



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

Re-assessment

[www.sbp-cert.org](http://www.sbp-cert.org)



**The promise of good biomass**



# 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](http://www.sbp-cert.org)*

## *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1: published 30 January 2018*

*Version 1.2: published 4 April 2018*

*Version 1.3: published 10 May 2018*

*Version 1.4: published 16 August 2018*

*© Copyright The Sustainable Biomass Program Limited 2018*

# Table of Contents

<b>1</b>	<b>Overview</b>
<b>2</b>	<b>Scope of the evaluation and SBP certificate</b>
<b>3</b>	<b>Specific objective</b>
<b>4</b>	<b>SBP Standards utilised</b>
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
<b>5</b>	<b>Description of Company, Supply Base and Forest Management</b>
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
<b>6</b>	<b>Evaluation process</b>
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
<b>7</b>	<b>Results</b>
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
<b>8</b>	<b>Review of Company's Risk Assessments</b>
<b>9</b>	<b>Review of Company's mitigation measures</b>
<b>10</b>	<b>Non-conformities and observations</b>
<b>11</b>	<b>Certification recommendation</b>

# 1 Overview

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

Primary contact for SBP: Maggie Schwartz; info@scsglobalservices.com

Current report completion date: 02/Dec/2020

Report authors: Kyle Meister

Name of the Company: Enviva Pellets Southampton, LLC

Company contact for SBP: Don Grant, don.grant@envivabiomass.com (984) 789-3642 ext 1069

Certified Supply Base: Mid-Atlantic (North Carolina, South Carolina, Virginia)

SBP Certificate Code: SBP-04-11

Date of certificate issue: 22/Nov/2016

Date of certificate expiry: 21/Nov/2021

This report relates to the Re-assessment

## 2 Scope of the evaluation and SBP certificate

This certificate covers the production of wood pellets, for use in energy production, at Enviva Pellets Southampton and transport to the Port of Chesapeake for storage, aggregation, vessel loading and shipping. It also covers a Supply Base Evaluation for the sourcing of feedstock from North Carolina, South Carolina, and Virginia. The scope includes communication of Dynamic Batch Sustainability Data.

This certificate covers the production of  wood pellets and/or  woodchips, for use in energy production, at Enviva Pellets Southampton, LLC and transport to the Port of Chesapeake for  storage,  aggregation,  vessel loading,  shipping, and  other storage/handling processes: Describe.

It also covers a Supply Base Evaluation for sourcing feedstock from: North Carolina (91), South Carolina (18), and Virginia (130).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The scope includes communication of Dynamic Batch Sustainability Data.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

As already stated on the cover page and the overview page, the evaluation was a/an:	<input type="checkbox"/> Evaluation audit	<input type="checkbox"/> Surveillance audit
	<input checked="" type="checkbox"/> Re-Evaluation audit	<input type="checkbox"/> Other: Describe
The scope of this audit included a review of procedures (e.g., data collection, chain of custody, Due Diligence System (DDS), etc.), documentation (e.g., risk assessments), records (e.g., supplier contracts, SAR), and databases to ensure the organization's management system is appropriate to ensuring conformance to applicable SBP Standards cited in section 4.1.		
Other audit methods that may have been used include field audits, inspection of production facilities (remotely and/or onsite), and interviews with relevant staff, supplier representatives and stakeholders/rightsholders.		

