



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

Fourth Surveillance Audit

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

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

Document history

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Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
3	Specific objective
4	SBP Standards utilised
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
5	Description of Company, Supply Base and Forest Management
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
6	Evaluation process
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
7	Results
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
8	Review of Company's Risk Assessments
9	Review of Company's mitigation measures
10	Non-conformities and observations
11	Certification recommendation

1 Overview

CB Name and contact: SCS Global Services, 2000 Powell St. Ste 600 Emeryville, CA 94608

Primary contact for SBP: Maggie Schwartz, mschwartz@scsglobalservices.com

Current report completion date: 29/May/2020

Report authors: Kyle Meister

Name of the Company: Enviva Pellets Greenwood, LLC

Company contact for SBP: Don Grant, Don.Grant@envivabiomass.com

Certified Supply Base: Select Counties in Georgia, North Carolina, and South Carolina, USA

SBP Certificate Code: SBP-04-25

Date of certificate issue: 30/Nov/2016

Date of certificate expiry: 29/Nov/2021

This report relates to the Fourth Surveillance Audit

2 Scope of the evaluation and SBP certificate

The manufacture of wood pellets and rail transport to the port of Wilmington, North Carolina, including Standards 1, 2, 4 and 5 for the Greenwood, SC facility. It also covers a Supply Base Evaluation for the sourcing of feedstock from US states of Georgia, North Carolina and South Carolina. The scope includes communication of Dynamic Batch Sustainability Data.

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

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer’s management system is capable of ensuring that all requirements of specified SBP Standards are implemented over scope of certification.

The following Critical Control Points (CCPs) were identified and evaluated:

CCP	Description, including how evaluated by SCS
Processes for procurement and processing, transport and storage	<p>All wood delivered to the mill is tracked in a centralized system. Prior to delivery of round-wood, in-woods chips, residual chips and saw dust to the scale house, the owner name, district of origin (Lat/Long), product type, etc. are obtained from the supplier. All vendors are required to execute a Master Wood Purchase Agreement with specific terms and conditions.</p> <p>Roundwood is processed into wood pellets by being chipped, dried, hammered, and extruded into pellets and the bark is used as boiler fuel. In woods chips and secondary residuals are hammered and pelletized. The conversion factors used to allocate the Roundwood, thinning, in-wood chips and secondary residuals into pellets are reasonable.</p> <p>This CCP was confirmed via review of COC procedures and records (e.g., credit ledger, supplier records), and risk assessments (e.g., DDS, SBE, FSC-US NRA), remote inspection of the pellet mill facility, and interviews with relevant staff.</p>
Volume accounting method	<p>Procedures detail the process to properly maintain the volume credit spreadsheet, with provisions for subtracting certified product sold and for carrying only the past 12 months of credits. This CCP was confirmed via review of COC procedures and records (e.g., credit ledger, supplier records, DTS transaction records), and interviews with staff.</p>
Documentation of transactions	<p>Invoices are issued, and all outgoing transactions of SBP-certified biomass are recorded in the DTS. This CCP was confirmed via review of COC procedures and records (e.g., credit ledger, supplier records, DTS transaction records), and interviews with staff.</p>
Energy data collection and reporting	<p>The organization developed and maintains databases to record data values and calculate energy data as required by Standard 5 and keeps records that substantiate the data. This CCP was confirmed via review of the SAR, fuel/utility records, and calculations.</p>

4 SBP Standards utilised

4.1 SBP Standards utilised

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

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

4.2 SBP-endorsed Regional Risk Assessment

- Name of SBP-endorsed Regional Risk Assessment:
- N/A, no SBP-endorsed Regional Risk Assessment.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Enviva Holdings, LP (“Enviva”) owns and operates seven plants in the south eastern United States. In March 2018 Enviva acquired the Greenwood facility. The Greenwood facility first began production in 2015 as Colombo Energy. Greenwood’s design capacity is approximately 600,000 metric tons of pellets per year. Enviva Pellets Greenwood, LLC. employs 75 people, including technicians, engineers, and operators. The majority of feedstock is sourced as roundwood with additional woodchips (green) and saw dust being purchased. Bark from the [roundwood](#) is used as energy in the dryer. Additional bark is purchased to fully power the dryer.

The organisation is a legal entity located in: South Carolina, United States of America

The following descriptions and activities apply to the organisation:

Biomass activity	Feedstock sourced <input type="checkbox"/> NA, trader only	Feedstock claims* <input type="checkbox"/> NA, trader only	Relationship to other SBP-certified biomass producers/traders
<input checked="" type="checkbox"/> Pellet producer <input type="checkbox"/> Stationary/ <input type="checkbox"/> Mobile Woodchip producer & trader <input type="checkbox"/> Pellet trader <input type="checkbox"/> Woodchip trader	<input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> Secondary <input type="checkbox"/> Pre/ <input type="checkbox"/> Post-consumer tertiary	<input checked="" type="checkbox"/> FSC 100%/Mix Credit <input type="checkbox"/> FSC Mix x% <input checked="" type="checkbox"/> 100% PEFC ¹ /Volume Credit <input checked="" type="checkbox"/> SFI Forest Management or 100% <input checked="" type="checkbox"/> ATFS <input type="checkbox"/> Other FSC, SFI or PEFC (e.g., FSC Controlled Wood):	<input type="checkbox"/> NA, not linked via ownership and/or agreement to other SBP-certified entities; or <input checked="" type="checkbox"/> Organisation is linked to other SBP-certified entities via ownership or agreement: refer to all Enviva entities listed on the SBP certificate database .

*This refers to feedstock claims that the BP may receive per the scope of its Chain of Custody (COC) certificate(s) and not necessarily to claims actually received during the audit period. Equivalents to FSC Controlled Wood or PEFC Controlled Sources must also qualify per an SBE and/or RRA to qualify as SBP-compliant feedstock. See section 5.4 for more details.

Feedstock is sourced from the following regions by administrative unit:Country(ies)	United States of America
States/Provinces/Territories	Georgia, North Carolina, and South Carolina

¹ PEFC recognizes SFI Forest Management, American Tree Farm Standard (ATFS), and CAN/CSA Z809 SFM as 100% PEFC in North America. Other duly recognized standards may be found here: <https://www.pefc.org/> (e.g., CERFLOR Brazil, CERFOAR Argentina, CertforChile, PEFC Estonia, PEFC Latvia, PEFC Lithuania, PEFC Uruguay, Responsible Wood Australia, New Zealand NZFCA, etc.).

