.

Fire was eventually suppressed in this ecosystem as it was in many of the other regions in the southeast. Due to commercial and private development, conversion to agriculture and the planting of loblolly pine in the area, the longleaf pine flatwoods have been reduced to less than 1% of its original size. However, there are several places where the natural habitat is being maintained and fire is still allowed into the systems. Most of the conservation sites that remain can be found on national forests, military bases, and state parks. Thanks to organizations like the Longleaf Alliance, private landowners are being given federal incentives to plant longleaf on their property and maintain those stands for many decades to come. As a result of education and conservation planning, there has been an increase in longleaf plantations over the past decade with an increase in newly planted acres every year within the ecoregion.

<p>Means of Verification</p>	<ul style="list-style-type: none"> • Company reviews the FSC US Controlled Wood National Risk Assessment (US NRA) and MREJ-DOC-005 FSC Controlled Wood Risk Assessment at least annually to verify status of US NRA or to address any changes identified since the previous year. This review is a part of the company’s annual Due Diligence System review. • MREJ-DOC-012 Secondary Supplier Audit Checklists – Suppliers are audited by company at least annually to verify: <ul style="list-style-type: none"> ○ The supplier and its sub-suppliers are aware of the mitigation measures implemented for FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment. • Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.
<p>Evidence Reviewed</p>	<ul style="list-style-type: none"> • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklist • FSC US Controlled Wood National Risk Assessment (US NRA) https://us.fsc.org/en-us/certification/controlled-wood/fsc-us-controlled-wood-national-risk-assessment-us-nra • International Union for the Conservation of Nature (IUCN) https://www.iucn.org/ • World Resources Institute / Global Forest Watch https://www.wri.org/our-work/project/global-forest-watch • World Wildlife Fund (WWF) https://www.worldwildlife.org/biome-categories/terrestrial-ecoregions
<p>Risk Rating</p>	<p><input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA</p>
<p>Comment or Mitigation Measure</p>	<p><u>Cape Fear Arch CBA</u></p> <ol style="list-style-type: none"> 1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting. Gary Boyd, owner of Greener Options, Inc. has reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Cape Fear Arch CBA. <u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record. 2. MREJ will work with suppliers who source wood fiber from this area to education the suppliers, their loggers and landowners on the conservation values of Cape Fear Arch biodiversity associated with pocosins, threats from incompatible forest management, and opportunities for conservation through management that enhances biodiversity and reduces or eliminates these threats while recognizing the importance of hydrology for maintenance and enhancement of pocosins. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. <u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-

012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

3. MREJ will engage with and/or provide monetary or in-kind resources to the Cape Fear Arch Conservation Collaboration and/or the Longleaf Alliance that are supporting or promoting programs/projects to develop new or augment existing programs that will identify and conserve pocosins and native longleaf pine systems within areas of the specified risk area and the MREJ's supply area, with a particular focus on increasing and improving implementation of management practices that will conserve pocosin and longleaf pine biodiversity.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Central Appalachian CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Central Appalachian CBA.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

3. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC

	<p>Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Cheoah Bald Salamander</u></p> <ol style="list-style-type: none"> MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting. Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the CBS. <u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of CBS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores CBS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. <u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners. <p><u>Dusky Gopher Frog</u></p> <ol style="list-style-type: none"> MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting. Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the DGF. <u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of DGF, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores DGF populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. <u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation
--	---

values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Florida Panhandle CBA

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Florida Panhandle CBA.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

3. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, such as the Longleaf Alliance, to support or promote programs/projects to develop new or augment existing programs that will enhance or conserve aquatic biodiversity in the Apalachicola Bay/River System, with a particular focus on bottomland hardwood forests and forests identified as having higher risk within the portion of the Apalachicola Bay/River System that occurs within areas of the specified risk area and the MREJ's supply area.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Patch-Nosed Salamander

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

	<p>Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the PNS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of PNS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores PNS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p><u>Southern Appalachian CBA</u></p> <p>1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Southern Appalachian CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>2. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>3. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified</p>
--	--

risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Late Successional Bottomland Hardwoods

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Late Successional Bottomland Hardwoods (LSBH).

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

2. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits & values of LSBH, threats from forest management activities & related loss of values, and opportunities for conservation through management that restores or maintains LSBH and reduces or eliminates these threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

3. Engage with and/or provide monetary or in-kind resources to conservation organizations or similar entities that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of LSBH, with a goal of long-term conservation of this forest type within the specified risk area and MREJ's supply area.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Mesophytic Cove Sites

1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July

	<p>19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Mesophytic cove sites.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>2. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits and values of Mesophytic Cove Sites, how to identify them in the field, threats from incompatible forest management activities, and opportunities for conservation through management that enhances these sites and reduces or eliminates these threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p><u>Native Longleaf Pine Systems</u></p> <p>1. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the NLPS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>2. MREJ will work with suppliers who source wood fiber from these areas to communicate and educate suppliers, their loggers and landowners on the social benefits and values of NLPS, threats from forest management and related loss of values, and opportunities for conservation through management that restores or maintains NLPS and reduces or eliminates these threats. Communications should recognize the importance of the forest understory and fire to NLPS. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. Below are some sources of information used to educate suppliers and their loggers, and landowners on NLPS.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and</p>
--	---

	<p>other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>3. MREJ will engage with and/or provide monetary or in-kind resources to conservation organizations such as the Longleaf Alliance that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of NLPS, with a goal of long-term conservation of this system within the specified risk area and the MREJ's supply area.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>IUCN Centres for Plant Diversity (CPD)</u></p> <ol style="list-style-type: none"> 1. It is unlikely that commercial timber harvesting will occur on these granite rock outcrop sites. 2. MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the conservation values of granite rock outcrops and the rare plants that may occur on these sites. Emphasis will be placed on educating suppliers not to use these areas as loading decks or landings for timber harvesting operations. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p><u>GreenPeace Intact Forest</u></p> <ol style="list-style-type: none"> 1. There is a strong system of protection (effective protected areas and legislation) in place within the MREJ supply area that ensures survival of this intact forest. 2. No wood is harvested out of the described National Wilderness Area which is managed by the Department of Interior. If wood is harvested from the surrounding forests described above, The Department of Interior or the Georgia Forestry Commission conducts environment impact studies and oversees all timber harvesting on these forests within the HCV providing complete protection of the site.
--	---

	Indicator
2.1.3	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.
Finding	<p><u>FSC US Controlled Wood National Risk Assessment (US NRA)</u> <u>Category 4: Forestland Conversion</u></p> <p>The US NRA has identified the forested portions of 53 counties across the FSC US Southeast and Pacific Coast Regions as areas where there is a risk greater than “low” receiving forest materials from forest conversions. Companies that wish to use non-certified materials from the identified areas are required to either avoid sourcing from specific sites where forest conversion is occurring, or to implement mitigation actions that reduce the risk of sourcing from these sites. There are 27 counties identified in 6 states that are located within the company’s supply area that represent a higher than “low” risk for conversion.</p> <p>The Company is developing & implementing Fiber Purchase Agreements with its applicable feedstock suppliers that:</p> <ul style="list-style-type: none"> i. mitigate the risk that material supplied originates from forest areas converted into plantation or non-forest use; or ii. assure that if some conversion has occurred, that material supplied originates from limited and legal sources of conversion (e.g., conversion that results in conservation benefits, publicly approved changes in zoning in urban areas, etc.) and does not come from sources where the conversion threatens High Conservation Values. <p>Production plantation forests are defined as forests of exotic species that have been planted or seeded by human intervention and that are under intensive stand management, are fast growing, and subject to short rotations (e.g. poplar, acacia or eucalyptus plantations).</p>
Means of Verification	Feedstock purchase contracts, MREJ-DOC-012 Secondary Supplier Audit Checklists
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • FSC US Controlled Wood National Risk Assessment (US NRA) • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklists
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	<p><u>FSC US Controlled Wood National Risk Assessment (US NRA)</u> <u>Category 4: Forestland Conversion</u></p> <p>Mitigation Measures:</p> <ol style="list-style-type: none"> 1. The Company is developing and implementing binding written agreements with its applicable feedstock suppliers that: <ol style="list-style-type: none"> a. mitigate the risk that material supplied originates from forest areas converted into plantation or non-forest use; or b. assure that if some conversion has occurred, that material supplied originates from limited and legal sources of conversion (e.g., conversion that results in conservation benefits, publicly approved changes in zoning in urban areas, etc.) and does not come from sources where the conversion threatens High Conservation Values. <p><u>Plan to Measure Effectiveness:</u> The Company will annually review Fiber Supply Agreements to ensure agreements contain applicable requirements.</p>

	<p>2. The Company has committed to improving the education and awareness of this ecoregion through the representation of company at FSC Controlled Wood Regional Meetings held in 2018. Information from these regional meetings on forestland conversion was reviewed by company personnel.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on forestland conversion to review any updates or changes on forestland conversion. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>3. The Company reviews this educational information with its suppliers who source wood fiber from these counties to educate the suppliers, their loggers and landowners on the social benefits of keeping forests as forests, and the value enhancing alternatives to conversion and opportunities for the maintenance of forests. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with the sole supplier annually to verify the supplier has educated their suppliers, loggers & landowners on forestland conversion. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>1. The Company will also maintain membership in the Tennessee Forestry Association to keep abreast of forestry issues within the Company's supply area. Below are some sources of information used to educate suppliers and their loggers, and landowners of forest conservation.</p>
--	--

	Indicator
2.2.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.
Finding	<p>The Company requires compliance with Best Management Practices (BMP) for the feedstock purchased through its Fiber Purchase Agreements with its suppliers.</p> <p>The Company verifies the sourcing of feedstock with its suppliers & sub-suppliers through its secondary supplier annual audit program. This verification reviews each supplier’s & sub-supplier’s supply area, areas of “specified risk” for areas with high conservation value (HCV) that are identified in their supply areas and mitigation measures being implemented to reduce “specified risk” to “low risk”. The Company has developed and is using specific supplier maps detailing the supplier’s & sub-supplier’s supply area and HCV areas. Annual supplier audits also verify supplier’s certification status, BMP compliance, logger training and overall environmental compliance. Annual audits are documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p>Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. The company requires its suppliers, sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training.</p> <p>State forestry agencies conduct BMP compliance checks randomly or upon request by stakeholders. State BMP compliance reports are available for review by the Company.</p>
Means of Verification	<ul style="list-style-type: none"> • Fiber Purchase Agreements – Signed agreements verify suppliers comply with state BMPs & all loggers are maintaining their SIC logger training requirement • MREJ-DOC-012 Secondary Supplier Audit Checklists – Company’s sole supplier is audited by company at least once a year to verify: <ul style="list-style-type: none"> ○ Certification status of supplier ○ Logger Training status & % trained of sub-suppliers ○ BMP compliance and/or regulatory violations of supplier & sub-suppliers • Company reviews the most current and available state BMP compliance reports annually
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-012 Secondary Supplier Audit Checklists • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger

	<ul style="list-style-type: none"> • https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program https://www.scforestry.org/top-information.htm#TopTrained • Tennessee Master Logger http://www.tnforestry.com/files/1131/masterloggerdb.cfm • Texas Pro Logger https://www.texasforestry.org/programs/logger-listing • Virginia SHARP Logger http://sharplogger.vt.edu/data.html • West Virginia Certified Loggers https://wvforestry.com/logging/ • Alabama Annual BMP Reports http://www.forestry.alabama.gov/Pages/Management/BMP_Practices.aspx • Arkansas - Results of 2017-2018 BMP Implementation Survey https://www.agriculture.arkansas.gov/Websites/aad/files/Content/5944990/2017_Monitoring_Report.pdf • Florida Silviculture Best Management Practices 2017 Implementation Survey Report https://www.freshfromflorida.com/content/download/78966/2320474/SPMP_2017_ImplementationSurveyReport.pdf • Results of Georgia's 2017 Silvicultural Best Management Practices Implementation and Compliance Survey http://www.gfc.state.ga.us/forest-management/water-quality/bmps/BMP%20Survey%202017%20Results%20Report%20Final%20Corrected%20by%20Scott%20Jan112018%20410pm.pdf • BMP Implementation on Timber Harvests in Kentucky (2012-2013) https://eec.ky.gov/Environmental-Protection/Water/Reports/Reports/NPS1103-Timber.pdf • Louisiana 2015 BMP Survey Results http://www.ldaf.state.la.us/wp-content/uploads/2016/01/2015-BMP-Results.pdf • 2016 BMP Implementation Survey: Mississippi's BMP Implementation Monitoring Program https://www.mfc.ms.gov/sites/default/files/2016_BMP_%20Implementation_Survey_V3.pdf • An Assessment of Forestry Best Management Practices in North Carolina 2012-2016 https://www.ncforests-service.gov/water_quality/pdf/BMP_Assessment_Report_2012-2016.pdf • Forestry BMPs in South Carolina Compliance & Implementation Monitoring Report, 2015-16 https://www.state.sc.us/forest/bmp16.pdf • Implementation of Forestry Best Management Practices in Tennessee (2017) https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/AgForBMPimpl2017.pdf • BMP Monitoring in East Texas (2017-2018) https://tfsweb.tamu.edu/uploadedFiles/TFMain/Manage_Forest_and_Land/Water_Resources_and_BMPs/Stewardship(1)/Round%2010%20BMP%20Implementation%20Report%20Executive%20Summary.pdf • Silvicultural Best Management Practices Implementation Monitoring for Virginia, 2017 http://dof.virginia.gov/infopubs/bmp-reports/BMPs-Imp-Monitoring-2017_pub.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b).
Finding	<p>State forestry Best Management Practices (BMP) set forth guidelines for maintaining and/or improving soil quality. MREJ-POL-001 Sustainability Policy states the Company requires BMP compliance with the harvesting of all wood fiber it receives. Fiber Purchase Agreements require BMP compliance. The Company verifies BMP compliance as part of its annual supplier audits. BMP compliance is documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p>Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. The company requires its suppliers, sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training.</p> <p>State forestry agencies conduct BMP compliance checks randomly or upon request by stakeholders. State BMP compliance reports are available for review by the Company.</p> <p>Soil maps covering the supply basin are available as a resource to suppliers to assist in planning fiber harvest in a way that does not harm soil quality.</p>
Means of Verification	<ul style="list-style-type: none"> • Fiber Purchase Agreements – Signed agreements verify suppliers comply with state BMPs & all loggers are maintaining their SIC logger training requirement • MREJ-DOC-012 Secondary Supplier Audit Checklists – Company’s sole supplier is audited by company at least once a year to verify: <ul style="list-style-type: none"> ○ Certification status of supplier ○ Logger Training status & % trained of sub-suppliers ○ BMP compliance and/or regulatory violations of supplier & sub-suppliers • Company reviews the most current and available state BMP compliance reports annually
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-012 Secondary Supplier Audit Checklists • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program https://www.scforestry.org/top-information.htm#TopTrained • Tennessee Master Logger