### 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.

If applicable, the following *pre-audit activities* were conducted:  pre-assessment;  site visits  N/A

The following Critical Control Points (CCPs) were identified and evaluated (edit list as appropriate and describe how the organization controls each point and how it was evaluated). Note that you may identify other CCPs for a particular client which you should also describe in the report:

CCP	Description, including how evaluated by SCS
Processes for procurement and processing, transport and storage	All wood delivered to the mill is tracked in a centralized system. Prior to delivery of roundwood, in-woods chips or mill residuals (e.g., wood chips, saw dust or shavings) to the scale house, the owner name, district of origin (Lat/Long), product type, etc. are obtained from the supplier. This was confirmed via review of procedures, supplier documentation, and the BP's chain of custody credit accounts. All input feedstock is processed into wood pellets by being chipped, dried (if green), hammered, and extruded into pellets. The conversion factors used to allocate input feedstock into pellets are maintained and evaluated by BP staff. This was confirmed via remote inspection of the pellet mill, review of the FSC/PEFC COC report, and interviews with staff.
Volume accounting method	The procedures detail the process to properly maintain the volume credit spreadsheet, with provisions for subtracting certified product sold and for carrying only the past 12 months of credits. This was confirmed via review of the credit account and DTS records.
Documentation of transactions	Invoices are issued, and all outgoing transactions of SBP-certified biomass are recorded in the DTS, which was confirmed via review of DTS records.
Energy data collection and reporting	The organization developed and maintains databases to record data values and calculate energy data as required by Standard 5 and keeps records that substantiate the data.

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

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

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

### 4.2 SBP-endorsed Regional Risk Assessment

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

# 5 Description of Company, Supply Base and Forest Management

## 5.1 Description of Company

Enviva Holdings LP (Enviva) operates 3 mills in its mid-Atlantic region: Enviva Pellets Southampton, VA, Enviva Pellets Northampton, NC and Enviva Pellets Ahoskie, NC. Enviva treats the supply regions for each mill as one large supply area, with the potential for each mill to obtain wood from any portion of the area. The mid-Atlantic regional supply base includes portions of the states of North Carolina, Virginia, and portions of South Carolina. Hardwoods are the pre-dominant species group making up 70% of the forested hectares.

The organisation is a legal entity located in: Virginia, USA.

The following descriptions and activities apply to the organisation:

<b>Biomass activity</b>	<b>Feedstock sourced</b> <input type="checkbox"/> NA, trader only	<b>Feedstock claims*</b> <input type="checkbox"/> NA, trader only	<b>Relationship to other SBP-certified biomass producers/traders</b>
<input checked="" type="checkbox"/> Pellet producer & trader <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 checked="" type="checkbox"/> FSC Mix x% <input checked="" type="checkbox"/> 100% PEFC <sup>1</sup> /Volume Credit <input checked="" type="checkbox"/> SFI Forest Management or 100% <input checked="" type="checkbox"/> ATFS <input checked="" type="checkbox"/> Other FSC, SFI or PEFC (e.g., FSC Controlled Wood): 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 certificates on the <a href="#">SBP database</a> .

\*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)	USA
States/Provinces/Territories	North Carolina, South Carolina, and Virginia.
Number of counties sourced from in case only a portion of an administrative unit is in the SB	North Carolina (91), South Carolina (18), and Virginia (130).

<sup>1</sup> 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.).