Number of counties sourced from in case only a portion of an administrative unit is in the SB	Georgia (12)
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5.2 Description of Company’s Supply Base

Brief description of the Supply Base within the regional context
<p>Enviva, Holdings LP (Enviva) operates 3 mills in its Wilmington region: Enviva Pellets Greenwood, LLC located in Greenwood, SC, Enviva Pellets Sampson located in Faison, NC and Enviva Pellets Hamlet located in Hamlet, NC. Enviva developed individual supply base evaluations for each of the mills in the Wilmington region. Enviva Pellets Greenwood, LLC supply base includes portion of Georgia, North Carolina and South Carolina and consists of 12,191,026 hectares. The supply base is comprised of 62% hardwood forested hectares and 38% softwood. Certified forest consists of 3,093,079 hectares or 25% of supply base area. Primary Feedstock (roundwood and forest residues direct from the forest) comprise 98.8% of the feedstock, all are SBP-compliant Primary Feedstock and 4.8% of the volume is from certified sources. Secondary Feedstock (sawmill and wood industry residues) makes up 1.2% of the feedstock supplied by 2 mills is SBP-Compliant Secondary Feedstock and none is from certified sources. Hardwoods make up 23% of the feedstock and softwood species are the remaining 77%. Enviva is just one of several industries and entities sourcing wood in its supply base area. According to Forest2Market's database, Enviva’s Greenwood mill sources about 7% of the total wood harvested in the area, while regional annual inventory growth exceeded the volume harvested (Forest2Market, 2019). The most recently available inventory data from the US Forest Service’s Forest Inventory and Analysis program show that the growth to drain ratio for hardwood in our Supply Base Area is 2.51:1, meaning that net hardwood inventories are increasing and current harvest levels for this product are sustainable. The growth to drain ratio for pine in the region is 1.39:1 (US Department of Agriculture Forest Service, 2017). Enviva’s sourcing does not compete with other forest product industries: instead, it provides a market for low value forest products produced during harvests for high-value timber. A quantitative description of the Supply Base can be found in Enviva Greenwood’s Supply Base Report (SBR).</p>
Description of how the producer sources feedstock
<p>Refer to the following excerpt from the BP’s SBR:</p> <p><i>Enviva’s Commitment to Responsible Wood Sourcing</i> <i>Track & Trace®(T&T®)</i></p> <p><i>Enviva has implemented management systems to ensure that the wood used to make wood pellets meets our strict sustainability requirements. Specifically, Enviva maintains a robust tracking and monitoring program to ensure that all our suppliers deliver wood that is sourced according to our expectations. First, Enviva uses our SFI Fiber Sourcing verifiable monitoring program as a basis for monitoring tract harvests. <u>Enviva has developed a robust Track & Trace database which includes information at the tract level, including data on the forest type, age, GPS coordinates, acreage, and estimates on the percent of volume from that tract being sold to Enviva. Before agreeing to accept material from a certain tract, Enviva’s Foresters must obtain and review this tract-level data and enter it into our database, which generates a unique tract ID. Then, upon delivery to the Greenwood mill, each load is linked to that tract’s ID number. As a result, Enviva knows the tract-level attributes for all the primary wood entering the mill.</u></i></p> <p><i>We implement monitoring of our Track & Trace data, including a desktop remote-sensing based monitoring program, and field audits. During our desktop monitoring, we use Geographic Information Systems (GIS) to review tract details like location, tract acreage, and forest cover type. During tract audits, Enviva foresters validate data on the tract characteristics in addition to ensuring that best</i></p>

management practices (BMPs) for water quality are properly implemented, special sites are properly protected, and loggers are trained, along with other metrics for responsible harvesting. Enviva only accepts wood from tracts in which the logger has completed and maintains training through a SFI-approved trained logger program.

Importantly, most recently available Forest2Market data (2018)² indicates that 7% of the wood harvested in Greenwood's supply basin was sold into biomass end uses. If any of these monitoring programs uncover issues with incoming raw material, Enviva will contact suppliers to notify them of the issue. If needed, Enviva will cease accepting deliveries from a supplier who does not perform to our sustainability standards. Enviva will not accept further deliveries from a poorly performing supplier until the supplier demonstrates the ability to adhere to Enviva's sustainability requirements.

Identifying and protecting High Conservation Value (HCV) Areas:

While gathering Track & Trace data on specific tracts prior to purchase, Enviva's Foresters must evaluate whether there is a risk that the tract might be considered HCV or have an HCV area present. This assessment is conducted on a site-by-site basis in order to evaluate the condition of the stand and to maximize the likelihood of regeneration of desirable species post-harvest.

Overall, when deciding whether to purchase primary feedstock from a given tract, Enviva's goal is to determine whether that tract will, if harvested, produce a new tract with the same desirable species content that was present before harvest. Some indicators that are considered in this decision include forest type, location, species composition, hydrology and water flow, stand age and soil saturation. When assessing a tract for HCVs, Enviva evaluates all of these important characteristics. If there is evidence based on this first level of evaluation that the site may contain an HCV area, the Forester must perform a second level review which includes an on-site assessment, data collection and documentation prior to purchase.

At the landscape scale, we endeavour to contribute to a working forest landscape with a diversity of age classes representing various forest type assemblages which can, over the long and short term, provide wildlife habitat, recreation, buffers for climate change, and other ecosystem services, while still playing a pivotal role in conservation and working forests in the supply base area.

Minimizing risk from Secondary Feedstock

Enviva purchases sawmill and wood industry residues in the form of sawdust, shavings, or other waste products from the milling process (Figure 4). Secondary feedstock suppliers receive an initial visit prior to beginning deliveries, to verify their operations and products. All sawmill and wood industry suppliers are required to complete a District of Origin Form, providing Enviva with information on the source of their wood as well as any certifications and species used. Enviva includes their supply areas in our supply base evaluation and provides each supplier with feedback on their supply area, noting any areas of risk that may be present. Enviva may choose to cease deliveries from a supplier which refuses to provide the necessary data for us to properly include their supply area in our risk assessment. Enviva contacts each sawmill and wood industry supplier annually to ensure their data are accurate.

² Forest2Market. 2018. Purchased proprietary data from: <https://www.forest2market.com/>.