	<ul style="list-style-type: none"> • http://www.tnforestry.com/files/1131/masterloggerdb.cfm • Texas Pro Logger https://www.texasforestry.org/programs/logger-listing • Virginia SHARP Logger http://sharplogger.vt.edu/data.html • West Virginia Certified Loggers https://wvforestry.com/logging/ • Alabama Annual BMP Reports http://www.forestry.alabama.gov/Pages/Management/BMP_Practices.aspx • Arkansas - Results of 2017-2018 BMP Implementation Survey https://www.agriculture.arkansas.gov/Websites/aad/files/Content/5944990/2017_Monitoring_Report.pdf • Florida Silviculture Best Management Practices 2017 Implementation Survey Report https://www.freshfromflorida.com/content/download/78966/2320474/SPMP_2017_ImplementationSurveyReport.pdf • Results of Georgia's 2017 Silvicultural Best Management Practices Implementation and Compliance Survey http://www.gfc.state.ga.us/forest-management/water-quality/bmps/BMP%20Survey%202017%20Results%20Report%20Final%20Corrected%20by%20Scott%20Jan112018%20410pm.pdf • BMP Implementation on Timber Harvests in Kentucky (2012-2013) https://eec.ky.gov/Environmental-Protection/Water/Reports/Reports/NPS1103-Timber.pdf • Louisiana 2015 BMP Survey Results http://www.ldaf.state.la.us/wp-content/uploads/2016/01/2015-BMP-Results.pdf • 2016 BMP Implementation Survey: Mississippi's BMP Implementation Monitoring Program https://www.mfc.ms.gov/sites/default/files/2016_BMP_%20Implementation_Survey_V3.pdf • An Assessment of Forestry Best Management Practices in North Carolina 2012-2016 https://www.ncforestservation.gov/water_quality/pdf/BMP_Assessment_Report_2012-2016.pdf • Forestry BMPs in South Carolina Compliance & Implementation Monitoring Report, 2015-16 https://www.state.sc.us/forest/bmp16.pdf • Implementation of Forestry Best Management Practices in Tennessee (2017) https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/AgForBMPimpl2017.pdf • BMP Monitoring in East Texas (2017-2018) https://tfswweb.tamu.edu/uploadedFiles/TFSMMain/Manage_Forest_and_Land/Water_Resources_and_BMPs/Stewardship(1)/Round%2010%20BMP%20Implementation%20Report%20Executive%20Summary.pdf • Silvicultural Best Management Practices Implementation Monitoring for Virginia, 2017 http://dof.virginia.gov/infopubs/_bmp-reports/BMPs-Imp-Monitoring-2017_pub.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.3	<p>The Biomass Producer has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>
Finding	<p>MREJ has implemented the US NRA for its supply area. MREJ has determined the following categories of controlled wood as “low risk”:</p> <ul style="list-style-type: none"> • Category 1: Illegally harvested wood; • Category 2: Wood harvested in violation of traditional and human rights; • Category 5: Wood from forests in which genetically modified trees are planted. <p>MREJ has determined there may be areas within its supply area that are considered “specified risk” to the following categories of controlled wood:</p> <ul style="list-style-type: none"> • Category 3: Wood from forests where high conservation values are threatened by management activities; <ul style="list-style-type: none"> ○ HCV1 – Cape Fear Arch Critical Biodiversity Area (CBA); ○ HCV1 – Central Appalachian CBA; ○ HCV1 – Cheoah Bald Salamander; ○ HCV1 – Dusky Gopher Frog; ○ HCV1 - Florida Panhandle CBA; ○ HCV1 – Patch-Nosed Salamander; ○ HCV1 – Southern Appalachian CBA; ○ HCV3 – Late Successional Bottomland Hardwoods; ○ HCV3 – Mesophytic Cove Sites; ○ HCV3 - Natural Longleaf Pine Systems; • Category 4: Wood from forests being converted to plantations or non-forest use. <p>In addition to the FSC Controlled Wood categories described above, MREJ has identified other high conservation value areas that occur near or within the MREJ supply area. These other high conservation values areas include:</p> <ul style="list-style-type: none"> • IUCN Centres for Plant Diversity; • Critical Ecosystem Partnership Fund – North American Coastal Plain; • GreenPeace Intact Forest; • World Wildlife Fund (WWF), Global 200 Ecoregions; • Protected Areas as identified by Protected Areas Database of the United States (PAD-US). <p>MREJ has mapped these “specified risk” areas by supplier and will implement, as needed, adequate control measures to either avoid or to mitigate specified risk related to origin and/or risk related to mixing with non-eligible inputs in the supply chain.</p> <p><u>Cape Fear Arch CBA</u></p> <p>The Cape Fear Arch CBA is located in Brunswick and Columbus Counties in North Carolina. Two (2) suppliers purchase wood fiber from these counties. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).</p> <p>The Cape Fear Arch region has resulted in a diversity of wet and dry habitats. The region is considered to have the greatest biological diversity along the Atlantic Coast. Important drivers of biodiversity in this region include longleaf pine forests and pocosins (coastal peatlands).</p>

Pocosins occur within nutrient-poor peatlands in shallow depressions on plateaus and are typically continuously saturated with water. They harbor rare species like the venus fly trap and Red-cockaded Woodpecker. The overstory is usually pine, often Pond pine. Higher, drier sites typically have a dense evergreen shrub layer, while the wettest may only have low shrubs, stunted pines and beds of sphagnum, pitcher plants and cranberry. Longleaf pine forests once covered much of the Atlantic Coastal Plain, but the extent and condition of the system has been severely depleted due to habitat fragmentation, unsustainable harvest, conversion to other land uses and vegetative types, invasive species, and exclusion of natural fire regimes. There have been recent gains, but the forest type is still very rare.

Identified threats:

- Pocosins - Canopy removal, conversion of native pine to planted pine, changes in hydrology due to ditching, conversion to agriculture, road construction, and sand quarrying, habitat fragmentation, introduction of non-native species, and fire suppression.
- Longleaf pine - conversion of longleaf to other pine types, herbicide application that have the potential to inhibit native understory communities, fire suppression, urban development, fragmentation, non-native species, and intensive pine straw raking.

Central Appalachian CBA

The Central Appalachian CBA is located within the MREJ supply area. Fifteen (15) suppliers providing wood fiber to MREJ source from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

This CBA corresponds with the higher elevation portions of WWF’s ‘Appalachian Mixed Mesophytic Forest’ area, one of their Global 200 biodiversity areas. The broadleaf forests and aquatic habitats drive the region’s biodiversity. The forests are significant in the diversity of different forest types that occur and within them the large number of different tree species that occur, along with incredibly diverse understories and associated wildlife species. The geologic history, change in elevation, and diverse topography and climate have resulted in a very large number of microhabitats within the region – each with a unique biodiversity.

Identified Threats:

- Mixed Mesophytic Forests - The priority threats to the forests as a whole include climate change, pollution from mining, new highways and utility rights-of-way, ORV recreation and overpopulation of deer.
- Aquatic Habitats - Hydrologic alteration partially due to forestry practices and conversion from hardwood forests to non-native planted pine, reduced water quality partially due to loss of near-stream forested habitat and sedimentation associated with forestry practices and lack of Best Management Practice (BMP) implementation, and severe erosion of river banks.

Cheoah Bald Salamander

The Cheoah Bald Salamander (CBS) is located within 2 counties in NC within the MREJ supply area. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

The CBS’s range is not yet well defined but is believed to be limited a portion of the Appalachian Mountains at the very western extent of NC within the elevational range of 975-1,524 meters, associated with the Cheoah Bald. The salamander’s primary habitat is the mesic forests and the species may be common in areas with suitable habitat. It appears that much of the species’ range may occur within the Nantahala National Forests and it is identified as a Federal Species of Concern.

Identified threats include forest disturbance; primarily clearcuts.

Dusky Gopher Frog

The Dusky Gopher Frog (DGF) is located within 4 counties in MS within the MREJ supply area. Three (3) suppliers provide wood fiber to MREJ sourced from these 4 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The DGF is considered an HCV because it is a rare species population with very limited distribution. The DGF historically occurred on the Coastal Plain from eastern Louisiana to the Mobile River delta in Alabama. Now, it is only known from one site in Harrison County, MS and a couple of sites in Jackson County, MS, although there are also active efforts to reintroduce into wetlands in Perry County, MS. It is federally endangered wherever found and is also listed as endangered by the State of Mississippi. The species occurs in upland areas of sandy soils that were historically forested with longleaf pine and in temporary wetland breeding sites within the forested landscape. Most of its life cycle is spent in or near underground areas of refuge that historically were gopher tortoise burrows. Critical habitat was designated in 2012 within four counties in Mississippi and one in Louisiana. Current populations are documented in two of the Mississippi Counties (Harrison and Jackson) and active efforts toward reintroduction are occurring in the third (Perry).

Identified Threats include habitat degradation, driven by multiple sources including, changes in forest type from longleaf pine to other forest types, forest degradation caused by grazing and the disruption of the natural fire regime, and land management practices that alter the soil horizon, forest litter, herbaceous community and the occurrence of down woody debris. Timber site prep and other forestry practices that alter temporary wetlands can damage breeding areas.

Florida Panhandle CBA

The Florida Panhandle CBA is located within 7 counties in 3 states within the southern portion of the MREJ supply area. Four (4) suppliers provide wood fiber to MREJ sourced from these 7 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The Florida Panhandle is reported to be one of the 5 richest biodiversity hotspots in North America. Of particular importance is the richness of frogs, snakes, turtles, and mussels. This concentration of biodiversity is driven by the river systems, longleaf pine savanna habitat and unique steephead ravines. Biodiversity richness is centered on the area where the Chattahoochee River meets the Flint River and form the Apalachicola River. Species of particular interest include the Okaloosa darter (*Etheostoma okaloosae*) which is endemic to the Florida Panhandle, and the Red-cockaded Woodpecker (*Picoides borealis*) which is associated with the longleaf pine.

Identified Threats:

- Apalachicola Bay/River System - Threats to this aquatic system are varied and include persistent drought resulting in reduced flow level, loss of floodplain and wetland habitat due to reduced flow levels, point and non-point source pollution (including sediments from forestry operations due to insufficient ground cover and inadequate buffers), unrestrained growth and development.
- Longleaf Pine Savanna - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use management techniques, including herbicide application that have the potential to inhibit native understory communities. Other threats include fire-suppression, urban development, fragmentation, and non-native species. It is possible to harvest in and sustainably manage longleaf pine systems and therefore timber management by itself is not considered a threat.
- Steephead Ravines - Reported threats include altered hydrologic regimes, conversion to other land uses, fire suppression.

Patch-Nosed Salamander

The Patch-Nosed Salamander (PNS) is located within 3 counties in 2 states in the MREJ supply area. Five (5) suppliers provide wood fiber to MREJ sourced from these 3 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The PNS is the smallest known salamander in North America – typically around 5 cm in length, half of which is the tail. The known range of the Patch-nosed salamander includes a limited number of small, first order stream located at the foot of the Blue Ridge escarpment in Stephens and Habersham counties (near Lake Tugaloo) of Georgia, within the Chattahoochee National Forest. There is one additional population known in Oconee County, South Carolina. Identified individuals of this species have all been found in leaf litter or under rocks in the above water streambeds or banks of first-order streams. It is not yet known whether adjacent hardwood forests also provide habitat. This species is not listed at either the federal or state level.

Identified threats have not yet been documented. The species depends on riparian habitat, so any factor that would disrupt water flow, canopy cover, or the leaf-litter layer would likely impact the species.

Southern Appalachian CBA

The Southern Appalachian CBA is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Biodiversity values in the southern Appalachians include aquatic habitats, glades, and montane longleaf pine. Alabama is recognized as having the greatest number of freshwater species of mollusks and fish in the United States, and many of these species have very restricted distributions and specialized habitat requirements that make them highly vulnerable to extinction. The Cahaba River watershed is the center of the biodiversity hotspot, but the biodiversity area includes other smaller watercourses as well. Aquatic habitats driving this concentration of biodiversity include lakes, rivers, streams, bogs, swamps, ephemeral pools, fens, seeps, swamp forests and wet meadows. Other drivers of biodiversity include glades and montane longleaf pine. Bibb County Glades (i.e. rock outcrops), exposed limestone glades, and sandstone glades in Central Alabama have high density of rare plants. These are open habitats that are dominated by upland herbaceous plant species. There is typically an absence of a tree canopy on glades, resulting in large amounts of sunlight and heat on the surface. Montane longleaf pine habitats occur in steep rolling topography historically maintained by fire, mostly outside of or on the edge of the Coastal Plain. Biodiversity values are driven in part by the understory plant community.

Identified Threats:

- Aquatic Habitats - Numerous sources of information identify threats from forest management activities, particularly non-point source pollution in aquatic habitats, and disturbance to riparian zones.
- Glades - Threats include grazing, non-native species, quarrying, root-digging, plant and animal collecting, removal of large rocks for landscaping, urban development, plowing for fire breaks, use as logging decks (resulting in soil/vegetation disturbance and soil erosion), conversion to other land uses, and ORV damage.
- Montane Longleaf Pine - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use of management techniques, including herbicide application that have the potential to inhibit native understory communities.

Late Successional Bottomland Hardwoods

Late Successional Bottomland Hardwoods is located along the major watersheds in the MREJ supply area. Eight (8) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Much of the original bottomland hardwood in the US was cleared for agriculture, particularly in the Mississippi valley, and much of the remainder was mismanaged leaving very few intact examples. Bottomland Hardwoods are periodically inundated, floodplain forests, where the entire ecosystem is driven by hydrology. Late successional stands are not defined by the species, as much as by the structural composition (e.g., more stratification) and existence of large wood debris, including standing hollow trees – these changes occur at about 80 years in most Bottomland Hardwood types and perhaps a little later in cypress swamps.

Identified threats include development, hydrologic changes (droughts, water withdraws, ditching), incompatible forest management, pollution, fragmentation, invasive species and economic drivers that alter forest management goals.

Mesophytic Cove Sites

Mesophytic Cove Sites is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

Mesophytic cove sites are highly diverse, closed-canopy hardwood forest occurring on sheltered sites at low- to moderate-elevation (1,000-3,600 ft), and sometimes higher. They tend to occur in large patches on concave slopes that accumulate nutrients and moisture. They are characterized by high species diversity and a complex forest structure. The ground level flora in particular has high species richness, often with abundant spring ephemerals. Rich cove forests have very fertile soils with a diverse herb layer containing few shrubs. Acidic cove forests are less fertile than rich coves, but otherwise similar.

Identified Threats to this forest type are invasive species and conversion to other uses. Threats also include incompatible forest management that results in alterations to the structure and composition of the forest or conversion to other forest types (white pine), climate change, chronic deer herbivory, harvesting of herbs and pollution.

Native Longleaf Pine Systems

Native Longleaf Pine Systems (NLPS) are located in the MREJ supply area. Nine (9) suppliers provide wood fiber to MREJ source from counties that have been identified as containing native longleaf systems resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

NLPS were once one of the most widespread forest types in the US but were reduced to less than 5% of their original range, becoming one of the rarest forest systems in the world. This historical reduction was driven by suppression of fire and conversion to other forest types. These forest systems are associated with high animal and plant diversity, including many rare, threatened and endangered species such as the Red-cockaded Woodpecker, Bachman’s Sparrow, Gopher Tortoise, Eastern Indigo Snake, and Flatwoods Salamander.

“Native” in this instance refers to existing longleaf pine that is on a site that has historically been maintained as longleaf pine. Longleaf pine stands that have been restored in areas that have not been historically maintained in longleaf pine do not apply under this definition. “Native” does not imply a particular regeneration method; these stands may be either planted or naturally regenerated.

Identified threats include altered stand structure (due to lack of fire), conversion to other forest types, conversion to other land uses, habitat disturbance (including management techniques that inhibit native understory communities which may include herbicide application), and fragmentation.

IUCN Centres for Plant Diversity (CPD)

There is two CPD sites that occur within the MREJ supply area.