## 5.2 Description of Company’s Supply Base

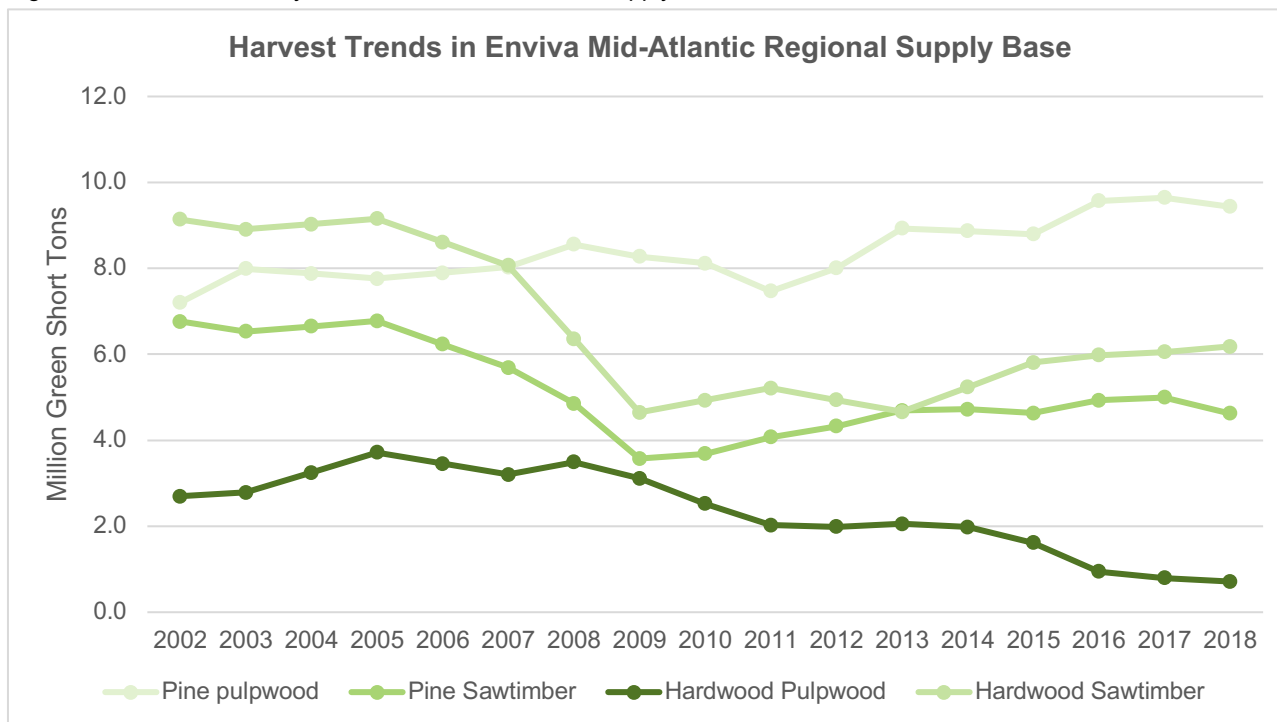
The following has been adapted from the BP’s Supply Base Report (SBR):

### Brief description of the Supply Base within the regional context

Enviva Holdings LP (Enviva) operates 3 mills in its mid-Atlantic region: Enviva Pellets Southampton, VA, Enviva Pellets Northampton, NC and Enviva Pellets Ahoskie, NC. Enviva treats the supply regions for each mill as one large supply area, with the potential for each mill to obtain wood from any portion of the area. The mid-Atlantic regional supply base includes portions of the states of North Carolina, Virginia, and portions of South Carolina. Hardwoods are the pre-dominant species group making up 70% of the forested hectares.