General description of the forest resources and forest management practices within the Supply Base (Land use, ownership, socioeconomic conditions, forest composition, and profile of adjacent lands)

Refer to the following excerpt from the SBR:

Ownership, Land Use and Certification

Forest ownership patterns within the supply base are typical for the southern US, with the highest percentage of the forest owned by private landowners. Forest land ownership categories for each state in the supply base are presented in Table 2 (USDA Forest Service, 2017). The majority land use in the supply base area is generally agriculture or forestry. Land use data for the supply base area is presented in Table 3 (USDA Economic Research Service, 2017). Major forest certification schemes such as the American Tree Farm System® (ATFS), Sustainable Forestry Initiative® (SFI®) and Forest Stewardship Council™ (FSC) have program participants within the supply base. The states within the supply base have 3.1 million certified; SFI® Forest Management has 1.8 million certified hectares, ATFS holds 1.1 million certified hectares, and .2 million hectares are FSC certified. (Forest Stewardship Council, 2018)

Table 2. Forested Hectares, Ownership by State in Supply Base Area

Table 2. Forested Hectares, Ownership by State in Supply Base Area

State	Federal	State	Local	Private	Total
GA	285,926	51,670	51,537	3,288,651	3,677,784
NC	554,602	86,824	64,741	2,585,475	3,291,641
SC	421,909	173,892	80,377	4,526,905	5,203,082
Total	1,262,436	312,385	196,655	10,401,032	12,172,508

Table 3. Land Use by State (State-wide Basis)

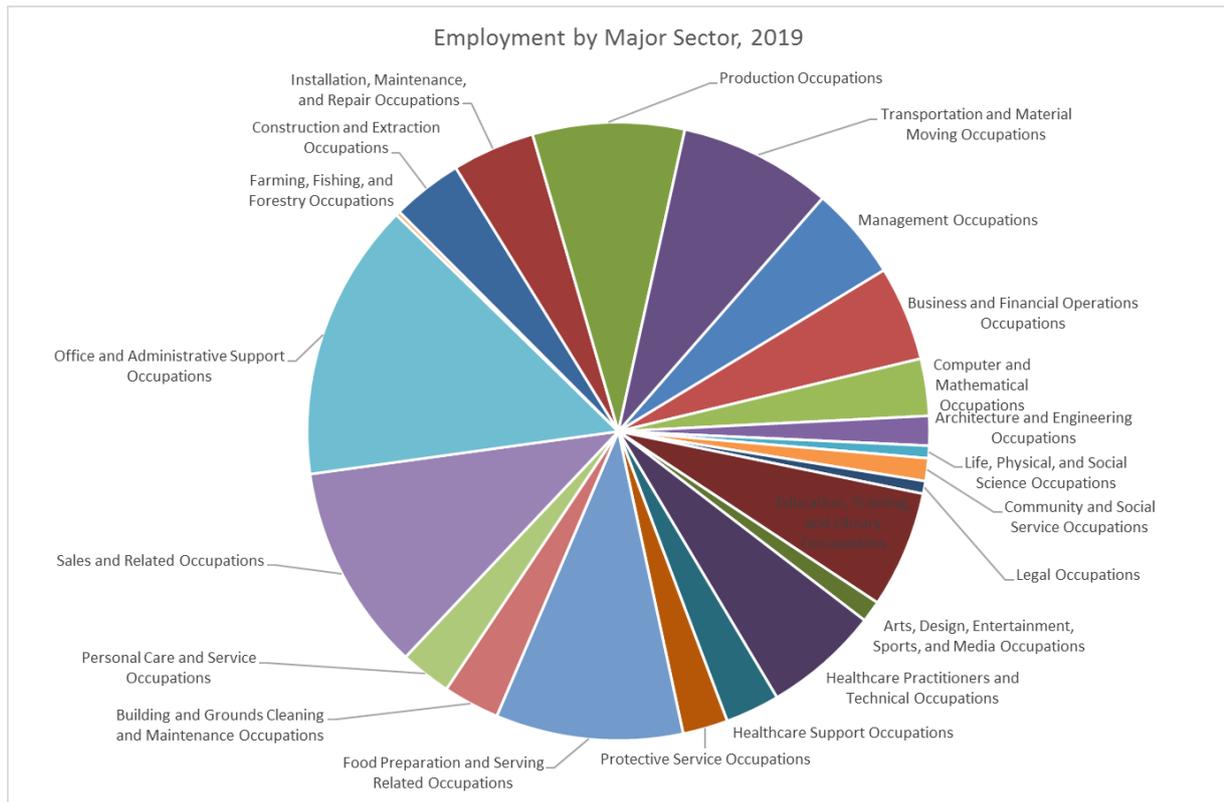
State	Cropland	Grassland/Pasture	Forest	Urban	Other
Georgia	12%	3%	66%	7%	12%
North Carolina	14%	5%	58%	10%	13%
South Carolina	10%	4%	66%	6%	14%

Regional Socio-economic Conditions

Regional employment is graphed below and provides a snapshot of the social mixture of the region. Farming, fishing and forestry make up 0.2% of the total employment in the region. However, due to the nature of pellet production, it also supports other sectors such as transportation & material moving, production, installation, maintenance and repair, business and financial operations and office and administration occupations, which in total make up an additional 39% of the labour force. The mean income for the region is \$51,597 and mean income for the employment sector including Forestry is \$33,297 (US Bureau of Labor Statistics, 2019). Mean income for an average mill worker in the region is \$36,670 (US Bureau of Labor Statistics, 2019). Enviva directly employs approximately 80 people at the Greenwood pellet mill and Enviva’s operations support additional harvesting crews and sawmills, along with forest managers, feedstock and pellet transport. Local contractors are used in maintaining the mills, providing hundreds of spin-off jobs. Figure 3 illustrates employments by the major industrial groups for the two states included in the supply region (US Bureau of Labor Statistics, 2019).

The forest products industry is a very large part of the area's economy and is one of the top industries, generating \$16.9 billion in GA, \$10.7 billion in NC and \$18.6 billion in SC annually. In GA there are 12 pulp/paper manufacturing facilities and 10 bioenergy facilities within the state. In SC there are 97 primary wood products facilities within the state. And in NC the forest products industry contains over 1,000 companies employing over 145,000 people.

Figure 3. Georgia, North Carolina and South Carolina Employment by Major Sector



Pellet Feedstock Profile

Primary feedstock is sourced direct from the forest in the form of round wood or chips from 23+/- suppliers, all of whom are vetted and qualified prior to delivering. All suppliers must sign a contract with Enviva before wood can be delivered to an Enviva mill. The contract requires suppliers to use trained loggers during harvest, follow best management practices for water quality, and to avoid controversial sources of wood, such as illegal logging. Enviva fiber administrators confirm trained logger status and ensure that loggers delivering wood maintain their continuing education as required. All suppliers and loggers must adhere to posted safety requirements while on Enviva property.

Primary feedstock from forest residues, such as treetops, limbs, deformed and low-grade trees, and any other wood produced during harvest that is otherwise unacceptable to other wood users in the area is delivered to an Enviva mill as woodchips. A single load of roundwood from the same harvest can contain tops, limbs, and/or small diameter or malformed understory trees that cannot be distinguished from one another through visual inspection. Enviva does not use saw logs in the production of pellets, nor do we use any construction debris, treated wood, or post-consumer material.