3. NA24 - Piedmont granitic rock outcrops

These rare plant community occurrences are sporadic in AL, GA & SC. Granite rock outcrops are a prominent feature of the Piedmont region. There are about 10,800 acres of exposed granite in Georgia which is about 90% of all the exposed granite in the Southeast. GIS data is available that shows the location of granite bedrock which identifies possible locations of granite outcrops. Weathering of soils over granite bedrock exposes the bedrock at the surface. Once exposed, the granite bedrock is called a granite outcrop, granite outcrops are another name for exposed granite bedrock. A high percentage (33%) of plants associated with these rock outcrops are endemics. A handful of rare species are known to occupy high quality granite outcrops and their occurrences indicate the locations of granite outcrops.

4. NA25 – Eastern Serpentine flora

Serpentine flora is restricted to soils derived from serpentine rock outcrops found in association with ultramafic rock. NA25 is restricted to the Piedmont physiographic province. Serpentine soils, associated with ultramafic bedrock, formed along a linear boundary between ancient continents. Serpentine soils have relatively higher levels of heavy metals (cadmium and nickel) and lower levels of calcium than other soils. Therefore, are toxic to most plants. Clays in serpentine soils have a high affinity for water, more so than other clays, making less water available to plants. Plants found in this CPD are specialists. They are adapted to the harsh conditions created by these soils and cannot survive outside of this habitat, making them obligate endemics to serpentine soils.

Critical Ecosystem Partnership Fund

North American Coastal Plain was added to the Biodiversity Hotspot list in 2016. The North American Coastal Plain reaches from a small section of northern Mexico along the Gulf of Mexico and up the East Coast to southeastern Massachusetts. Despite the 1,816 endemic plant species and the 1.13 million square kilometers of area, the hotspot has a low level of geographic variety and an unusually low level of elevation change when compared to the other hotspots, leading the scientific community to assume it would be less biodiverse.

GreenPeace Intact Forest

A Greenpeace Intact Forest is located in Charlton and Ware Counties, GA which is within the MREJ supply area. It is almost entirely within the 403,119 acre Okefenokee National Wildlife Refuge which has been described as “one of North America’s most unspoiled, fascinating and precious natural areas”. The Okefenokee Swamp is the largest, intact, un-fragmented, freshwater and black water wilderness swamp in North America. There are 353,000 acres designated as a National Wilderness Area within the refuge. Two small fingers of the Greenpeace Intact Forest extend into the Dixon Memorial Wildlife Management Area which is a state-owned forest and beyond the northern end of the refuge. The remainder of the intact forest is within the Okefenokee National Wildlife Refuge where it receives federal protection from the Department of the Interior.

World Wildlife Fund (WWF), Global 200 Ecoregions

Two World Wildlife Fund Global 200 Ecoregions (Number 69 & 75) intersect the MREJ supply area. The WWF ecoregion #69 is divided into two sub-ecoregions, but only one, the Appalachian Mixed Mesophytic Forests (NA0402) is designated Critical/Endangered. The other sub-ecoregion is designated Vulnerable and therefore does not require assessment. For that reason, it is not shown above. The other Global 200 ecoregion (Number 75) intersects the is divided into two Critical/Endangered sub-ecoregions, the Southeastern mixed forests (NA0413) and the Southeastern conifer forests (NA0529).

4. The Appalachian and Mixed Mesophytic Forests is Number 69 of the Global 200 is ranked vulnerable. Although this risk assessment address only those Global 200 ranked critical/endangered, it is important to look at the two sub-ecoregions that make

	<p>up Number 69. One of the sub-ecoregions, the Appalachian Mixed Mesophytic Forests (NA0402), is ranked critical/endangered and is therefore significant at the national level. The other sub-ecoregion, Appalachian-Blue Ridge Forests (NA0403), intersects the District. However, since it is ranked vulnerable, it does not require evaluation.</p> <p>5. The Southeastern mixed forests (NA0413) is a highly degraded ecoregion with more than 99% of the original habitat having been converted to other uses. Settlers within the ecoregion logged and then cleared the land for agriculture. The ecoregion overlaps and is synonymous with the Piedmont physiographic province along the Atlantic Slope and the rest falls into the Coastal Plain on the Gulf Coast. WWF reports that there is little habitat left to conserve in this critical/endangered ecoregion. There are multiple examples of protected areas within this ecoregion.</p> <p>6. The Southeastern conifer forests (NA0529) is the second terrestrial ecoregion that makes up the global ecoregion # 75. The ecoregion extends from the Savannah River in Georgia across the coastal plain to the eastern parishes of Louisiana and south into Florida in the vicinity of Lake Okeechobee.</p> <p>This ecoregion is equated with the longleaf pine ecosystem that once spanned a significant portion of the coastal plain. It was dominated by a longleaf pine overstory and an exceptionally diverse array of plants in the understory and especially in the herbaceous layer. The entire ecology of this region was driven by fire which maintained a longleaf pine dominance in the overstory. Many species of birds, reptiles, and amphibians adapted to this environment as well. The red-cockaded woodpecker, gopher tortoise, indigo snake, and flatwoods salamander are some of the more threatened, regulated, and managed of those taxa.</p> <p>Fire was eventually suppressed in this ecosystem as it was in many of the other regions in the southeast. Due to commercial and private development, conversion to agriculture and the planting of loblolly pine in the area, the longleaf pine flatwoods have been reduced to less than 1% of its original size. However, there are several places where the natural habitat is being maintained and fire is still allowed into the systems. Most of the conservation sites that remain can be found on national forests, military bases, and state parks. Thanks to organizations like the Longleaf Alliance, private landowners are being given federal incentives to plant longleaf on their property and maintain those stands for many decades to come. As a result of education and conservation planning, there has been an increase in longleaf plantations over the past decade with an increase in newly planted acres every year within the ecoregion.</p>
<p>Means of Verification</p>	<ul style="list-style-type: none"> • Company reviews the FSC US Controlled Wood National Risk Assessment (US NRA) and MREJ-DOC-005 FSC Controlled Wood Risk Assessment at least annually to verify status of US NRA or to address any changes identified since the previous year. This review is a part of the company's annual Due Diligence System review. • MREJ-DOC-012 Secondary Supplier Audit Checklists – Suppliers are audited by company at least annually to verify: <ul style="list-style-type: none"> ○ The supplier and its sub-suppliers are aware of the mitigation measures implemented for FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment. <p>Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p>
<p>Evidence Reviewed</p>	<ul style="list-style-type: none"> • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklist • FSC US Controlled Wood National Risk Assessment (US NRA) https://us.fsc.org/en-us/certification/controlled-wood/fsc-us-controlled-wood-national-risk-assessment-us-nra

	<ul style="list-style-type: none"> • International Union for the Conservation of Nature (IUCN) https://www.iucn.org/ • World Resources Institute / Global Forest Watch https://www.wri.org/our-work/project/global-forest-watch • World Wildlife Fund (WWF) https://www.worldwildlife.org/biome-categories/terrestrial-ecoregions
<p>Risk Rating</p>	<p><input type="checkbox"/> Low Risk X Specified Risk <input type="checkbox"/> Unspecified Risk at RA</p>
<p>Comment or Mitigation Measure</p>	<p><u>Cape Fear Arch CBA</u></p> <p>4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, owner of Greener Options, Inc. has reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Cape Fear Arch CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>5. MREJ will work with suppliers who source wood fiber from this area to education the suppliers, their loggers and landowners on the conservation values of Cape Fear Arch biodiversity associated with pocosins, threats from incompatible forest management, and opportunities for conservation through management that enhances biodiversity and reduces or eliminates these threats while recognizing the importance of hydrology for maintenance and enhancement of pocosins. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>6. MREJ will engage with and/or provide monetary or in-kind resources to the Cape Fear Arch Conservation Collaboration and/or the Longleaf Alliance that are supporting or promoting programs/projects to develop new or augment existing programs that will identify and conserve pocosins and native longleaf pine systems within areas of the specified risk area and the MREJ’s supply area, with a particular focus on increasing and improving implementation of management practices that will conserve pocosin and longleaf pine biodiversity.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Central Appalachian CBA</u></p> <p>4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with</p>

	<p>Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Central Appalachian CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>5. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>6. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Cheoah Bald Salamander</u></p> <p>3. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the CBS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p>
--	--

4. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of CBS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores CBS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Dusky Gopher Frog

3. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the DGF.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

4. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of DGF, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores DGF populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Florida Panhandle CBA

4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Florida Panhandle CBA.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on

	<p>the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>5. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>6. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, such as the Longleaf Alliance, to support or promote programs/projects to develop new or augment existing programs that will enhance or conserve aquatic biodiversity in the Apalachicola Bay/River System, with a particular focus on bottomland hardwood forests and forests identified as having higher risk within the portion of the Apalachicola Bay/River System that occurs within areas of the specified risk area and the MREJ's supply area.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Patch-Nosed Salamander</u></p> <p>3. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the PNS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>4. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of PNS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores PNS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and</p>
--	--

other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Southern Appalachian CBA

4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Southern Appalachian CBA.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

5. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

6. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

Late Successional Bottomland Hardwoods

4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

	<p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Late Successional Bottomland Hardwoods (LSBH).</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>5. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits & values of LSBH, threats from forest management activities & related loss of values, and opportunities for conservation through management that restores or maintains LSBH and reduces or eliminates these threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>6. Engage with and/or provide monetary or in-kind resources to conservation organizations or similar entities that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of LSBH, with a goal of long-term conservation of this forest type within the specified risk area and MREJ's supply area.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Mesophytic Cove Sites</u></p> <p>3. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Mesophytic cove sites.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>4. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits and values of Mesophytic Cove Sites, how to identify them in the field, threats from incompatible forest management activities, and opportunities for conservation through management that enhances these sites and reduces or eliminates these</p>
--	---

threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Native Longleaf Pine Systems

4. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the NLPS.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

5. MREJ will work with suppliers who source wood fiber from these areas to communicate and educate suppliers, their loggers and landowners on the social benefits and values of NLPS, threats from forest management and related loss of values, and opportunities for conservation through management that restores or maintains NLPS and reduces or eliminates these threats. Communications should recognize the importance of the forest understory and fire to NLPS. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. Below are some sources of information used to educate suppliers and their loggers, and landowners on NLPS.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

6. MREJ will engage with and/or provide monetary or in-kind resources to conservation organizations such as the Longleaf Alliance that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of NLPS, with a goal of long-term conservation of this system within the specified risk area and the MREJ's supply area.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

IUCN Centres for Plant Diversity (CPD)

3. It is unlikely that commercial timber harvesting will occur on these granite rock outcrop sites.
4. MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the conservation values of granite rock

	<p>outcrops and the rare plants that may occur on these sites. Emphasis will be placed on educating suppliers not to use these areas as loading decks or landings for timber harvesting operations. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p><u>GreenPeace Intact Forest</u></p> <p>3. There is a strong system of protection (effective protected areas and legislation) in place within the MREJ supply area that ensures survival of this intact forest.</p> <p>No wood is harvested out of the described National Wilderness Area which is managed by the Department of Interior. If wood is harvested from the surrounding forests described above, The Department of Interior or the Georgia Forestry Commission conducts environment impact studies and oversees all timber harvesting on these forests within the HCV providing complete protection of the site.</p>
--	---

	Indicator
2.2.4	The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Finding	The Protected Areas Database of the United States (PAD-US) is the official inventory of public parks and other protected open space. The spatial data in PAD-US represents public lands held in trust by thousands of national, state and regional/local governments, as well as non-profit conservation organizations. Protected Areas account for 8.55% of the area with the supply areas and are protected from uncontrolled forest management.
Means of Verification	MREJ-DOC-012 Secondary Supplier Audit Checklists
Evidence Reviewed	<ul style="list-style-type: none"> MREJ-DOC-005 FSC Controlled Wood Risk Assessment MREJ-DOC-012 Secondary Supplier Audit Checklists FSC US Controlled Wood National Risk Assessment (US NRA) https://us.fsc.org/en-us/certification/controlled-wood/fsc-us-controlled-wood-national-risk-assessment-us-nra Protected Areas Database of the United States (PAD-US) https://www.usgs.gov/core-science-systems/science-analytics-and-synthesis/gap/science/protected-areas
Risk Rating	<input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	<p>MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of protected areas, and opportunities for conservation easements. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with the sole supplier annually to verify the supplier has educated their suppliers, loggers & landowners on the conservation values of protected areas, and opportunities for conservation easements. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist.</p>

	Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.
--	---

	Indicator
2.2.5	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the process of residue removal minimises harm to ecosystems.
Finding	<p>The Company has appropriate control systems and procedures to ensure residue removals are minimized in harming the ecosystem. State forestry Best Management Practices (BMP) address wood and residue utilization. MREJ-POL-001 Sustainability Policy states the Company requires BMP compliance with the harvesting of all wood fiber it receives. Fiber Purchase Agreements require BMP compliance. The Company verifies BMP compliance as part of its annual supplier audits. BMP compliance is documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p>Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. The company also requires suppliers, their sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training.</p> <p>State forestry agencies conduct BMP compliance checks randomly or upon request by stakeholders. State BMP compliance reports are available for review by the Company.</p> <p>The Company is in the process of distributing “Forest Biomass Retention and Harvesting Guidelines for the Southeast” from the Forest Guild to be used as a tool to ensure biomass removal minimizes the harm to ecosystems. MREJ-DOC-012 Secondary Supplier Audit Checklists will document forest biomass retention literature distribution.</p>
Means of Verification	Fiber Purchase Agreements, MREJ-DOC-012 Secondary Supplier Audit Checklists
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-012 Secondary Supplier Audit Checklists • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program