Enviva also sources secondary feedstock from a variety of sawmill and wood industry suppliers. Sawmills source high-quality logs from the forest and mill them into products like two-by-fours. Wood industry suppliers use the products created by sawmills to produce products such as furniture or other assembled wood products. These feedstocks are most commonly in the form of sawdust or shavings and may be green or kiln-dried.

At the Greenwood plant, the pellet feedstocks sourced in 2019 had the following characteristics:

- *Primary Feedstock (roundwood and forest residues direct from the forest) comprise 98.8% of the feedstock supplied by 15+/- suppliers, all are SBP-compliant Primary Feedstock and 4.8% of the volume is from certified sources.*
- *Secondary Feedstock (sawmill and wood industry residues) makes up 1.2% of the feedstock supplied by 2 mills are SBP-Compliant Secondary Feedstock and none is from certified sources.*
- *Hardwoods make up 23% of the feedstock and softwood species are the remaining 77%.*
- *1.2% was made up of residues supplied by sawmills and wood industries.*
- *27.4% was made up of hardwood and pine chips and roundwood from mixed pine and hardwood forests. These forests are managed for the production of pine sawtimber at low-intensities and contain a mixture of hardwood and pine trees. These forests are either planted in pine or naturally seeded from adjacent stands or seed trees, and little to no fertilizers or herbicides are applied to them throughout their life cycle. This establishes an overstory of straight, large-diameter pine trees with an understory of crooked, small-diameter hardwood trees that cannot be made into solid wood products.*
- *42.7% was made up of hardwood and pine chips and roundwood from pine forests. These are forests that were planted in pine and either managed moderately with minimal effort to prevent hardwood trees from growing in the understory, or more intensively to suppress significant understory growth, thereby increasing the forest's growth rate and yield. These forests are generally thinned 1-2 times throughout their growth cycle, meaning that certain trees are removed to reduce density in the forest and create additional room for the remaining trees to grow to sawtimber size and quality. These thinned trees are sold to low-grade consumers like Enviva.*
- *27.6% was made up of hardwood and pine chips and roundwood from pine forests with hardwood understory. The canopy of pine forests with hardwood understory contains pine trees that are primarily grown to produce pine sawtimber. These forests also contain low-quality hardwood understory and are either manually planted to pine or naturally seeded. Hardwood growth happens naturally through root and seed propagation. At maturity, the forest contains mostly straight, large-diameter pine trees with smaller, lower-quality hardwood trees growing underneath. When the forest is harvested, the stems of sawtimber trees are sold to sawmills that make higher-grade solid wood products like lumber. The tops and branches of sawtimber trees and the crooked hardwood trees from below cannot be made into solid wood products, but need to be removed from the forest so the next rotation of pine sawtimber can begin growing. These harvest by-products are sold to consumers like Enviva*
- *1.1% was made up of hardwood and pine chips and roundwood from other hardwood forests. These are low-intensity managed hardwood forests that are naturally seeded with an overstory of large-diameter oak, poplar, and hickory hardwood trees and a significant understory of small-diameter maple, oak, and sweetgum hardwood trees.*
- *0.1% was made up of pine roundwood from bottomland hardwood forests. These are hardwood forests in lowland areas and floodplains containing mostly large-diameter oak, gum, and cypress sawtimber trees with smaller, crooked hardwood trees growing underneath. When the forest is harvested, the stems of sawtimber trees are sold to sawmills that make higher-grade solid wood*

products like furniture. The tops and branches of sawtimber trees and the crooked hardwood trees from below cannot be made into solid wood products, but need to be removed from the site so the next generation of the forest can begin growing. These harvest by-products are sold to consumer of lower-grade wood like Enviva.

- 0.02% was primary material that was not covered by Enviva’s Track & Trace system, as the mill was acquired in early 2018 and it took time to integrate all of Enviva’s programs at the facility.

Species List	
Primary Species: Loblolly Pine (<i>Pinus taeda</i>) Miscellaneous Species: Longleaf Pine (<i>Pinus palustris</i>) Sand Pine (<i>Pinus clausa</i>) Shortleaf Pine (<i>Pinus echinata</i>) Virginia Pine (<i>Pinus virginiana</i>) American beech (<i>Fagus grandifolia</i>) Ash (<i>Fraxinus spp</i>) Basswood, American (<i>Tilia americana</i>) Black cherry (<i>Prunus serotina</i>) Black walnut (<i>Juglans nigra</i>) Blackgum (<i>Nyssa sylvatica</i>) Boxelder (<i>Acer negundo</i>) Buckeye (<i>Aesculus spp</i>) Eastern cottonwood (<i>Populus deltoides</i>) Elm (<i>Ulmus spp</i>) Hackberry (<i>Celtis occidentalis</i>)	Miscellaneous Species (con’t): Hickory (<i>Carya spp</i>) Locust (<i>Robinia spp</i>) Maple (<i>Acer spp</i>) Oak (<i>Quercus spp</i>) Persimmon (<i>Diospyros virginiana</i>) Red maple (<i>Acer rubrum</i>) Red mulberry (<i>Morus rubra</i>) Red oak (<i>Quercus rubra</i>) River birch (<i>Betula nigra</i>) Sassafras (<i>Sassafras albidum</i>) Sourwood (<i>Oxydendrum arboreum</i>) Sugarberry (<i>Greenwoodtia laevigata</i>) Sweetgum (<i>Liquidambar styraciflua</i>) Sycamore (<i>Platanus occidentalis</i>) Water oak (<i>Quercus nigra</i>) White oak (<i>Quercus alba</i>) Yellow-poplar (<i>Liriodendron tulipifera</i>)

More information on the composition of the forests of the US Southeast and socioeconomic trends is available from the USDA Forest Service:

1. Ecosystem Provinces: https://www.fs.fed.us/land/ecosysmgmt/colorimagemap/ecoreg1_provinces.html
2. Silvics of North America: https://www.srs.fs.usda.gov/pubs/misc/ag_654/table_of_contents.htm; and
3. Fire Effects Information System: <https://www.fs.usda.gov/rmrs/tools/fire-effects-information-system-feis> and https://www.fs.fed.us/database/feis/pdfs/Little/aa_SupportingFiles/LittleMaps.html.
4. U.S. Forest Resource Facts and Historical Trends: https://www.fia.fs.fed.us/library/brochures/docs/2012/ForestFacts_1952-2012_English.pdf

Link to BP’s Supply Base Report

Refer to BP’s webpage: <https://www.envivabiomass.com/> or view on the SBP certificate database: <https://sbp-cert.org/certificate-holders/enviva-pellets-greenwood-llc-sbp-04-25/>

5.3 Detailed description of Supply Base

Primary feedstock is sourced direct from the forest in the form of round wood or chips from 27+/- suppliers, all of whom are vetted and qualified prior to delivering. All suppliers must sign a contract with Enviva before wood can be delivered to an Enviva mill. The contract requires suppliers to use trained loggers during harvest, follow best management practices for water quality, and to avoid controversial sources of wood, such as illegal logging. Enviva foresters confirm trained logger status and ensures that loggers delivering wood maintain their continuing education as required. All suppliers and loggers must adhere to posted safety requirements while on Enviva property.