	<p>https://www.scforestry.org/top-information.htm#TopTrained</p> <ul style="list-style-type: none"> • Tennessee Master Logger http://www.tnforestry.com/files/1131/masterloggerdb.cfm • Texas Pro Logger https://www.texasforestry.org/programs/logger-listing • Virginia SHARP Logger http://sharplogger.vt.edu/data.html • West Virginia Certified Loggers https://wvforestry.com/logging/ • Alabama Annual BMP Reports http://www.forestry.alabama.gov/Pages/Management/BMP_Practices.aspx • Arkansas - Results of 2017-2018 BMP Implementation Survey https://www.agriculture.arkansas.gov/Websites/aad/files/Content/5944990/2017_Monitoring_Report.pdf • Florida Silviculture Best Management Practices 2017 Implementation Survey Report https://www.freshfromflorida.com/content/download/78966/2320474/SPMP_2017_ImplementationSurveyReport.pdf • Results of Georgia's 2017 Silvicultural Best Management Practices Implementation and Compliance Survey http://www.gfc.state.ga.us/forest-management/water-quality/bmps/BMP%20Survey%202017%20Results%20Report%20Final%20Corrected%20by%20Scott%20Jan112018%20410pm.pdf • BMP Implementation on Timber Harvests in Kentucky (2012-2013) https://eec.ky.gov/Environmental-Protection/Water/Reports/Reports/NPS1103-Timber.pdf • Louisiana 2015 BMP Survey Results http://www.ldaf.state.la.us/wp-content/uploads/2016/01/2015-BMP-Results.pdf • 2016 BMP Implementation Survey: Mississippi's BMP Implementation Monitoring Program https://www.mfc.ms.gov/sites/default/files/2016_BMP_%20Implementation_Survey_V3.pdf • An Assessment of Forestry Best Management Practices in North Carolina 2012-2016 https://www.ncforests-service.gov/water_quality/pdf/BMP_Assessment_Report_2012-2016.pdf • Forestry BMPs in South Carolina Compliance & Implementation Monitoring Report, 2015-16 https://www.state.sc.us/forest/bmp16.pdf • Implementation of Forestry Best Management Practices in Tennessee (2017) https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/AgForBMPimpl2017.pdf • BMP Monitoring in East Texas (2017-2018) https://tfsweb.tamu.edu/uploadedFiles/TFSSMain/Manage_Forest_and_Land/Water_Resources_and_BMPs/Stewardship(1)/Round%2010%20BMP%20Implementation%20Report%20Executive%20Summary.pdf • Silvicultural Best Management Practices Implementation Monitoring for Virginia, 2017 http://dof.virginia.gov/infopubs/_bmp-reports/BMPs-Imp-Monitoring-2017_pub.pdf • Forest Biomass Retention and Harvesting Guidelines for the Southeast https://foreststewardsguild.org/publications/research/2012/FG_Biomass_Guidelines_SE.pdf#
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.6	The Biomass Producer has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).
Finding	<p>The Company has appropriate control systems and procedures to verify that negative impacts to water quality are minimized. State forestry Best Management Practices (BMP) address wood and residue utilization. MREJ-POL-001 Sustainability Policy states the Company requires BMP compliance with the harvesting of all wood fiber it receives. Fiber Purchase Agreements require BMP compliance. The Company verifies BMP compliance as part of its annual supplier audits. BMP compliance is documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p>Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. The company also requires suppliers, their sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training.</p> <p>State forestry agencies conduct BMP compliance checks randomly or upon request by stakeholders. State BMP compliance reports are available for review by the Company.</p>
Means of Verification	Fiber Purchase Agreements, MREJ-DOC-012 Secondary Supplier Audit Checklists
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-012 Secondary Supplier Audit Checklists • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program https://www.scforestry.org/top-information.htm#TopTrained • Tennessee Master Logger http://www.tnforestry.com/files/1131/masterloggerdb.cfm • Texas Pro Logger https://www.texasforestry.org/programs/logger-listing • Virginia SHARP Logger http://sharplogger.vt.edu/data.html • West Virginia Certified Loggers https://wvforestry.com/logging/

	<ul style="list-style-type: none"> Alabama Annual BMP Reports http://www.forestry.alabama.gov/Pages/Management/BMP_Practices.aspx Arkansas - Results of 2017-2018 BMP Implementation Survey https://www.agriculture.arkansas.gov/Websites/aad/files/Content/5944990/2017_Monitoring_Report.pdf Florida Silviculture Best Management Practices 2017 Implementation Survey Report https://www.freshfromflorida.com/content/download/78966/2320474/SPMP_2017_ImplementationSurveyReport.pdf Results of Georgia's 2017 Silvicultural Best Management Practices Implementation and Compliance Survey http://www.gfc.state.ga.us/forest-management/water-quality/bmps/BMP%20Survey%202017%20Results%20Report%20Final%20Corrected%20by%20Scott%20Jan112018%20410pm.pdf BMP Implementation on Timber Harvests in Kentucky (2012-2013) https://eec.ky.gov/Environmental-Protection/Water/Reports/Reports/NPS1103-Timber.pdf Louisiana 2015 BMP Survey Results http://www.ldaf.state.la.us/wp-content/uploads/2016/01/2015-BMP-Results.pdf 2016 BMP Implementation Survey: Mississippi's BMP Implementation Monitoring Program https://www.mfc.ms.gov/sites/default/files/2016_BMP_%20Implementation_Survey_V3.pdf An Assessment of Forestry Best Management Practices in North Carolina 2012-2016 https://www.ncforestservation.gov/water_quality/pdf/BMP_Assessment_Report_2012-2016.pdf Forestry BMPs in South Carolina Compliance & Implementation Monitoring Report, 2015-16 https://www.state.sc.us/forest/bmp16.pdf Implementation of Forestry Best Management Practices in Tennessee (2017) https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/AgForBMPimpl2017.pdf BMP Monitoring in East Texas (2017-2018) https://tfsweb.tamu.edu/uploadedFiles/TFSSMain/Manage_Forest_and_Land/Water_Resources_and_BMPs/Stewardship(1)/Round%2010%20BMP%20Implementation%20Report%20Executive%20Summary.pdf Silvicultural Best Management Practices Implementation Monitoring for Virginia, 2017 http://dof.virginia.gov/infopubs/_bmp-reports/BMPs-Imp-Monitoring-2017_pub.pdf Forest Biomass Retention and Harvesting Guidelines for the Southeast https://foreststewardsguild.org/publications/research/2012/FG_Biomass_Guidelines_SE.pdf#
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.7	The Biomass Producer has implemented appropriate control systems and procedures for verifying that air quality is not adversely affected by forest management activities.
Finding	<p>While the Company receives primary & secondary feedstock and does not conduct forest management activities (prescribed burning) that directly impacts air quality, state laws and regulations require people wanting to burn piles and/or forest residues to request a burning permit. All permits are managed by the state forestry agency. In addition, states issue burn permits based on state smoke management guidelines.</p> <p>State forestry agency State Forest Plans and Annual Reports state forest activities such as prescribed burning have mixed impacts on the forests. While smoke from prescribed burning can lower air quality temporarily, the lack of burning has a direct negative impact of longleaf pine ecosystems.</p>
Means of Verification	Employee interviews, state Smoke Management guidelines, state prescribed burning laws, state Forest Action Plans
Evidence Reviewed	<ul style="list-style-type: none"> • Alabama Burn Law http://www.forestry.alabama.gov/Pages/Informational/Legal/Burn_Law.aspx • Arkansas Umlawful Burning Law https://law.justia.com/codes/arkansas/2010/title-5/subtitle-4/chapter-38/subchapter-3/5-38-310/ • Florida Burning Laws https://www.freshfromflorida.com/content/download/4743/30229/know_the_law.pdf • Georgia Burning Laws http://www.gfc.state.ga.us/online-permits/ • Kentucky Burning Laws https://apps.legislature.ky.gov/law/kar/401/063/005.pdf • Louisiana Open Burning Law https://deq.louisiana.gov/assets/docs/About_LDEQ/enviroschool/BurningPresentation_2019_Update.pdf • Mississippi Open Burning Law https://www.mdeq.ms.gov/wp-content/uploads/2018/11/Air-Regs-Chapter-1-Air-Emission-Regulations-Amended-May-24-2018.pdf • Mississippi Forestry Commission Voluntary Smoke Management Guidelines https://www.mfc.ms.gov/sites/default/files/Voluntary_Smoke_Management_Guidelines_2012_2.pdf • North Carolina Burning Laws https://deq.nc.gov/about/divisions/air-quality/air-quality-rules/rules/open-burning • South Carolina Burning Laws https://www.scdhec.gov/environment/your-air/open-burning-is-it-legal • Tennessee Burning Laws http://www.burnsafetn.org/burn_permit.html#targetText=From%20September%2023%20through%20May,a%20%C2%BD%22%20mesh%20screen%20cover. • Virginia Burning Laws http://www.dof.virginia.gov/laws/outdoor-fire-laws.htm • West Virginia Burning Laws https://dep.wv.gov/daq/CandE/OpenBurningBrochure/Pages/default.aspx • Alabama Forest Action Plan http://www.forestry.alabama.gov/Pages/Management/Forest_Action_Plan.aspx • Arkansas Forest Action Plan https://www.aad.arkansas.gov/Websites/aad/files/Content/6087758/Arkansas_Forestry_Comm_Assessment-FINAL.pdf • Florida Forest Action Plan

	<ul style="list-style-type: none"> • https://www.freshfromflorida.com/content/download/81380/2380181/Florida_Forest_Resource_Strategy_6-18-10.pdf • Georgia Forest Action Plan http://www.gatrees.org/about-us/strategic-plan/georgia-statewide-forest-resources-assessment-and-strategy/index.cfm • Kentucky Forest Action Plan https://eec.ky.gov/Natural-Resources/Forestry/forest-stewardship-program-and-landowner-services/Pages/Statewide-Assessment-of-Forest-Resources-and-Strategy.aspx • Louisiana Forest Action Plan http://www.ldaf.state.la.us/wp-content/uploads/2014/10/Louisiana-Statewide-Forest-Resource-Assessment-and-Strategy.pdf • Mississippi Forest Action Plan https://www.mfc.ms.gov/forest-action-plan • North Carolina Forest Action Plan http://www.ncforestassessment.com/index.htm • Ohio Forest Action Plan http://forestry.ohiodnr.gov/portals/forestry/pdfs/FAP/Assessment.pdf • Oklahoma Forest Action Plan http://www.forestry.ok.gov/2010-assessment-final-documents • South Carolina Forest Action Plan http://www.trees.sc.gov/scfra.htm • Tennessee Forest Action Plan https://www.tn.gov/agriculture/forests/protection/ag-forests-action-plan.html • Texas Forest Action Plan https://tfsweb.tamu.edu/uploadedFiles/TFSSMain/Manage_Forest_and_Land/Landowner_Assistance/Stewardship/Stewardship_Publications/Texas%20Forest%20Resource%20Strategy.pdf • Virginia Forest Action Plan http://www.dof.virginia.gov/infopubs/Strategic-Plan-2010_pub.pdf • West Virginia Forest Action Plan https://www.stateforesters.org/wp-content/uploads/2018/07/West-Virginia-National-Priorities.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.8	The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is controlled and appropriate use of chemicals, and that Integrated Pest Management (IPM) is implemented wherever possible in forest management activities (CPET S5c).
Finding	<p>The Company receives primary & secondary feedstock and does not conduct forest management activities which use forest chemicals or is directly involved with Integrated Pest Management (IPM).</p> <p>MREJ-POL-001 Sustainability Policy states the Company will abide by all laws and regulations, including those laws associated with the environment. Fiber Purchase Agreements require suppliers to abide all applicable laws and regulations.</p> <p>Within the US, chemical use on forestlands is regulated under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). The US Environmental Protection Agency (EPA) has responsibility for implementing and enforcing FIFRA. All chemicals use in forest management activities must be EPA registered and applicators must follow guidelines prescribed for each chemical’s application.</p> <p>The Company is becoming a member of various state Forestry Associations. This participation allows the Company to stay abreast of environmental legislation and provides opportunities to engage forest landowners in best forestry management practices.</p>
Means of Verification	Employee interviews, Fiber Purchase Agreements
Evidence Reviewed	Fiber Purchase Agreements MREJ-POL-001 Sustainability Policy
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.2.9	The Biomass Producer has implemented appropriate control systems and procedures for verifying that methods of waste disposal minimise negative impacts on forest ecosystems (CPET S5d).
Finding	<p>State and Federal laws, such as the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), are in place to protect from oil spills and hazardous substance releases. Access to these laws is available to Company personnel as referenced in the Appendix within MREJ-DOC-005 FSC Controlled Wood Risk Assessment.</p> <p>MREJ-POL-001 Sustainability Policy states the Company will abide by all laws and regulations, including those laws associated with the environment. Fiber Purchase Agreements require suppliers to abide all applicable laws and regulations and requires compliance to state forestry Best Management Practices (BMP).</p> <p>MREJ-DOC-012 Secondary Supplier Audit Checklist documents supplier BMP compliance and/or regulatory violations.</p>

Means of Verification	Fiber Purchase Agreements, MREJ-DOC-012 Secondary Supplier Audit Checklists
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklists
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.3.1	Analysis shows that feedstock harvesting does not exceed the long-term production capacity of the forest, avoids significant negative impacts on forest productivity and ensures long-term economic viability. Harvest levels are justified by inventory and growth data.
Finding	<p>Harvest levels for the supply base do not exceed growth according to USDA Forest Service forest inventory data. Forest Service annual growth & removals data for the most current year show a positive average rate of growth to removals of 2.10 for all wood. This annual growth to removals rate is 2.35 for pine & 1.83 for hardwood.</p> <p>USDA Forest Service State of Forest Reports for some of the states in the supply area show growth to removals ratios of 1.77 (AL), 2.55 (FL), 3.66 (LA), 2.70 (MS), 1.26 (SC), 1.64 (TN), 2.07 (VA) & 1.41 (WV) for all wood.</p>
Means of Verification	USDA Forest Service FIA data
Evidence Reviewed	<ul style="list-style-type: none"> • Forests of Alabama, 2018 https://www.srs.fs.usda.gov/pubs/ru/ru_srs180.pdf • Forests of Arkansas, 2018 https://www.srs.fs.usda.gov/pubs/ru/ru_fs224.pdf • Forests of Florida, 2016 https://www.srs.fs.usda.gov/pubs/ru/ru_srs182.pdf • Forests of Georgia, 2017 https://www.srs.fs.usda.gov/pubs/ru/ru_srs183.pdf • Forests of Kentucky, 2016 https://www.srs.fs.usda.gov/pubs/ru/ru_srs184.pdf • Forests of Louisiana, 2016 https://www.srs.fs.usda.gov/pubs/ru/ru_srs185.pdf • Forests of Mississippi, 2017 https://www.fs.usda.gov/treearch/pubs/58128 • Forests of North Carolina, 2017 https://www.srs.fs.usda.gov/pubs/ru/ru_srs187.pdf • Forests of Ohio, 2018 https://www.fs.fed.us/nrs/pubs/ru/ru_fs216.pdf • Forests of South Carolina, 2018 https://www.srs.fs.usda.gov/pubs/ru/ru_fs221.pdf • Forests of Tennessee, 2015 https://www.srs.fs.usda.gov/pubs/ru/ru_srs189.pdf • Forests of Texas, 2018

	https://www.srs.fs.usda.gov/pubs/ru/ru_fs223.pdf <ul style="list-style-type: none"> • Forests of Virginia, 2017 https://www.srs.fs.usda.gov/pubs/ru/ru_srs191.pdf • Forests of West Virginia, 2018 https://www.fs.fed.us/nrs/pubs/ru/ru_fs214.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.3.2	Adequate training is provided for all personnel, including employees and contractors (CPET S6d).
Finding	<p>Company personnel have been trained on SBP standards. This training is recorded on MREJ-DOC-002 Training Record.</p> <p>The company requires their suppliers, sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training. The Company verifies logger training as part of its annual supplier audits. Logger training is documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p>
Means of Verification	<ul style="list-style-type: none"> • Training records • MREJ-DOC-012 Secondary Supplier Audit Checklist – Suppliers are audited by company at least once a year to verify: <ul style="list-style-type: none"> ○ Certification status of supplier ○ Logger Training status & % trained of sub-suppliers
Evidence Reviewed	<ul style="list-style-type: none"> • MREJ-DOC-002 Training Record • MREJ-DOC-012 Secondary Supplier Audit Checklist • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program https://www.scforestry.org/top-information.htm#TopTrained • Tennessee Master Logger