Primary feedstock from forest residues, such as tree tops, limbs, deformed and low-grade trees, and any other wood produced during harvest that is otherwise unacceptable to other wood users in the area is delivered to an Enviva mill as woodchips. A single load of roundwood from the same harvest can contain tops, limbs, and/or small diameter or malformed understory trees that cannot be distinguished from one another through visual inspection. Enviva does not use saw-logs in the production of pellets, nor do we use any construction debris, treated wood, or post-consumer material.

At the Greenwood plant, the pellet feedstocks sourced in 2019 had the following characteristics:

- *Primary Feedstock (roundwood and forest residues direct from the forest) comprise 98.8% of the feedstock supplied by 15+/- suppliers, all are SBP-compliant Primary Feedstock and 4.8% of the volume is from certified sources.*
- *Secondary Feedstock (sawmill and wood industry residues) makes up 1.2% of the feedstock supplied by 2 mills are SBP-Compliant Secondary Feedstock and none is from certified sources.*
- *Hardwoods make up 23% of the feedstock and softwood species are the remaining 77%.*
- *1.2% was made up of residues supplied by sawmills and wood industries.*
- *27.4% was made up of hardwood and pine chips and roundwood from mixed pine and hardwood forests. These forests are managed for the production of pine sawtimber at low-intensities and contain a mixture of hardwood and pine trees. These forests are either planted in pine or naturally seeded from adjacent stands or seed trees, and little to no fertilizers or herbicides are applied to them throughout their life cycle. This establishes an overstory of straight, large-diameter pine trees with an understory of crooked, small-diameter hardwood trees that cannot be made into solid wood products.*
- *42.7% was made up of hardwood and pine chips and roundwood from pine forests. These are forests that were planted in pine and either managed moderately with minimal effort to prevent hardwood trees from growing in the understory, or more intensively to suppress significant understory growth, thereby increasing the forest's growth rate and yield. These forests are generally thinned 1-2 times throughout their growth cycle, meaning that certain trees are removed to reduce density in the forest and create additional room for the remaining trees to grow to sawtimber size and quality. These thinned trees are sold to low-grade consumers like Enviva.*
- *27.6% was made up of hardwood and pine chips and roundwood from pine forests with hardwood understory. The canopy of pine forests with hardwood understory contains pine trees that are primarily grown to produce pine sawtimber. These forests also contain low-quality hardwood understory and are either manually planted to pine or naturally seeded. Hardwood growth happens*

naturally through root and seed propagation. At maturity, the forest contains mostly straight, large-diameter pine trees with smaller, lower-quality hardwood trees growing underneath. When the forest is harvested, the stems of sawtimber trees are sold to sawmills that make higher-grade solid wood products like lumber. The tops and branches of sawtimber trees and the crooked hardwood trees from below cannot be made into solid wood products, but need to be removed from the forest so the next rotation of pine sawtimber can begin growing. These harvest by-products are sold to consumers like Enviva

- 1.1% was made up of hardwood and pine chips and roundwood from other hardwood forests. These are low-intensity managed hardwood forests that are naturally seeded with an overstory of large-diameter oak, poplar, and hickory hardwood trees and a significant understory of small-diameter maple, oak, and sweetgum hardwood trees.
- 0.1% was made up of pine roundwood from bottomland hardwood forests. These are hardwood forests in lowland areas and floodplains containing mostly large-diameter oak, gum, and cypress sawtimber trees with smaller, crooked hardwood trees growing underneath. When the forest is harvested, the stems of sawtimber trees are sold to sawmills that make higher-grade solid wood products like furniture. The tops and branches of sawtimber trees and the crooked hardwood trees from below cannot be made into solid wood products, but need to be removed from the site so the next generation of the forest can begin growing. These harvest by-products are sold to consumer of lower-grade wood like Enviva.
- 0.02% was primary material that was not covered by Enviva’s Track & Trace system, as the mill was acquired in early 2018 and it took time to integrate all of Enviva’s programs at the facility.
- A quantitative description of the Supply Base can be found in the organisation’s Supply Base Report (SBR) file located on its entry page of the SBP Certificate Database. The following are summary statistics from the SBR:

a. Total Supply Base area (ha): See b.

b. Tenure by type (ha):

State	Federal	State	Local	Private	Total
GA	285,926	51,670	51,537	3,288,651	3,677,784
NC	554,602	86,824	64,741	2,585,475	3,291,641
SC	421,909	173,892	80,377	4,526,905	5,203,082
Total	1,262,436	312,385	196,655	10,401,032	12,172,508

c. Forest by type (ha): All of the supply base area is temperate forest

Forest Cover Types	GA	SC	NC	Total
Nonstocked	25,190	55,089	21,588	101,868
Exotic hardwoods group	3,441	11,231	3,515	18,187
Other hardwoods	6,772	1,768	72,731	81,271
Aspen/birch group	0	0	2,456	2,456
Maple/beech/birch group	0	1,248	44,082	45,329
Elm/ash/cottonwood group	87,358	173,905	82,588	343,850
Oak/gum/cypress group	380,217	784,827	37,185	1,202,229
Oak/hickory group	1,111,619	1,076,508	2,105,613	4,293,740
Oak/pine group	425,708	609,369	380,469	1,415,545
Other softwoods	2,951	13,726	5,489	22,166
Loblolly/shortleaf pine group	1,323,004	2,235,960	460,615	4,019,579
Longleaf/slash pine group	295,683	232,398	22,110	550,190
White/red/jack pine group	15,842	7,053	45,871	68,766
Spruce/fir group	0	0	7,329	7,329
Total	3,677,782	5,203,082	3,291,642	12,172,506

d. Forest by management type (ha):

- Hardwoods comprise 62% of the forested hectares. These forests are typically naturally managed.
- The remaining 38% of forests are softwood. Overall, although many pine stands are “planted” they are not intensively managed plantations with little or no understory; instead, once established they are left to grow and routinely have a hardwood dominated understory. Therefore, it is difficult to determine the exact percentage of true plantations in the region.

e. Certified forest by scheme (ha):

State	FSC	SFI	ATFS	Total
GA	37,488	920,918	714,150	1,672,556
NC	86,107	463,866	124,334	674,307
SC	120,853	413,319	258,864	793,036
Total	244,448	1,798,103	1,097,348	3,139,899

Feedstock

f. Total volume of Feedstock: 767,793 metric tons

g. Volume of primary feedstock: 758,612 metric tons

h. List percentage of primary feedstock (g), Subdivide by SBP-approved Forest Management Schemes:

- Certified to an SBP-approved Forest Management Scheme, PEFC: 36,538 metric tons
- Not certified to an SBP-approved Forest Management Scheme: 722,074 metric tons

5.4 Chain of Custody system

As applicable, all material is subject to the organization’s COC procedures for sourcing certified and non-certified material. The organization sources material from certified sources under its valid COC certificate(s) per the following systems: FSC PEFC and/or SFI.

As applicable, any non-certified sources have been evaluated under the BP's COC Due Diligence System (DDS) or Controlled Wood procedures, as well as an SBE and/or duly approved Regional Risk Assessment.

6 Evaluation process

6.1 Timing of evaluation activities

Auditor name:	Kyle Meister	Auditor role:	Lead auditor
Technical expert:	Shannon Wilks	Auditor role:	ST 1 Technical expert

Supplier audits	Primary supplier FMUs visited: 6 Secondary/Tertiary supplier interviews: 2/0 (BP does not source tertiary feedstock)
<i>Supplier sampling is determined using SCS sampling method. Audit teams ensure to sample across the variety of forest ecosystems and/or feedstocks from which the organization sources, including by selecting different land ownership/management (e.g., small, public, private, etc.), harvesting types (thinning, final harvest), and feedstock type (primary, secondary, tertiary, hardwood, softwood, etc.).</i>	

A. Number of days spent on-site for evaluation:	2
B. Number of auditors participating in on-site evaluation:	1
C. Number of days spent by any technical experts (in addition to amount in line A):	1
D. Additional days spent on preparation and follow-up:	0.5
E. Total number of person days used in evaluation (A * B + C + D):	3.5

Site Name or Location:	Greenwood: 200 Enviva Way, Greenwood, South Carolina 29646	
Date and Time of Audit:	29 April 2020 (10 am EST): opening meeting, review of audit scopes, initial document/interview requests, selection of ICT, and scheduling of remote inspections for sites listed below. 28 May 2020 (10:30am EST): review of audit scopes, any remaining interview/document reviews, and preliminary closing meeting 21 August 2020: field site visits for ST 1	
Audit Activity	Items to Review / Actions	Approx. Time
Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to SBP, FSC, and SCS standards and protocols, client description of organization	90 min.
Review of previous nonconformities	Review of evidence of corrective actions taken by organization since previous audit (records, documents, pictures, etc.)	1 day
Review of CoC/SBP procedures, products and material accounting	Written procedures, work instructions, feedstock description (see ID 5B section 4), product group list, accounting system (transfer, percentage or credit; physical separation, percentage method)	
Review of material balances and records	Auditor-selected sample of the following: material tracking system, summary of purchases and sales, invoices, shipping documents, training records, outsourcing agreements, other applicable SBP/CoC systems, procedures and records, tracebacks from certified outputs to eligible inputs	
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable	
SBP ST 5, ID5E	Review of GHG data collection, including SAR, DTS, GHG data collection and interviews with relevant staff	
Evaluation of trademarks	Review of auditor-selected sample of SBP/FSC/PEFC and/or SCS on-product and/or promotional trademark uses; review of any on-site trademark uses such as banners, posters, entryway signs	

Secondary/Tertiary Supplier Interviews (Conducted via Phone)	2 (secondary) and 0 (tertiary)	Approx. 15 minutes per call (30 min.)
Remote inspection of facility	Review of physical inputs and outputs, material receipt, processing, storage, credit account (if applicable), sale, and overall control	60 min.
Staff interviews	Interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position	0.5 days
Preliminary closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting	60 min.
Preliminary closing meeting and review of findings	Convene with all relevant staff to summarize audit findings, review identified nonconformities for ST 5, and discuss next steps	
21 August 2020		
Postponed On-Site Audit Requirements Primary Site Visits	SBP STD1-Primary harvest sites-(Greenwood: 6 Sites Selected (Lunch stop included in harvest site visits)	1 work day
Staff interviews	Interviews with appropriate number and diversity of staff to assess knowledge of procedures related to their position	
Closing meeting and review of findings	Convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next steps	
End		

6.2 Description of evaluation activities

Refer to the audit itinerary above. For all SBP evaluations, SCS collects evidence using a combination of direct observation, document and record review, and interviews with stakeholders and the organization's personnel & service providers. As reviewing all operations would be cost-prohibitive, SCS implements sampling techniques to ensure that all CCPs are assessed during evaluations. When relevant, other areas and locations are sampled during sequential audits to ensure that different aspects of the organization's control systems are evaluated.

6.3 Process for consultation with stakeholders

SCS relies on its Master Stakeholder List, which contains stakeholders that are identified by type, e.g. ENGO, Government/regulatory, Educational/Academic, Industry, Indigenous/Aboriginal/Tribal, etc.) This list is categorized by country and state/province at the very least, and for every consultation is filtered to omit any stakeholders that are not geographically relevant to the certificate holder/applicant's supply base. A stakeholder notification is sent out to all identified stakeholders after the BP's stakeholder consultation period has ended. Stakeholder comments that are received outside of regular stakeholder consultation periods are fully considered. Methods used to interview stakeholders may include, for example, telephone calls, in-person meetings, and email exchanges.

No stakeholder consultation has been conducted by SCS Global Services during this surveillance audit. Comments received by the BP's consultation program may be addressed in its SBR.

7 Results

7.1 Main strengths and weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> GHG data collection and calculation systems are consistently implemented. The Track & Trace system ensures a high level of transparency in the supply chain, including via the BP's own evaluation of supplier FMUs. 	Refer to section 10.