	<ul style="list-style-type: none"> http://www.tnforestry.com/files/1131/masterloggerdb.cfm Texas Pro Logger https://www.texasforestry.org/programs/logger-listing Virginia SHARP Logger http://sharplogger.vt.edu/data.html West Virginia Certified Loggers https://wvforestry.com/logging/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.3.3	Analysis shows that feedstock harvesting and biomass production positively contribute to the local economy, including employment.
Finding	<p>In addition to the 30 jobs associated with the pellet mill, the Company has created another market for wood residuals. This additional market only adds to a forest products industry that is a leading industry and employer in the fifteen (15) from which feedstick originates.</p> <p>The forest products industry is a very large part of the area’s economy and is one of the top industries within the states MREJ receives fiber. As an example, the forest industry generates \$18.5 billion in AL (2016), \$21.3 billion in GA (2017), \$12.79 billion in MS (2014), \$24.3 billion in TN (2015), and \$17 billion in VA (2016) annually.</p>
Means of Verification	Economic studies, Employee interviews
Evidence Reviewed	<ul style="list-style-type: none"> Economic Contributions of Alabama Agriculture and Forestry http://www.decision-innovation.com/webres/File/docs/AL-AECS/170619_FINAL%20Alabama%20Ag%20%26%20Forestry%20Economic%20Contribution%20Study.pdf Economic Benefits of the Forest Industry in Georgia: 2017 http://www.gfc.state.ga.us/utilization/economic-impacts/2017%20Forestry%20Impact%20Report%20Web.pdf TN AgStats 2015: Economic Contributions of Agriculture and Forestry in Tennessee, 2017 https://ag.tennessee.edu/arec/Documents/publications/TN_AgStats2015.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.4.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).
Finding	<p>MREJ has implemented the US NRA for its supply area. MREJ has determined the following categories of controlled wood as “low risk”:</p> <ul style="list-style-type: none"> • Category 1: Illegally harvested wood; • Category 2: Wood harvested in violation of traditional and human rights; • Category 5: Wood from forests in which genetically modified trees are planted. <p>MREJ has determined there may be areas within its supply area that are considered “specified risk” to the following categories of controlled wood:</p> <ul style="list-style-type: none"> • Category 3: Wood from forests where high conservation values are threatened by management activities; <ul style="list-style-type: none"> ○ HCV1 – Cape Fear Arch Critical Biodiversity Area (CBA); ○ HCV1 – Central Appalachian CBA; ○ HCV1 – Cheoah Bald Salamander; ○ HCV1 – Dusky Gopher Frog; ○ HCV1 - Florida Panhandle CBA; ○ HCV1 – Patch-Nosed Salamander; ○ HCV1 – Southern Appalachian CBA; ○ HCV3 – Late Successional Bottomland Hardwoods; ○ HCV3 – Mesophytic Cove Sites; ○ HCV3 - Natural Longleaf Pine Systems; • Category 4: Wood from forests being converted to plantations or non-forest use. <p>In addition to the FSC Controlled Wood categories described above, MREJ has identified other high conservation value areas that occur near or within the MREJ supply area. These other high conservation values areas include:</p> <ul style="list-style-type: none"> • IUCN Centres for Plant Diversity; • Critical Ecosystem Partnership Fund – North American Coastal Plain; • GreenPeace Intact Forest; • World Wildlife Fund (WWF), Global 200 Ecoregions; • Protected Areas as identified by Protected Areas Database of the United States (PAD-US). <p>MREJ has mapped these “specified risk” areas by supplier and will implement, as needed, adequate control measures to either avoid or to mitigate specified risk related to origin and/or risk related to mixing with non-eligible inputs in the supply chain.</p> <p><u>Cape Fear Arch CBA</u></p> <p>The Cape Fear Arch CBA is located in Brunswick and Columbus Counties in North Carolina. Two (2) suppliers purchase wood fiber from these counties. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).</p> <p>The Cape Fear Arch region has resulted in a diversity of wet and dry habitats. The region is considered to have the greatest biological diversity along the Atlantic Coast. Important drivers of biodiversity in this region include longleaf pine forests and pocosins (coastal peatlands).</p>

Pocosins occur within nutrient-poor peatlands in shallow depressions on plateaus and are typically continuously saturated with water. They harbor rare species like the venus fly trap and Red-cockaded Woodpecker. The overstory is usually pine, often Pond pine. Higher, drier sites typically have a dense evergreen shrub layer, while the wettest may only have low shrubs, stunted pines and beds of sphagnum, pitcher plants and cranberry. Longleaf pine forests once covered much of the Atlantic Coastal Plain, but the extent and condition of the system has been severely depleted due to habitat fragmentation, unsustainable harvest, conversion to other land uses and vegetative types, invasive species, and exclusion of natural fire regimes. There have been recent gains, but the forest type is still very rare.

Identified threats:

- Pocosins - Canopy removal, conversion of native pine to planted pine, changes in hydrology due to ditching, conversion to agriculture, road construction, and sand quarrying, habitat fragmentation, introduction of non-native species, and fire suppression.
- Longleaf pine - conversion of longleaf to other pine types, herbicide application that have the potential to inhibit native understory communities, fire suppression, urban development, fragmentation, non-native species, and intensive pine straw raking.

Central Appalachian CBA

The Central Appalachian CBA is located within the MREJ supply area. Fifteen (15) suppliers providing wood fiber to MREJ source from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

This CBA corresponds with the higher elevation portions of WWF’s ‘Appalachian Mixed Mesophytic Forest’ area, one of their Global 200 biodiversity areas. The broadleaf forests and aquatic habitats drive the region’s biodiversity. The forests are significant in the diversity of different forest types that occur and within them the large number of different tree species that occur, along with incredibly diverse understories and associated wildlife species. The geologic history, change in elevation, and diverse topography and climate have resulted in a very large number of microhabitats within the region – each with a unique biodiversity.

Identified Threats:

- Mixed Mesophytic Forests - The priority threats to the forests as a whole include climate change, pollution from mining, new highways and utility rights-of-way, ORV recreation and overpopulation of deer.
- Aquatic Habitats - Hydrologic alteration partially due to forestry practices and conversion from hardwood forests to non-native planted pine, reduced water quality partially due to loss of near-stream forested habitat and sedimentation associated with forestry practices and lack of Best Management Practice (BMP) implementation, and severe erosion of river banks.

Cheoah Bald Salamander

The Cheoah Bald Salamander (CBS) is located within 2 counties in NC within the MREJ supply area. The amount of fiber from these two NC counties is estimated to be very low resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

The CBS’s range is not yet well defined but is believed to be limited a portion of the Appalachian Mountains at the very western extent of NC within the elevational range of 975-1,524 meters, associated with the Cheoah Bald. The salamander’s primary habitat is the mesic forests and the species may be common in areas with suitable habitat. It appears that much of the species’ range may occur within the Nantahala National Forests and it is identified as a Federal Species of Concern.

Identified threats include forest disturbance; primarily clearcuts.

Dusky Gopher Frog

The Dusky Gopher Frog (DGF) is located within 4 counties in MS within the MREJ supply area. Three (3) suppliers provide wood fiber to MREJ sourced from these 4 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The DGF is considered an HCV because it is a rare species population with very limited distribution. The DGF historically occurred on the Coastal Plain from eastern Louisiana to the Mobile River delta in Alabama. Now, it is only known from one site in Harrison County, MS and a couple of sites in Jackson County, MS, although there are also active efforts to reintroduce into wetlands in Perry County, MS. It is federally endangered wherever found and is also listed as endangered by the State of Mississippi. The species occurs in upland areas of sandy soils that were historically forested with longleaf pine and in temporary wetland breeding sites within the forested landscape. Most of its life cycle is spent in or near underground areas of refuge that historically were gopher tortoise burrows. Critical habitat was designated in 2012 within four counties in Mississippi and one in Louisiana. Current populations are documented in two of the Mississippi Counties (Harrison and Jackson) and active efforts toward reintroduction are occurring in the third (Perry).

Identified Threats include habitat degradation, driven by multiple sources including, changes in forest type from longleaf pine to other forest types, forest degradation caused by grazing and the disruption of the natural fire regime, and land management practices that alter the soil horizon, forest litter, herbaceous community and the occurrence of down woody debris. Timber site prep and other forestry practices that alter temporary wetlands can damage breeding areas.

Florida Panhandle CBA

The Florida Panhandle CBA is located within 7 counties in 3 states within the southern portion of the MREJ supply area. Four (4) suppliers provide wood fiber to MREJ sourced from these 7 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The Florida Panhandle is reported to be one of the 5 richest biodiversity hotspots in North America. Of particular importance is the richness of frogs, snakes, turtles, and mussels. This concentration of biodiversity is driven by the river systems, longleaf pine savanna habitat and unique steephead ravines. Biodiversity richness is centered on the area where the Chattahoochee River meets the Flint River and form the Apalachicola River. Species of particular interest include the Okaloosa darter (*Etheostoma okaloosae*) which is endemic to the Florida Panhandle, and the Red-cockaded Woodpecker (*Picoides borealis*) which is associated with the longleaf pine.

Identified Threats:

- Apalachicola Bay/River System - Threats to this aquatic system are varied and include persistent drought resulting in reduced flow level, loss of floodplain and wetland habitat due to reduced flow levels, point and non-point source pollution (including sediments from forestry operations due to insufficient ground cover and inadequate buffers), unrestrained growth and development.
- Longleaf Pine Savanna - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use management techniques, including herbicide application that have the potential to inhibit native understory communities. Other threats include fire-suppression, urban development, fragmentation, and non-native species. It is possible to harvest in and sustainably manage longleaf pine systems and therefore timber management by itself is not considered a threat.
- Steephead Ravines - Reported threats include altered hydrologic regimes, conversion to other land uses, fire suppression.

Patch-Nosed Salamander

The Patch-Nosed Salamander (PNS) is located within 3 counties in 2 states in the MREJ supply area. Five (5) suppliers provide wood fiber to MREJ sourced from these 3 counties and it is considered to be “specified risk” resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

The PNS is the smallest known salamander in North America – typically around 5 cm in length, half of which is the tail. The known range of the Patch-nosed salamander includes a limited number of small, first order stream located at the foot of the Blue Ridge escarpment in Stephens and Habersham counties (near Lake Tugaloo) of Georgia, within the Chattahoochee National Forest. There is one additional population known in Oconee County, South Carolina. Identified individuals of this species have all been found in leaf litter or under rocks in the above water streambeds or banks of first-order streams. It is not yet known whether adjacent hardwood forests also provide habitat. This species is not listed at either the federal or state level.

Identified threats have not yet been documented. The species depends on riparian habitat, so any factor that would disrupt water flow, canopy cover, or the leaf-litter layer would likely impact the species.

Southern Appalachian CBA

The Southern Appalachian CBA is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Biodiversity values in the southern Appalachians include aquatic habitats, glades, and montane longleaf pine. Alabama is recognized as having the greatest number of freshwater species of mollusks and fish in the United States, and many of these species have very restricted distributions and specialized habitat requirements that make them highly vulnerable to extinction. The Cahaba River watershed is the center of the biodiversity hotspot, but the biodiversity area includes other smaller watercourses as well. Aquatic habitats driving this concentration of biodiversity include lakes, rivers, streams, bogs, swamps, ephemeral pools, fens, seeps, swamp forests and wet meadows. Other drivers of biodiversity include glades and montane longleaf pine. Bibb County Glades (i.e. rock outcrops), exposed limestone glades, and sandstone glades in Central Alabama have high density of rare plants. These are open habitats that are dominated by upland herbaceous plant species. There is typically an absence of a tree canopy on glades, resulting in large amounts of sunlight and heat on the surface. Montane longleaf pine habitats occur in steep rolling topography historically maintained by fire, mostly outside of or on the edge of the Coastal Plain. Biodiversity values are driven in part by the understory plant community.

Identified Threats:

- Aquatic Habitats - Numerous sources of information identify threats from forest management activities, particularly non-point source pollution in aquatic habitats, and disturbance to riparian zones.
- Glades - Threats include grazing, non-native species, quarrying, root-digging, plant and animal collecting, removal of large rocks for landscaping, urban development, plowing for fire breaks, use as logging decks (resulting in soil/vegetation disturbance and soil erosion), conversion to other land uses, and ORV damage.
- Montane Longleaf Pine - Biodiversity values can be adversely affected by forest management activities via conversion of longleaf to other pine types, and the use of management techniques, including herbicide application that have the potential to inhibit native understory communities.

Late Successional Bottomland Hardwoods

Late Successional Bottomland Hardwoods is located along the major watersheds in the MREJ supply area. Eight (8) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

Much of the original bottomland hardwood in the US was cleared for agriculture, particularly in the Mississippi valley, and much of the remainder was mismanaged leaving very few intact examples. Bottomland Hardwoods are periodically inundated, floodplain forests, where the entire ecosystem is driven by hydrology. Late successional stands are not defined by the species, as much as by the structural composition (e.g., more stratification) and existence of large wood debris, including standing hollow trees – these changes occur at about 80 years in most Bottomland Hardwood types and perhaps a little later in cypress swamps.

Identified threats include development, hydrologic changes (droughts, water withdraws, ditching), incompatible forest management, pollution, fragmentation, invasive species and economic drivers that alter forest management goals.

Mesophytic Cove Sites

Mesophytic Cove Sites is located within the MREJ supply area. Fourteen (14) suppliers provide wood fiber to MREJ sourced from counties considered to be “specified risk” within this CBA resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report APPALACHIAN REGION: Asheville, NC – July 19, 2018; page 10).

Mesophytic cove sites are highly diverse, closed-canopy hardwood forest occurring on sheltered sites at low- to moderate-elevation (1,000-3,600 ft), and sometimes higher. They tend to occur in large patches on concave slopes that accumulate nutrients and moisture. They are characterized by high species diversity and a complex forest structure. The ground level flora in particular has high species richness, often with abundant spring ephemerals. Rich cove forests have very fertile soils with a diverse herb layer containing few shrubs. Acidic cove forests are less fertile than rich coves, but otherwise similar.

Identified Threats to this forest type are invasive species and conversion to other uses. Threats also include incompatible forest management that results in alterations to the structure and composition of the forest or conversion to other forest types (white pine), climate change, chronic deer herbivory, harvesting of herbs and pollution.

Native Longleaf Pine Systems

Native Longleaf Pine Systems (NLPS) are located in the MREJ supply area. Nine (9) suppliers provide wood fiber to MREJ source from counties that have been identified as containing native longleaf systems resulting in a low level of mitigation required (FSC US Controlled Wood Regional Meeting Report SOUTHEAST & MISSISSIPPI ALLUVIAL VALLEY REGIONS: Atlanta, GA – July 31, 2018; page 11).

NLPS were once one of the most widespread forest types in the US but were reduced to less than 5% of their original range, becoming one of the rarest forest systems in the world. This historical reduction was driven by suppression of fire and conversion to other forest types. These forest systems are associated with high animal and plant diversity, including many rare, threatened and endangered species such as the Red-cockaded Woodpecker, Bachman’s Sparrow, Gopher Tortoise, Eastern Indigo Snake, and Flatwoods Salamander.

“Native” in this instance refers to existing longleaf pine that is on a site that has historically been maintained as longleaf pine. Longleaf pine stands that have been restored in areas that have not been historically maintained in longleaf pine do not apply under this definition. “Native” does not imply a particular regeneration method; these stands may be either planted or naturally regenerated.

Identified threats include altered stand structure (due to lack of fire), conversion to other forest types, conversion to other land uses, habitat disturbance (including management techniques that inhibit native understory communities which may include herbicide application), and fragmentation.

IUCN Centres for Plant Diversity (CPD)

There is two CPD sites that occur within the MREJ supply area.

5. NA24 - Piedmont granitic rock outcrops

These rare plant community occurrences are sporadic in AL, GA & SC. Granite rock outcrops are a prominent feature of the Piedmont region. There are about 10,800 acres of exposed granite in Georgia which is about 90% of all the exposed granite in the Southeast. GIS data is available that shows the location of granite bedrock which identifies possible locations of granite outcrops. Weathering of soils over granite bedrock exposes the bedrock at the surface. Once exposed, the granite bedrock is called a granite outcrop, granite outcrops are another name for exposed granite bedrock. A high percentage (33%) of plants associated with these rock outcrops are endemics. A handful of rare species are known to occupy high quality granite outcrops and their occurrences indicate the locations of granite outcrops.

6. NA25 – Eastern Serpentine flora

Serpentine flora is restricted to soils derived from serpentine rock outcrops found in association with ultramafic rock. NA25 is restricted to the Piedmont physiographic province. Serpentine soils, associated with ultramafic bedrock, formed along a linear boundary between ancient continents. Serpentine soils have relatively higher levels of heavy metals (cadmium and nickel) and lower levels of calcium than other soils. Therefore, are toxic to most plants. Clays in serpentine soils have a high affinity for water, more so than other clays, making less water available to plants. Plants found in this CPD are specialists. They are adapted to the harsh conditions created by these soils and cannot survive outside of this habitat, making them obligate endemics to serpentine soils.

Critical Ecosystem Partnership Fund

North American Coastal Plain was added to the Biodiversity Hotspot list in 2016. The North American Coastal Plain reaches from a small section of northern Mexico along the Gulf of Mexico and up the East Coast to southeastern Massachusetts. Despite the 1,816 endemic plant species and the 1.13 million square kilometers of area, the hotspot has a low level of geographic variety and an unusually low level of elevation change when compared to the other hotspots, leading the scientific community to assume it would be less biodiverse.

GreenPeace Intact Forest

A Greenpeace Intact Forest is located in Charlton and Ware Counties, GA which is within the MREJ supply area. It is almost entirely within the 403,119 acre Okefenokee National Wildlife Refuge which has been described as “one of North America’s most unspoiled, fascinating and precious natural areas”. The Okefenokee Swamp is the largest, intact, un-fragmented, freshwater and black water wilderness swamp in North America. There are 353,000 acres designated as a National Wilderness Area within the refuge. Two small fingers of the Greenpeace Intact Forest extend into the Dixon Memorial Wildlife Management Area which is a state-owned forest and beyond the northern end of the refuge. The remainder of the intact forest is within the Okefenokee National Wildlife Refuge where it receives federal protection from the Department of the Interior.

World Wildlife Fund (WWF), Global 200 Ecoregions

Two World Wildlife Fund Global 200 Ecoregions (Number 69 & 75) intersect the MREJ supply area. The WWF ecoregion #69 is divided into two sub-ecoregions, but only one, the Appalachian Mixed Mesophytic Forests (NA0402) is designated Critical/Endangered. The other sub-ecoregion is designated Vulnerable and therefore does not require assessment. For that reason, it is not shown above. The other Global 200 ecoregion (Number 75) intersects the is divided into two Critical/Endangered sub-ecoregions, the Southeastern mixed forests (NA0413) and the Southeastern conifer forests (NA0529).

7. The Appalachian and Mixed Mesophytic Forests is Number 69 of the Global 200 is ranked vulnerable. Although this risk assessment address only those Global 200 ranked critical/endangered, it is important to look at the two sub-ecoregions that make

	<p>up Number 69. One of the sub-ecoregions, the Appalachian Mixed Mesophytic Forests (NA0402), is ranked critical/endangered and is therefore significant at the national level. The other sub-ecoregion, Appalachian-Blue Ridge Forests (NA0403), intersects the District. However, since it is ranked vulnerable, it does not require evaluation.</p> <p>8. The Southeastern mixed forests (NA0413) is a highly degraded ecoregion with more than 99% of the original habitat having been converted to other uses. Settlers within the ecoregion logged and then cleared the land for agriculture. The ecoregion overlaps and is synonymous with the Piedmont physiographic province along the Atlantic Slope and the rest falls into the Coastal Plain on the Gulf Coast. WWF reports that there is little habitat left to conserve in this critical/endangered ecoregion. There are multiple examples of protected areas within this ecoregion.</p> <p>9. The Southeastern conifer forests (NA0529) is the second terrestrial ecoregion that makes up the global ecoregion # 75. The ecoregion extends from the Savannah River in Georgia across the coastal plain to the eastern parishes of Louisiana and south into Florida in the vicinity of Lake Okeechobee.</p> <p>This ecoregion is equated with the longleaf pine ecosystem that once spanned a significant portion of the coastal plain. It was dominated by a longleaf pine overstory and an exceptionally diverse array of plants in the understory and especially in the herbaceous layer. The entire ecology of this region was driven by fire which maintained a longleaf pine dominance in the overstory. Many species of birds, reptiles, and amphibians adapted to this environment as well. The red-cockaded woodpecker, gopher tortoise, indigo snake, and flatwoods salamander are some of the more threatened, regulated, and managed of those taxa.</p> <p>Fire was eventually suppressed in this ecosystem as it was in many of the other regions in the southeast. Due to commercial and private development, conversion to agriculture and the planting of loblolly pine in the area, the longleaf pine flatwoods have been reduced to less than 1% of its original size. However, there are several places where the natural habitat is being maintained and fire is still allowed into the systems. Most of the conservation sites that remain can be found on national forests, military bases, and state parks. Thanks to organizations like the Longleaf Alliance, private landowners are being given federal incentives to plant longleaf on their property and maintain those stands for many decades to come. As a result of education and conservation planning, there has been an increase in longleaf plantations over the past decade with an increase in newly planted acres every year within the ecoregion.</p>
<p>Means of Verification</p>	<ul style="list-style-type: none"> • Company reviews the FSC US Controlled Wood National Risk Assessment (US NRA) and MREJ-DOC-005 FSC Controlled Wood Risk Assessment at least annually to verify status of US NRA or to address any changes identified since the previous year. This review is a part of the company's annual Due Diligence System review. • MREJ-DOC-012 Secondary Supplier Audit Checklists – Suppliers are audited by company at least annually to verify: <ul style="list-style-type: none"> ○ The supplier and its sub-suppliers are aware of the mitigation measures implemented for FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment. <p>Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p>
<p>Evidence Reviewed</p>	<ul style="list-style-type: none"> • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • MREJ-DOC-012 Secondary Supplier Audit Checklist • FSC US Controlled Wood National Risk Assessment (US NRA) https://us.fsc.org/en-us/certification/controlled-wood/fsc-us-controlled-wood-national-risk-assessment-us-nra

	<ul style="list-style-type: none"> • International Union for the Conservation of Nature (IUCN) https://www.iucn.org/ • World Resources Institute / Global Forest Watch https://www.wri.org/our-work/project/global-forest-watch • World Wildlife Fund (WWF) https://www.worldwildlife.org/biome-categories/terrestrial-ecoregions
<p>Risk Rating</p>	<p><input type="checkbox"/> Low Risk <input checked="" type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA</p>
<p>Comment or Mitigation Measure</p>	<p><u>Cape Fear Arch CBA</u></p> <p>7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, owner of Greener Options, Inc. has reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Cape Fear Arch CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>8. MREJ will work with suppliers who source wood fiber from this area to education the suppliers, their loggers and landowners on the conservation values of Cape Fear Arch biodiversity associated with pocosins, threats from incompatible forest management, and opportunities for conservation through management that enhances biodiversity and reduces or eliminates these threats while recognizing the importance of hydrology for maintenance and enhancement of pocosins. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>9. MREJ will engage with and/or provide monetary or in-kind resources to the Cape Fear Arch Conservation Collaboration and/or the Longleaf Alliance that are supporting or promoting programs/projects to develop new or augment existing programs that will identify and conserve pocosins and native longleaf pine systems within areas of the specified risk area and the MREJ’s supply area, with a particular focus on increasing and improving implementation of management practices that will conserve pocosin and longleaf pine biodiversity.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company’s MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Central Appalachian CBA</u></p> <p>7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with</p>

	<p>Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Central Appalachian CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>8. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>9. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Cheoah Bald Salamander</u></p> <p>5. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the CBS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p>
--	--

6. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of CBS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores CBS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Dusky Gopher Frog

5. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the DGF.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

6. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of DGF, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores DGF populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Florida Panhandle CBA

7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ’s certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Florida Panhandle CBA.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on

	<p>the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>8. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>9. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, such as the Longleaf Alliance, to support or promote programs/projects to develop new or augment existing programs that will enhance or conserve aquatic biodiversity in the Apalachicola Bay/River System, with a particular focus on bottomland hardwood forests and forests identified as having higher risk within the portion of the Apalachicola Bay/River System that occurs within areas of the specified risk area and the MREJ's supply area.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Patch-Nosed Salamander</u></p> <p>5. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the PNS.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>6. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of PNS, potential threats from forest management activities, and opportunities for conservation through management that maintains, enhances, or restores PNS populations and reduces or eliminates potential threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and</p>
--	--

	<p>other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p><u>Southern Appalachian CBA</u></p> <p>7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc., and Mark Hughes, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the Southern Appalachian CBA.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>8. MREJ will work with suppliers who source wood fiber from this area to educate the suppliers, their loggers and landowners on the conservation values of aquatic biodiversity, threats from poorly implemented forest management activities, and opportunities for conservation through management practices that reduce or eliminate these threats, including but not limited to forest management activities on steep slopes, and practices that will prevent siltation. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>9. MREJ will engage with and/or provide monetary or in-kind resources to conservation partnerships, organizations or similar entities that are supporting or promoting programs/projects to develop new or augment existing programs within the specified risk area and the MREJ's supply area that will: a) result in increased and improved implementation of BMPs with a focus on aquatic biodiversity conservation; and/or b) result in increased access to incentive programs for landowners who restore, maintain or enhance forests in a way that will conserve aquatic biodiversity.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Late Successional Bottomland Hardwoods</u></p> <p>7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p>
--	--

	<p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Late Successional Bottomland Hardwoods (LSBH).</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>8. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits & values of LSBH, threats from forest management activities & related loss of values, and opportunities for conservation through management that restores or maintains LSBH and reduces or eliminates these threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p><u>Plan to Measure Effectiveness:</u> The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.</p> <p>9. Engage with and/or provide monetary or in-kind resources to conservation organizations or similar entities that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of LSBH, with a goal of long-term conservation of this forest type within the specified risk area and MREJ's supply area.</p> <p><u>Plan to Measure Effectiveness:</u> Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.</p> <p><u>Mesophytic Cove Sites</u></p> <p>5. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Gary Boyd attended the Appalachian Region meeting on July 19, 2018 in Asheville, NC. Boyd actively participated in the discussion of mitigating measures for the HCVs during this meeting.</p> <p>Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for Mesophytic cove sites.</p> <p><u>Plan to Measure Effectiveness:</u> Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.</p> <p>6. MREJ will work with suppliers who source wood fiber from these forest types to educate the suppliers, their loggers and landowners and communicate the social benefits and values of Mesophytic Cove Sites, how to identify them in the field, threats from incompatible forest management activities, and opportunities for conservation through management that enhances these sites and reduces or eliminates these</p>
--	---

threats. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

Native Longleaf Pine Systems

7. MREJ has contracted with Greener Options, Inc. to assist in the development and implementation of MREJ's certification programs. Greener Options, Inc. working with Biological Integrity, LLC attended the three FSC US Controlled Wood Regional meeting held in 2018. Mark Hughes, PhD, owner of Biological Integrity, LLC attended the Southeast Region meeting on July 31, 2018 in Atlanta, GA. Hughes actively participated in the discussion of mitigating measures for the HCVs during this meeting.

Gary Boyd, Greener Options, Inc. and Mark Hughes, PhD, Biological Integrity, LLC have reviewed the FSC US Controlled Wood Regional Meeting final report findings with MREJ specifically on recommended mitigation measures for the NLPS.

Plan to Measure Effectiveness: Consultant will have an annual review with the company on the high conservation value areas to review any updates or changes on the specified risk areas. Any new data or information related to threats or improvement actions through partnerships will be reviewed. Annual review will be documented on MREJ-DOC-002 Training Record.

8. MREJ will work with suppliers who source wood fiber from these areas to communicate and educate suppliers, their loggers and landowners on the social benefits and values of NLPS, threats from forest management and related loss of values, and opportunities for conservation through management that restores or maintains NLPS and reduces or eliminates these threats. Communications should recognize the importance of the forest understory and fire to NLPS. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists. Below are some sources of information used to educate suppliers and their loggers, and landowners on NLPS.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

9. MREJ will engage with and/or provide monetary or in-kind resources to conservation organizations such as the Longleaf Alliance that are facilitating active, on-the-ground implementation of management activities to restore or maintain existing examples of NLPS, with a goal of long-term conservation of this system within the specified risk area and the MREJ's supply area.

Plan to Measure Effectiveness: Company annually reviews the results of partnerships developed and implemented with conservation organizations addressing FSC Controlled Wood specified risk areas and other areas of high conservation value identified within the company's MREJ-DOC-005 FSC Controlled Wood Risk Assessment as mitigation measures.

IUCN Centres for Plant Diversity (CPD)

5. It is unlikely that commercial timber harvesting will occur on these granite rock outcrop sites.
6. MREJ will work with suppliers who source wood fiber from these areas to educate the suppliers, their loggers and landowners on the conservation values of granite rock

outcrops and the rare plants that may occur on these sites. Emphasis will be placed on educating suppliers not to use these areas as loading decks or landings for timber harvesting operations. This education and outreach measure will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.

Plan to Measure Effectiveness: The Company will meet with suppliers annually to verify they have educated their suppliers, loggers & landowners on the conservation values of the specified risk. This annual audit will be documented using MREJ-DOC-012 Secondary Supplier Audit Checklist. Supplier maps, education materials and other pertinent information will be provided to the supplier to be passed on to their suppliers, loggers and landowners.

GreenPeace Intact Forest

4. There is a strong system of protection (effective protected areas and legislation) in place within the MREJ supply area that ensures survival of this intact forest.
No wood is harvested out of the described National Wilderness Area which is managed by the Department of Interior. If wood is harvested from the surrounding forests described above, The Department of Interior or the Georgia Forestry Commission conducts environment impact studies and oversees all timber harvesting on these forests within the HCV providing complete protection of the site.