7.2 Rigour of Supply Base Evaluation

The initial Supply Base Evaluation was completed in partnership with Greener Options Inc. and Biological Integrity LLC. The Supply Base was determined based on the defined procurement area of primary and secondary suppliers. Data was collect internally based on specific tracts harvested by primary suppliers. Secondary suppliers provided information of harvesting practices for the defining of their supply base. The combining of these supply bases resulted in the geographic area for the company's Supply Base. An extensive analysis of the area was conducted using data collected from USDA Forest Service, WWF, Greenpeace, World Resources Institute, Conservation International, and NatureServe. Specific details were gained from local forestry professionals, contractors, state forestry agencies, and forestry associations. Rigor of the Supply Base Evaluation was adequate for the defining of indicators to be "Low Risk" and "Specified Risk". Additional analysis was done to develop mitigations measures for moving the "Specified Risk" Indicators to "Low Risk". *The Supply Base Evaluation was updated in 2019 based on approval of FSC US Controlled National Risk Assessment.* Enviva used the FSC US Controlled Wood National Risk Assessment V1-0, stakeholder engagement, its third party certified PEFC/SFI Due Diligence System and FSC Controlled Wood Risk Assessment to continually improve the SBE. Various third party data sources were also used for research in the region such as; Forest Stewardship Council, The Nature Conservancy, United States Forest Service, United States Department of Labor, United States Department of Environmental Protection, State Forest Service Divisions, National Council for Air and Stream Improvement, World Wildlife Fund, World Bank Governance Index, Illegal Logging Portal, Transparency International Conservation International, World Resources Institute, Convention on International Trade in Endangered Species, International Union for Conservation of Nature and the Databasin web mapping tool. Risk was designated low for all core indicators, except 2.1.1, 2.1.2, 2.2.3, 2.2.4 and 2.4.1. SCS Global Services conducted a review of the SBE process and concluded that the control systems in place meet the SBP standard requirements during the surveillance audit.

NA, no Supply Base Evaluation conducted.

Is the current definition of scope adequate for the specific characteristics of the Supply Base and management systems in place?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are the means of verification and evidence provided enough to support the risk conclusion?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are mitigation measures implemented for specified risk sufficient and adequate?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA, no mitigation measures necessary

Are the personnel involved in the development of the Supply Base Evaluation (SBE) knowledgeable in the required fields?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<i>Refer to Section 10 for any deficiencies noted in the SBE.</i>	

7.3 Collection and Communication of Data

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

7.4 Competency of involved personnel

The initial Supply Base Evaluation was conducted by Gary Boyd, a well-known Forestry Program Certification Consultant, in consultation with key Company employees. Gary attended an SBP training session. The Company's management and control systems for SBP are the same as those used to meet the PEFC/FSC Chain of Custody, FSC Controlled Wood and the SFI Fiber Sourcing requirements. Key personnel tasked with implementing the Company's management and control systems relating to SBP compliance are well trained and competent, with strengths in markets, silviculture, management, harvesting, and conservation issues. Their knowledge of SBP requirements is strong. This is a new standard, so any relevant experience is limited to the pre-existing CoC and Controlled Wood standards.

The updated Supply Base Evaluation was conducted by Enviva Sustainability personnel who has local forestry experience and knowledge of ecological and social values associated with the supply base, applicable laws and regulations, business management practices, operation of suppliers, and the local forest resource. Enviva's management and control systems for SBP are the same as those used to meet the SFI/PEFC CoC, which have been in place since 2012. Key personnel tasked with implementing and maintaining the management and control systems relating to SBP compliance are well trained and competent. Enviva assigned management with appropriate skills and competency to implement and execute the management and control systems relating to SBP compliance. Management interviewed during the assessment were found to be knowledgeable of the SBP requirements. Interviews and desk audit with corporate personnel confirmed knowledge of GHG data requirements and accurate management of data.

7.5 Stakeholder feedback

- No stakeholder comments were received before, during or after the evaluation.
- The following comments were received as described in the table below:

Stakeholder Comment	SCS Response

7.6 Preconditions

- No preconditions were issued.
- Preconditions were issued, all of which the organization closed as described in the Major NCRs noted in Section 10.

8 Review of Company's Risk Assessments

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

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

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

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

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

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

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

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

9 Review of Company's mitigation measures

NA, no mitigation measures.

The organization implements the following mitigation measures

Indicator	Risk Assessment	Management system
2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	The US does not have an SBP approved regional risk assessment that fully considers all of the indicators.	Enviva is using the FSC US CWNRA as the baseline for determining potential areas of high conservation value. Additional work with interested and engaged stakeholders (see Section 6) has been incorporated into the supply base evaluation to supplement Enviva's ability to accurately map areas of high conservation value
2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.	Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management systems or mitigation measures cannot be implemented to reduce risk.	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of high conservation value. Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk
2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside	Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6). Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.

Indicator	Management System	Means of Verification
<p>2.1.1 2.1.2</p>	<p>Use of FSC US CWNRA and stakeholder engagement to develop appropriate maps of high conservation value areas</p> <p>Control system/Procedures Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood:</p> <ul style="list-style-type: none"> • Illegally harvest wood; • Wood harvested in violation of traditional and civil rights; • Wood harvested from forests where high conservation values are threatened by management activities; • Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use; • Wood from forests were genetically modified trees are planted; • Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work. <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. The Agreement requires suppliers to abide by forest management activities regulations.</p> <p>Enviva requires all suppliers to sign an annual Master Wood Supply Agreement. The Agreement requires suppliers to avoid feedstock sources from land use change.</p> <p>Enviva uses its Tract Approval process and District of Origin process to assess feedstock purchases conformance to these indicators</p>	<ul style="list-style-type: none"> • ENV-SFIS-01 SFI Certified Sourcing Implementation Manual • ENV-PEFCCOC-01 PEFC Chain of Custody Procedures • ENV-FSCCOC-01 FSC Chain of Custody Procedures • ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment • FSC US Controlled Wood National Risk Assessment • Stakeholder engagement • Master Wood Purchase Agreement • State BMP Manuals • Track & Trace® • HCV Tract Approval Process • District of Origin Process
<p>2.2.3 2.2.4 2.4.1</p>	<p>Control system/Procedures Enviva uses contractual language in its Master Wood Purchase Agreement requiring supplier to abide by all relevant laws and regulations. The contract includes the requirement to avoid the following unacceptable sources wood: (items related to this indicator are underlined)</p> <ul style="list-style-type: none"> • Illegally harvest wood; • Wood harvested in violation of traditional and civil rights; • Wood harvested from forests where high conservation values are threatened by management activities; • Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use; • Wood from forests were genetically modified trees are planted; 	<ol style="list-style-type: none"> a. Preamble citations b. ENV-SFIS-01 Certified Sourcing Implementation Manual c. Track & Trace® Program d. ENV-PEFCCOC-01 PEFC Chain of Custody Procedures e. ENV-FSCCOC-01 FSC Chain of Custody Procedures f. ENV-COC-02 Controlled Wood/Controlled Sources Procedure g. ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment h. Master Wood Purchase Agreement i. Track & Trace® j. District of Origin Process k. HCV Tract Approval Process