	Indicator
2.4.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).
Finding	<p>The Company only receives secondary & tertiary feedstock and does not conduct forest management activities that manage fires, pests and diseases. The Company promotes certification from certified suppliers and sub-suppliers where possible. Eighteen of the 16 suppliers and 46 sub-suppliers are SFI Fiber Sourcing certified.</p> <p>The company through its participation in the TN Forestry Association will stay abreast of forest health issues. The Company will also work with state forestry agencies, as needed, to address issues of forest health.</p> <p>The AL Forestry Commission in its 2018 Annual Report stated there were 1,038 wildfires burning 11,309 acres for the fiscal year. As part of hazard mitigation, total prescribed fire in AL involved 12,601 burns on 944,176 acres. A total of 299 southern pine beetle spots were detected that infested 8,013 pines. More than half of these infestations were located on National Forests in the state.</p> <p>The GA Forestry Commission in its 2016 Annual Report stated there were 2,415 wildfires burning 9,970 acres for the fiscal year. GFC stated 2016 was lowest acreage burned since 1957. GFC foresters incorporated insect, disease, or invasive species advice into 361 management cases involving 9,012 acres for the year.</p> <p>The TN Forestry Commission in its 2018 Annual Report stated there were 583 wildfires that burned 5,837 acres. The Commission detected no major southern pine beetle activity. Protected 1,330 acres and 14,850 hemlock trees statewide. Monitored for gypsy moth via placement of 8,524 gypsy moth traps in all counties and detected 80 male gypsy moths in 12 counties.</p>
Means of Verification	Employee interviews, TN Forestry Association membership
Evidence Reviewed	<ul style="list-style-type: none"> • AL Forestry Commission Annual Report, 2018 http://www.forestry.alabama.gov/Pages/Other/Forms/Annual_Reports/Annual_Report_2018.pdf • GA Forestry Commission Annual Report, 2016 http://www.gfc.state.ga.us/resources/publications/2016%20Annual%20Report.pdf • North Carolina ForestService Biennial Report 2017 https://www.ncforestservice.gov/publications/2017BiennialReport.pdf • South Carolina Forestry Commission Renewal Report 2016-2017 https://dc.statelibrary.sc.gov/bitstream/handle/10827/26392/FC_Forest_Renewal_Program_2016-2017.pdf?sequence=1&isAllowed=y • TN Forestry Commission Annual Report, 2018 https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/2018_TFC_report_web.pdf • Virginia State of the Forest, 2018 http://www.dof.virginia.gov/infopubs/sof/SOF-2018_pub.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.4.3	The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is adequate protection of the forest from unauthorised activities, such as illegal logging, mining and encroachment (CPETS7c).
Finding	<p>There are appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Company’s supply area. Illegal harvesting is prohibited by state laws. In most states the timber buyers and/or harvesting companies have to be licensed in order to conduct their business. Evidence indicates that major violations are prosecuted and legal liability is enforced. There is no evidence suggesting that illegal logging is a wide scale problem in the United States (US).</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 1: Illegally harvested wood to be “low risk”. MREJ-DOC-005 FSC Controlled Wood Risk Assessment supports this low risk assessment through the listing of various applicable laws showcasing the rule of law and public agency governance.</p>
Means of Verification	Fiber Purchase Agreements, State laws, MREJ-DOC-005 FSC Controlled Wood Risk Assessment
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • FSC US Controlled Wood National Risk Assessment (US NRA) • MREJ-DOC-005 FSC Controlled Wood Risk Assessment • State laws addressing illegal logging and wood theft are as follows: <u>Alabama Laws</u> ALA. CODE 1975 § 9-13-62 awards double damages for a trespass that is committed knowingly and intentionally." Article 3 - Regulations as to Cutting, Removal, Purchase, etc., of Forest Products § 9-13-60 Unauthorized cutting, removal, transportation, etc., of timber or other forest products § 9-13-61 Charges in affidavits, information or indictments under article; proof of title, etc. § 9-13-62 Liability § 9-13-63 Record of purchases, etc., of manufactured or semi-manufactured forest products; provision of false information to purchasers, etc.; failure to maintain record, etc. § 9-13-64 Powers of State Forestry Commission employees as to enforcement of article, etc. § 9-13-65 Disposition of fines Article 9 - Timber Theft Equipment Condemnation § 9-13-220 Short title § 9-13-221 Seizure of vehicle and equipment upon arrest for certain criminal violations; delivery to district forester § 9-13-222 Report of seizure to district attorney § 9-13-223 Report to district attorney after conviction of person for theft of timber or lumber § 9-13-224 Notice to creditors; institution of condemnation proceedings; legal title to equipment § 9-13-225 Forfeiture of equipment upon judgment; costs of proceedings; State Forester to keep records § 9-13-226 Use of proceeds from sale of equipment; award and distribution determined by State Forester

§ 9-13-227 Provisions cumulative
Logging Notice Act - Act 12-0257

Arkansas Laws

§20-22-301 authorizes the Arkansas Forestry Commission (AFC) to enforce laws regarding timber theft. Codes prohibiting theft of property, theft by deception, and theft by receiving, forgery and criminal mischief also may apply to some cases of timber theft.

§15-32-101 requires those who sell timber or buy timber to ascertain boundary lines before harvesting the timber. Under Arkansas law, timber theft may be treated as a felony or as a misdemeanor, depending upon the circumstances of the theft and the value of the timber stolen.

§15-32-301 specifies that a timber thief or vandal is “liable to the owner in double the value” of trees stolen or destroyed. However, for a landowner to be compensated at this rate, it must be proven that the accused “knowingly” cut down, destroyed or carried away the timber.

§15-32-603 requires that a timber buyer fully pay a landowner for timber harvested before using that money for any other purpose. After collecting money for timber, the buyer is given 45 days to pay the landowner for the timber. If the buyer fails to pay the landowner, the landowner should contact a local Arkansas Forestry Commission office. The landowner will be given a letter to send to the buyer. The letter informs the buyer that payment must be made within 15 days to avoid prosecution for timber theft.

Florida Laws

Title XXXIII Regulation of Trade, Commerce, Investments, and Solicitations
Chapter 536 Timber and Lumber

§ 536.13 Stamp or brand for logs.
Any person engaged in this state in the business of getting out, buying, selling, or manufacturing saw logs, may adopt a stamp or brand for...

§ 536.14 Brands to be recorded by clerk of circuit court.
A person may execute a written declaration that she or he has adopted a brand, describing it, and after acknowledgment of such declaration before any...

§ 536.15 May prevent use by others.
Any person who has had her or his brand recorded in any county, may prevent other persons from using the same in said county by...

§ 536.16 Prima facie evidence of ownership.
Any log found in any county branded with a brand recorded in said county by any person shall be deemed prima facie to be the...

§ 536.17 Where two or more brands the same.
In case there shall be recorded in the same county two or more brands the same, or substantially the same, the brand first recorded shall...

§ 536.18 Defacing the mark or brand of lumber and timber.
If any person shall fraudulently alter, change or deface the duly recorded mark, brand, or stamp of any lumber, logs or timber, or shall fraudulently...

§ 536.19 Unlawful use of recorded log brand or stamp.
Any person who shall unlawfully use any recorded log brand or stamp of another shall be guilty of a misdemeanor of the second degree, punishable...

Georgia Laws

House Bill - HB 790
Signed by Governor: April 29, 2014 Effective Date: July 1, 2014
Provides additional enforcement authority to Georgia Forestry Commission investigators

In cases involving the unauthorized cutting or cutting and carrying away of timber from the property of another damages shall be awarded in accordance with GA. CODE ANN. § 51-12-50.

Amends GA. CODE ANN. § 51-12-50 whereas damages shall be: (1) Treble the fair market value of the trees cut as they stood; (2) Treble the diminished fair market value of any trees incidentally harmed; (3) Costs of reasonable reforestation activities related to the plaintiff's injury; and (4) Attorney fees and expenses of litigation. When defendant is a willful trespasser, plaintiff may receive punitive damages.

Amends GA. CODE ANN. § 12-6-23 relating to wood load ticket required for wood removal, so as to require purchasers to provide the proper tickets to sellers of timber within 20 days

GA Codes Title 12 Forest Resources and other Plant Life

Article 1 – Forestry Resources

GA. CODE § 12-6-23 - Wood load ticket required for wood removal; form; exceptions

GA. CODE § 12-6-24 - Notice of timber harvesting operations

Kentucky Laws

Kentucky Forest Conservation Act - was established to ensure that Kentucky's forests continue to provide multiple benefits to the citizens of the commonwealth. One provision of the act is a requirement that all commercial timber harvesting operators use appropriate Best Management Practices to protect water quality and that mechanized skidding operations have a Kentucky Master Logger onsite and in charge.

KY Rev Stat § 364.130 (2015) Liability of person entering upon and cutting timber growing upon land of another -- Measure of damages. (1) Except as provided in subsection (2) of this section, any person who cuts or saws down, or causes to be cut or sawed down with intent to convert to his own use timber growing upon the land of another without legal right or without color of title in himself to the timber or to the land upon which the timber was growing shall pay to the rightful owner of the timber three (3) times the stumpage value of the timber and shall pay to the rightful owner of the property three (3) times the cost of any damages to the property as well as any legal costs incurred by the owner of the timber.

Louisiana Laws

RS 14:67.2. Theft of timber

- Theft of timber is the misappropriation or taking of timber belonging to another, or proceeds derived from the sale of such timber, either taken without the consent of the owner, or by means of fraudulent conduct, practices, or representations, with the intent to deprive the owner permanently of the timber or proceeds derived therefrom.
- (1) Whoever commits the crime of theft of timber when the misappropriation or taking amounts to a value of twenty-five thousand dollars or more shall be fined not more than ten thousand dollars and imprisoned at hard labor for not more than ten years. (2) When the misappropriation or taking amounts to a value of less than twenty-five thousand dollars, the offender shall be imprisoned, with or without hard labor, for not more than five years, fined not more than five thousand dollars, or both.
- The enforcement division of the office of forestry within the Department of Agriculture and Forestry shall have primary responsibility for collection, preparation, and central registry of information relating to theft of timber and shall assist all law enforcement agencies in investigations of violations of the provisions of this Section.

RS 3:4278.1. Trees, cutting without consent; co-owners and co-heirs; penalty

- (1) It shall be unlawful for any person to cut, fell, destroy, remove, or to divert for sale or use, any trees, or to authorize or direct his agent or employee to cut, fell, destroy, remove, or to divert for sale or use, any trees, growing or lying on the land of another, without the consent of, or in accordance with the direction of, the owner or legal possessor, or in accordance with specific terms of a legal contract or agreement.
 - (2) It shall be unlawful for any co-owner or co-heir to cut, fell, destroy, remove, or to divert for sale or use, any trees, or to authorize or direct his agent or employee to cut, fell, destroy, remove, or to divert for sale or use, any trees, growing or lying on co-owned land, without the consent of, or in accordance with the direction of, the other co-owners or co-heirs, or in accordance with specific terms of a legal contract or agreement. The provisions of this Paragraph shall not apply to the sale of an undivided timber interest pursuant to R.S. 3:4278.2.
 - Whoever willfully and intentionally violates the provisions of Subsection A of this Section shall be liable to the owner, co-owner, co-heir, or legal possessor of the trees for civil damages in the amount of three times the fair market value of the trees cut, felled, destroyed, removed, or diverted, plus reasonable attorney fees and costs.
 - Whoever violates the provisions of Subsection A of this Section in good faith shall be liable to the owner, co-owner, co-heir, or legal possessor of the trees for three times the fair market value of the trees cut, felled, destroyed, removed, or diverted, if circumstances prove that the violator should have been aware that his actions were without the consent or direction of the owner, co-owner, co-heir, or legal possessor of the trees.
 - If a good faith violator of Subsection A of this Section fails to make payment under the requirements of this Section within thirty days after notification and demand by the owner, co-owner, co-heir, or legal possessor, the violator shall also be responsible for the reasonable attorney fees and costs of the owner, co-owner, co-heir, or legal possessor.
 - The provisions of this Section shall not apply to the clearing and maintenance of rights of way or to utility service situations where a utility is acting in good faith to minimize the damage or harm occasioned by an act of God. The provisions of this Section shall not apply to land surveying by or under the direction of a registered professional land surveyor, duly registered under the laws of the state of Louisiana.
 - Whoever violates the provisions of Subsection A as they relate to the cutting of standing cypress trees on water bottoms owned by the state of Louisiana shall, in addition to the penalties otherwise provided in this Section, be subject to a fine not to exceed five thousand dollars, imprisonment not to exceed six months, or both.
 - Notwithstanding any other provision of law to the contrary, a civil action pursuant to provisions of this Section shall be subject to a liberative prescriptive period of five years.
- RS 3:4278.2. Sale of undivided timber interest; consent of co-owners; theft
- A co-owner or co-heir of land may execute an act of timber sale whereby he sells his undivided interest in the timber, and any condition imposing a time period within which to remove the timber shall commence from the date of its execution.
 - A buyer who purchases the timber from a co-owner or co-heir of land may not remove the timber without the consent of the co-owners or co-heirs representing at least eighty percent of the ownership interest in the land, provided that he has made reasonable effort to contact the co-owners or co-heirs who have not consented and, if contacted, has offered to contract with them on substantially the same basis that he has contracted with the other co-owners or co-heirs.

- A co-owner or co-heir of the land who does not consent to the exercise of such rights has no liability for the cost of timber operations resulting from the sale of the timber, and shall receive from the buyer the same price which the buyer paid to the other co-owners or co-heirs. The consenting co-owners or co-heirs shall agree to indemnify and hold harmless the nonconsenting co-owners or co-heirs for any damage or injury claims which may result from such operations.
- If the nonconsenting co-owner or co-heir fails or refuses to claim his portion of the sale price of the timber, the buyer shall be obligated to hold such funds in escrow, for and on behalf of such nonconsenting co-owner or co-heir and any interest or other income earned by such funds in escrow shall inure to the benefit of the co-owner or co-heir for whom they are held.
- Failure to comply with the provisions of this Section shall constitute prima facie evidence of the intent to commit theft of the timber by such buyer.
- The sale of an undivided interest in timber that constitutes community property shall be governed by the provisions of Chapter 2 of Title VI of Book III of the Civil Code.
- Notwithstanding any other provision of law to the contrary, a civil action pursuant to provisions of this Section shall be subject to a liberative prescriptive period of five years.

Mississippi Laws

The Mississippi Agriculture Theft Bureau, Penalties

- ◆ Does not change existing law for timber trespass.
- ◆ Makes the payment of restitution to victims of timber theft (landowners) mandatory. The restitution amount will be the fair market value of the timber at the time of the loss, and also includes costs incurred by the victim as a result of the commission of the crime, such as court costs, expert and appraisal fees, and attorney’s fees.

MISSISSIPPI CODE OF 1972

§ 69-29-1. Mississippi Agricultural and Livestock Theft Bureau established

§ 69-29-1. (h) To investigate, prevent, apprehend and arrest those persons anywhere in the state who are violating any of the laws administered by the Department of Agriculture and Commerce including, but not limited to, timber theft.

North Carolina Laws

N.C. GEN. STAT. § 1-539 “awards double damages for a timber trespass that occurs without the consent and permission of the bona fide owner or an act of arson if a defendant willfully and intentionally set on fire, or cause to be set on fire” timber on the land of another.”

N.C. GEN STAT. § 14-128 “considers anyone committing a willful timber trespass guilty of a Class 1 misdemeanor, provided the offender is not an officer, agent, or employee of the Department of Transportation who committed the act within a right-of-way or easement of the Department of Transportation.”

N.C. GEN. STAT. § 1-487 “requires that when a title to timberland is contested, either party is not to harvest timber until ownership is determined by court action.”

South Carolina Laws

S.C. CODE ANN. 1976 § 16-11-580 “if the value of stolen forest products is \$5,000 or more, a defendant is fined at the discretion of the court or imprisoned for not more than ten years.” This code also allows for seizure and forfeiture of all property used in the timber theft.

S.C. CODE ANN. 1976 § 16-13-177 “imposes the forfeiture of property used in a timber trespass if more than \$5,000 of timber is taken.”

	<p><u>Tennessee Laws</u> TCA 43-28-312 Cutting timber from property of another – Civil liability. (a) (1) Civil liability for the negligent cutting of timber from the property of another shall be in an amount double that of the current market value of the timber.</p> <p><u>Virginia Laws</u> VA HB2411 - Timber sales; theft; accounting; penalty. Provides that a person who buys and removes timber from a landowner's property is guilty of timber theft if he fails to pay the landowner by the date specified in their agreement or, if there is no written agreement, within 60 days of removing the timber. The bill provides that a person who is convicted of timber theft is guilty of a Class 1 misdemeanor and shall be ordered to pay three times the value of the timber removed in addition to any penalties imposed by the court. The bill provides that, following the passing of the payment deadline, a buyer's failure to pay within 10 days of receiving a demand for payment shall constitute prima facie evidence of the buyer's intent to violate the timber theft provision. An exception exists for a purchaser who made payment to a person he believed in good faith to be the rightful owner of the timber.</p> <p><u>West Virginia Laws</u> §19-1A-3b. Timber theft; investigations; criminal and civil penalties. (a) Timber theft is the misappropriation or taking of timber belonging to another, or proceeds derived from the sale of timber, either taken without the consent of the owner, or by means of fraudulent conduct, practices, or representations, with the intent to deprive the owner permanently of the timber or proceeds derived therefrom. (b) The Division of Forestry has the primary responsibility for the collection, preparation, and central registry of information relating to timber theft. The division has the authority to investigate and enforce the provisions of this section when violations of the provisions of §61-3-52 of this code occur.</p>
Risk Rating	<p><input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA</p>
Comment or Mitigation Measure	

	Indicator
2.5.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest are identified, documented and respected (CPET S9).
Finding	<p>MREJ-POL-001 Sustainability Policy states the Company will abide by all laws and regulations, including those laws associated with traditional and civil rights.</p> <p>Harvesting in the supply basin presents a low risk of violation of traditional, civil and collective rights based on the following factors: (1) There is no UN Security Council ban on timber exports from the country concerned; (2) The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber); (3) There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned; and (4) There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.</p> <p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 2: Wood harvested in violation of traditional and human rights to be “low risk”.</p>
Means of Verification	MREJ-POL-001 Sustainability Policy, FSC US Controlled Wood National Risk Assessment (US NRA), Stakeholder consultation correspondence
Evidence Reviewed	<ul style="list-style-type: none"> Stakeholder consultation correspondence MREJ-POL-001 Sustainability Policy MREJ-DOC-005 FSC Controlled Wood Risk Assessment FSC US Controlled Wood National Risk Assessment (US NRA)
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.5.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that production of feedstock does not endanger food, water supply or subsistence means of communities, where the use of this specific feedstock or water is essential for the fulfilment of basic needs.
Finding	<p>State forestry Best Management Practices (BMP) set forth guidelines for maintaining and/or improving water quality which is the foundation for ensuring the substance means for communities are not negatively impacted. MREJ-POL-001 Sustainability Policy states the Company requires BMP compliance with the harvesting of all wood fiber it receives. Fiber Purchase Agreements require BMP compliance. The Company verifies BMP compliance as part of its annual supplier audits. BMP compliance is documented using MREJ-DOC-012 Secondary Supplier Audit Checklists.</p> <p>Of the sixteen (16) secondary & tertiary suppliers and forty-six (46) sub-suppliers, eighteen (18) are certified to the Sustainable Forestry Initiative® (SFI) Fiber Sourcing standard. The company requires its suppliers, sub-suppliers and loggers to maintain SFI State Implementation Committee (SIC) logger training. This training educates loggers on BMPs, threatened & endangered species and biodiversity. The Company has access to SIC logger training databases to verify logger training.</p> <p>State forestry agencies conduct BMP compliance checks randomly or upon request by stakeholders. State BMP compliance reports are available for review by the Company.</p>
Means of Verification	<ul style="list-style-type: none"> • Fiber Purchase Agreements – Signed agreements verify suppliers comply with state BMPs & all loggers are maintaining their SIC logger training requirement • MREJ-DOC-012 Secondary Supplier Audit Checklists – Suppliers are audited by company at least once a year to verify: <ul style="list-style-type: none"> ○ Certification status of supplier ○ Logger Training status & % trained of sub-suppliers ○ BMP compliance and/or regulatory violations of supplier & sub-suppliers • Company reviews the most current and available state BMP compliance reports annually
Evidence Reviewed	<ul style="list-style-type: none"> • Fiber Purchase Agreements • MREJ-POL-001 Sustainability Policy • MREJ-DOC-012 Secondary Supplier Audit Checklists • Alabama Professional Logging Manager https://www.alaforestry.org/page/PLMGeneral • Arkansas Pro Logger http://arkloggers.com/graduates/ • Florida Master Logger http://floridaforest.org/programs/master-logger/master-logger-search-tool/ • Georgia Master Timber Harvester http://gamth.org/ • Kentucky Master Logger http://dept.ca.uky.edu/masterlogger/ • Louisiana Master Logger https://www.laforestry.com/training-program • Mississippi Professional Logging Manager http://logged.msstate.edu/ • North Carolina ProLogger Program https://www.ncforestry.org/prologgers/prologger-lists/ • Ohio Master Logger https://www.ohioforest.org/search/custom.asp?id=227 • South Carolina Timber Operations Professional (TOP) Program https://www.scforestry.org/top-information.htm#TopTrained • Tennessee Master Logger

	<ul style="list-style-type: none"> • http://www.tnforestry.com/files/1131/masterloggerdb.cfm • Texas Pro Logger https://www.texasforestry.org/programs/logger-listing • Virginia SHARP Logger http://sharplogger.vt.edu/data.html • West Virginia Certified Loggers https://wvforestry.com/logging/ • Alabama Annual BMP Reports http://www.forestry.alabama.gov/Pages/Management/BMP_Practices.aspx • Arkansas - Results of 2017-2018 BMP Implementation Survey https://www.agriculture.arkansas.gov/Websites/aad/files/Content/5944990/2017_Monitoring_Report.pdf • Florida Silviculture Best Management Practices 2017 Implementation Survey Report https://www.freshfromflorida.com/content/download/78966/2320474/SPMP_2017_ImplementationSurveyReport.pdf • Results of Georgia's 2017 Silvicultural Best Management Practices Implementation and Compliance Survey http://www.gfc.state.ga.us/forest-management/water-quality/bmps/BMP%20Survey%202017%20Results%20Report%20Final%20Corrected%20by%20Scott%20Jan112018%20410pm.pdf • BMP Implementation on Timber Harvests in Kentucky (2012-2013) https://eec.ky.gov/Environmental-Protection/Water/Reports/Reports/NPS1103-Timber.pdf • Louisiana 2015 BMP Survey Results http://www.ldaf.state.la.us/wp-content/uploads/2016/01/2015-BMP-Results.pdf • 2016 BMP Implementation Survey: Mississippi's BMP Implementation Monitoring Program https://www.mfc.ms.gov/sites/default/files/2016_BMP_%20Implementation_Survey_V3.pdf • An Assessment of Forestry Best Management Practices in North Carolina 2012-2016 https://www.ncforests-service.gov/water_quality/pdf/BMP_Assessment_Report_2012-2016.pdf • Forestry BMPs in South Carolina Compliance & Implementation Monitoring Report, 2015-16 https://www.state.sc.us/forest/bmp16.pdf • Implementation of Forestry Best Management Practices in Tennessee (2017) https://www.tn.gov/content/dam/tn/agriculture/documents/forestry/AgForBMPimpl2017.pdf • BMP Monitoring in East Texas (2017-2018) https://tfswweb.tamu.edu/uploadedFiles/TFSMMain/Manage_Forest_and_Land/Water_Resources_and_BMPs/Stewardship(1)/Round%2010%20BMP%20Implementation%20Report%20Executive%20Summary.pdf • Silvicultural Best Management Practices Implementation Monitoring for Virginia, 2017 http://dof.virginia.gov/infopubs/_bmp-reports/BMPs-Imp-Monitoring-2017_pub.pdf
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.6.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.
Finding	<p>The Company has complaint mechanisms in place MREJ-PROC-001 Chain of Custody Procedures and MREJ-PROC-002 Due Diligence Procedures. These procedures provide guidance on when and how the Company respond to grievances and complaints. The complaints procedures is as follows:</p> <ol style="list-style-type: none"> 2. Individual complaints regarding fiber sourcing may be filed with MREJ by mailing written complaints with specific reference to the Controlled Wood Standard variance to: <ul style="list-style-type: none"> Ray Fairman Mohegan Renewable Energy - Jasper 1580 Industrial Boulevard Jasper, TN 37347 3. When complaints related to the MREJ Due Diligence System are received, the compliant is recorded in MREJ-DOC-007 FSC Controlled Wood Complaints Log. A detailed description of the complaint will be recorded in MREJ-DOC-006 FSC Controlled Wood Complaints Report. 4. Within two (2) weeks of receipt of the complaint, stakeholders will be notified of MREJ complaint procedures and complainants will be sent a response acknowledging receipt of complaint. 5. MREJ will conduct a preliminary assessment to determine whether evidence provided in a complaint is or is not substantial, by assessing the evidence provided against the risk of using material from unacceptable sources. Following a preliminary MREJ assessment of evidence provided, complainants will be contacted for dialogue to resolve substantiated complaints before further action is taken. 6. Substantiated complaints will be forward to the certifying body and FSC National Office within two (2) weeks of receipt of the complaint, outlining steps to be taken to resolve the complaint and precautionary approaches to sourcing while the complaint is pending. 7. Field evidence, sourcing records, and supplier documentation will be reviewed within two months to verify complaints deemed to be substantial. Steps to include review of Tract Information sheets to confirm District of Origin for current deliveries and stepped up intensity of BMP audits to assess field compliance with Controlled Wood expectations. 8. Corrective actions will be developed to correct the circumstances leading to substantiated and verified complaints. 9. Corrective actions will be communicated and implemented with relevant suppliers. If corrective actions are not accepted or cannot be implemented, relevant materials and/or suppliers will be excluded from delivering to MREJ until corrective actions are implemented and confirmed. 10. Verification of implementation of the corrective actions will be achieved through tract visits, supplier discussions and document review. 11. MREJ will inform the complainant, the certification body, and the relevant FSC National Office of the results of the complaint and any actions taken towards its resolution, and for maintaining copies of relevant correspondence. 12. All correspondence will be recorded and filed by the Management Representative.
Means of Verification	MREJ-PROC-001 Chain of Custody Procedures, MREJ-PROC-002 Due Diligence Procedures
Evidence Reviewed	MREJ-PROC-001 Chain of Custody Procedures MREJ-PROC-002 Due Diligence Procedures

Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.7.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that Freedom of Association and the effective recognition of the right to collective bargaining are respected.
Finding	<p>The Company recognizes the right to collective bargaining and the Freedom of Association. The Company is FSC Chain of Custody certified and has signed the Self Declaration which demonstrates support of FSC Policy FSC-POL-01-004, Policy for the Association of Organizations with FSC.</p> <p>Federal laws in the United States are codified in both the National Labor Relations Act of 1935 and OSHA protect workers’ rights to collective bargaining. AL, GA & TN are “Right to Work” states.</p>
Means of Verification	Employee interviews, FSC Self Declaration, Federal Laws
Evidence Reviewed	<ul style="list-style-type: none"> • FSC Self Declaration • National Labor Relations Act https://www.nlrb.gov/how-we-work/national-labor-relations-act • Occupational Safety and Health Administration (OSHA) https://www.osha.gov/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.7.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using any form of compulsory labour.
Finding	The United States Federal Constitution 13 th Amendment provides “Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction”. Further, benefiting from compulsory labor in the United States is a federal crime punishable by up to 20 years in prison. The Company also has policies on workers rights, discrimination, etc.
Means of Verification	Company employment policies, Employee interviews
Evidence Reviewed	<ul style="list-style-type: none"> • Employment Posters • Amendment XIII of the United States Constitution https://www.archivesfoundation.org/documents/13th-amendment/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.7.3	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour.
Finding	State and Federal laws, such as the Equal Employment Opportunity and OSHA, are in place to prohibit child labor.
Means of Verification	Review of Company employment policies, Employee interviews
Evidence Reviewed	<ul style="list-style-type: none"> • Employment Posters • US Department of Labor https://www.dol.gov/whd/childlabor.htm • AL Department of Labor https://labor.alabama.gov/uc/ChildLabor/child-labor.aspx • GA Department of Labor https://dol.georgia.gov/child-labor-and-minors-entertainment • NC Department of Labor https://www.labor.nc.gov/workplace-rights/youth-employment-rules • SC Department of Labor https://www.llr.sc.gov/labor/index.asp?file=wages/childlabor.htm
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.7.4	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using labour which is discriminated against in respect of employment and occupation.
Finding	State and Federal laws, such as the Equal Employment Opportunity and OSHA, are in place to provide rights to workers.
Means of Verification	Employee interviews, Company Employee Handbook, Federal laws
Evidence Reviewed	<ul style="list-style-type: none"> • Company Employee Handbook • Employee Posters • U.S. Equal Employment Opportunity Commission https://www.eeoc.gov/eeoc/ • Occupational Safety and Health Administration (OSHA) https://www.osha.gov/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.7.5	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is supplied using labour where the pay and employment conditions are fair and meet, or exceed, minimum requirements.
Finding	State and Federal laws, such as the Equal Employment Opportunity and OSHA, are in place to ensure pay and employment conditions are fair.
Means of Verification	Employee interviews, Company Employee Handbook, Federal laws
Evidence Reviewed	<ul style="list-style-type: none"> • Company Employee Handbook • Employee Posters • U.S. Equal Employment Opportunity Commission https://www.eeoc.gov/eeoc/ • Occupational Safety and Health Administration (OSHA) https://www.osha.gov/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.8.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).
Finding	State and Federal laws, such as OSHA to ensure worker health and safety in the work place. The Company has policies on workers' health and safety. The Company has a health and safety program that is managed by dedicated personnel. This program includes the use of personal protective equipment and safety meetings.
Means of Verification	Training records, Employee interviews
Evidence Reviewed	<ul style="list-style-type: none"> • Training Records • Company Employee Handbook • Employee Posters • Occupational Safety and Health Administration (OSHA) https://www.osha.gov/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.9.1	Biomass is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.
Finding	USDA Forest Service FIA data on carbon storage for the Company's supply area was determined to be 2,035 billion short tons in 2009 (closest date to Jan 2008). In 2016-18 the supply area was determined to have 2,228 billion short tons of carbon stock. This accounts for 192.7 billion short tons of more carbon storage (7.31% annual increase) in 7-9 years.
Means of Verification	USDA Forest Service FIA data
Evidence Reviewed	<ul style="list-style-type: none"> • Carbon Reports from USDA Forest Service Forest Inventory & Analysis website https://www.fia.fs.fed.us/tools-data/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.9.2	Analysis demonstrates that feedstock harvesting does not diminish the capability of the forest to act as an effective sink or store of carbon over the long term.
Finding	USDA Forest Service FIA data on carbon storage for the Company’s supply area was determined to be 2,035 billion short tons in 2009 (closest date to Jan 2008). In 2016-18 the supply area was determined to have 2,228 billion short tons of carbon stock. This accounts for 192.7 billion short tons of more carbon storage (7.31% annual increase) in 7-9 years.
Means of Verification	USDA Forest Service FIA data
Evidence Reviewed	<ul style="list-style-type: none"> Carbon Reports from USDA Forest Service Forest Inventory & Analysis website https://www.fia.fs.fed.us/tools-data/
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	

	Indicator
2.10.1	Genetically modified trees are not used.
Finding	<p>The Company has implemented the FSC US Controlled Wood National Risk Assessment (US NRA) which has determined Controlled Wood Category 5: Wood harvested in violation of traditional and human rights to be “low risk”.</p> <p>There are no known operational plantings on GMO trees in the US.</p>
Means of Verification	FSC US Controlled Wood National Risk Assessment (US NRA)
Evidence Reviewed	FSC US Controlled Wood National Risk Assessment (US NRA)
Risk Rating	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Specified Risk <input type="checkbox"/> Unspecified Risk at RA
Comment or Mitigation Measure	