	<ul style="list-style-type: none"> • Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work. <p>The Master Wood Purchase Agreement requires suppliers to avoid key ecosystems and habitats such as old growth forests and forest that could be threatened by forest management activities.</p> <p>The Enviva Forest Conservation Fund, a \$5 million, 10-year program sponsored by Enviva and administered by the U.S. Endowment for Forestry and Communities, is designed to protect tens of thousands of acres of sensitive bottomland forests in the Virginia-North Carolina coastal plain. The Enviva Forest Conservation Fund will award matching fund grants to non-profit organizations to permanently protect ecologically sensitive areas and preserve working forests. (http://envivaforestfund.org/)</p> <p>Enviva uses its Tract Approval process and District of Origin process to assess feedstock purchases conformance to these indicators</p>	<p>I. State BMP Manuals and BMP monitoring data</p>
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In 2019 Enviva conducted 59 field site inspections in Enviva’s Greenwood supply base area. Field inspections aid in monitoring program implementation such as forestry BMP implementation adherence and adherence to Enviva HCV Tract Approval process. No instances of program violations related to high conservation values, biodiversity or negative impact to health or vitality of key ecosystems were recorded. One tract was found to be out of compliance for state water quality according to Enviva’s guidelines, and was remediated with collaboration between the supplier and the South Carolina Forestry Commission.

Enviva’s District of Origin process requires secondary feedstock suppliers to annually update information about their supply base area. The information is used to assess changes in a secondary feedstock suppliers sourcing practices and to determine if the feedstock provided by the supplier is SBP-compliant or SBP-controlled. In 2019 Greenwood received secondary feedstock from 2 suppliers. Enviva internally audited 1 secondary feedstock supplier in 2019. The audit results confirmed the supplier was found to be and SBP-compliant source.

10 Non-conformities and observations

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

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

10.1 2019 Findings

NC number 2019.1	NC Grading: Observation
Standard & Requirement:	SBP Framework Standard 1: Feedstock Compliance V1.0, 4.3
Description of Non-conformance and Related Evidence:	
No representatives of Indigenous people observed on initial stakeholder list. Evidence: Document review of stakeholder list.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	In 2021, Greenwood will undergo a re-evaluation and the stakeholder list will be updated at that time. Given that tribal contacts can change frequently, we feel that it is best to address this issue during the next stakeholder consultation.
Findings for Evaluation of Evidence:	This OBS is closed since this issue will be have to be evaluated in full during the next re-evaluation (i.e., 5-year stakeholder consultation of SBE).
NC Status:	Closed

NC number 2019.2	NC Grading: Minor
Standard & Requirement:	SBP Framework Standard 1: Feedstock Compliance V1.0, 2.1.3
Description of Non-conformance and Related Evidence:	
Interview with single secondary supplier provided information that less than 1% of his material is potentially sourced from land conversion residential developments within Augusta GA area. Material was inconsistent due to land development process, but his operations provided an outlet for resource that would otherwise be wasted. Evidence: Interview with secondary supplier	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date

Evidence Provided by Company to close NC:	When this finding moved from an observation to a Minor NC Pollard Lumber was no longer allowed to deliver to Enviva. On June 10th Pollard changed their policy to no longer accept wood from land conversion and was allowed to deliver again. Pollard confirmed their stance on land conversion in May of 2020. (See E-mail documentation)
Findings for Evaluation of Evidence:	Correspondance reviewed confirms the changes to the supplier's procurement policy.
NC Status:	Closed

NC number 2019.3	NC Grading: Observation
Standard & Requirement:	SBP Framework Standard 2: Verification of SBP-compliant Feedstock V1-0, 7.3
Description of Non-conformance and Related Evidence:	
Date of SBR (section 1) posted on organization's and SBP website contains incorrect date of previous CB audit. Approval date by management is correct. Evidence: Document review of SBR	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	The date of the last CB audit is correctly listed in the 2019-20 SBR.
NC Status:	Closed

NC number 2019.4	NC Grading: Observation
Standard & Requirement:	SBP Framework Standard 5: Collection and Communication of Data V1-0, 5.1
Description of Non-conformance and Related Evidence:	
Review of SAR data, auditor observed incorrect county listed for only secondary supplier of feedstock. Report Boss information listed the county as Appling County, GA with a distance of 321.8 KM; facility located in Columbia County, GA (within city of Appling, GA) at a distance of 99.8 KM. Minimal feedstock volume does not change SAR values. Evidence: Document review of SAR and Interview with Sustainability Analyst.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	The distance reported in the 2019 SAR is 321.8km, indicating that the BP has not updated this portion of its data. Less than 1.5% of the feedstock came from this supplier in 2019, so there is no significant change to SAR values. Remains OPEN.

NC Status:	Open
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10.2 2020 Findings

NC number 2020.1	NC Grading: Minor
Standard & Requirement:	<i>ST 5, 5.1: All data submissions are supported by appropriate evidence; and ID 5E, 6.10.3.</i>
Description of Non-conformance and Related Evidence:	
<p>The railway distance from Greenwood, South Carolina to Wilmington, North Carolina was checked via two sources. One was https://wiki.openstreetmap.org/wiki/South_Carolina/Railroads (accessed 7 May 2020) to see a basic map of freight railroads to confirm that travel between the starting and end point was possible.</p> <p>The second source, https://www.directfreight.com/home/route (accessed 7 May 2020), was checked to confirm the accuracy of the distance reported. Direct Freight gives the distance as 474.4 km for trucking but does not factor in the location of the pellet mill or the Port of Wilmington. Thus, the BP's estimation of 490 km may be conservative. During interviews and email communication with the BP, however, it could not replicate the 490 km based on its screen shot in section 4.3 of the SAR. The BP then sent information from https://www.searates.com/ (accessed 11 May 2020), which shows that the railway distance is 462.19 km. This was confirmed by the auditor by looking at the same website.</p> <p>Given that the Greenwood pellet mill is slightly north and east of downtown Greenwood (where the starting point originates), the figure (462.19 km) is conservative (per Google Maps, accessed 11 May 2020).</p>	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	The SAR was updated with the corrected rail distance and image from Sea Rates. A track-changes version of the SAR has been provided.
Findings for Evaluation of Evidence:	The new version of the SAR has the updated rail distance and image from Sea Rates.
NC Status:	Closed

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:

Certification decision:	Certification approved
Certification decision by (name of the person):	Sebastian Häfele
Date of decision:	22/Sep/2020
Other comments:	<i>Click or tap here to enter text.</i>