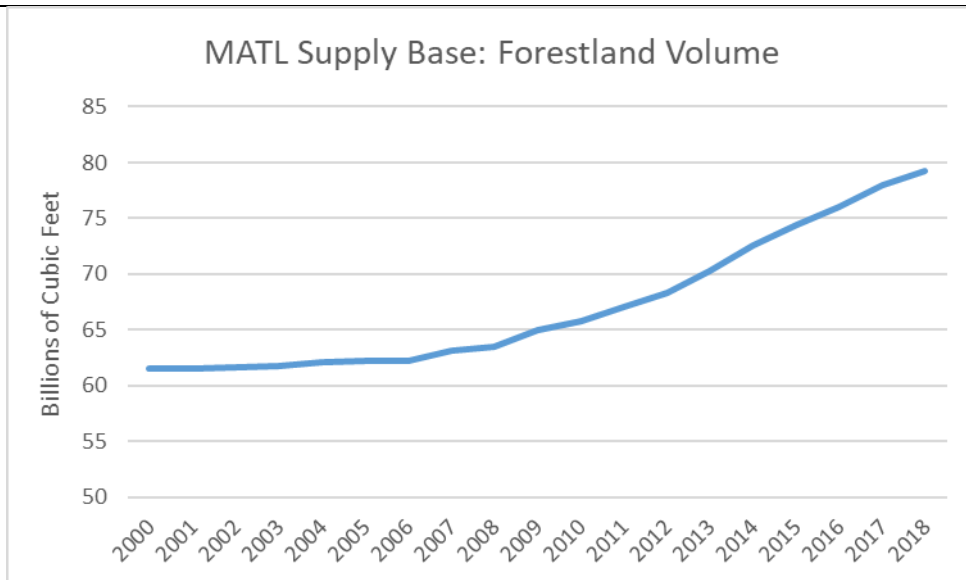
Figure 1 displays historic harvest volumes by product in the supply base, according to Forest2Market’s comprehensive database (Forest2Market Inc., 2019). The graph shows the decline in demand for hardwood pulpwood starting 2006. Demand stabilized in 2011 coinciding with Enviva’s entry in the region. Since 2014 hardwood pulpwood consumption has trended downward as other traditional users of hardwood pulpwood shift their operations to pine pulpwood. Moreover, the most recently available inventory data from the US Forest Service’s Forest Inventory and Analysis program shows that the growth to drain ratio for hardwood in our Supply Base Area is 2.39:1, meaning that net hardwood inventories and total inventories are increasing and current harvest levels for this product are sustainable. The growth to drain ratio for pine in the region is 1.65:1 (US Department of Agriculture Forest Service, 2018).

Figure 1. Harvest Trends by Product in the Mid-Atlantic Supply Base Area



The positive growth: drain value means that the region’s forest standing stock has increased steadily since 2000 at an annualized rate of 1.6% (see Figure 2) (US Department of Agriculture Forest Service, 2017).

Figure 2. Standing Inventory in the Supply Base Area (USDA Forest Service, 2018)



Based on the most recently available inventory data from the US Forest Service’s Forest Inventory and Analysis program, the combined hardwood and pine growth: drain ratio is 1.91:1. Due to the potential volume of sawtimber removals, the region also could generate up to 2.3 million green metric tons of low grade wood from the forest that could be used for pellet production (US Department of Agriculture Forest Service, 2018). Further, sawtimber users in the area generate about 1.8 million dry tons of mill residuals per year (US Department of Agriculture Forest Service, 2014).

**Operating Scale**

Enviva is just one of several industries and entities sourcing wood in its supply base area. According to Forest2Market’s database and Enviva’s wood delivery database, Enviva’s three mills in the mid-Atlantic region source together about 15% of the total wood harvested in the area, while regional annual inventory growth exceeded the volume harvested. In the region, pine pulpwood is the only product for which demand has increased (4.0% annually) (Forest2Market Inc., 2019). 24% of Enviva’s pellet feedstock in this region is made up of pine, 76% of wood used is hardwood. At the Southampton mill specifically, 9% of the feedstock is made up of pine and 91% is made up of hardwood.

**CITES, IUCN Species**

The International Union for the Conservation of Nature (IUCN) Red List of Threatened Species includes *Pinus palustris* (Longleaf pine) which does occur in the supply base region (The IUCN Red List of Threatened Species, 2015). Longleaf pine is included in the IUCN list because its current extent is much reduced from its historical dominance in the southeast US. However, conservation groups, such as the Longleaf Alliance, agree that creating commercial viability of longleaf pine is crucial to its restoration. Enviva’s use of material from longleaf stand thinnings or other harvest residuals supports its commercial viability and encourages landowners to restore longleaf stands. Enviva will not procure wood from natural longleaf stands if they are going to be converted to non-forest or another forest type.

Further, Enviva maintains a third party audited Controlled Wood Risk Assessment which satisfies the Forest Stewardship Council™ (FSC), Programme for the Endorsement of Forest Certification™ (PEFC) and Sustainable Forestry Initiative® (SFI®) Chain of Custody requirements. These certifications address the controls needed to avoid the use of CITES and/ or IUCN species concerns. None of the species used

for wood pellets appear in the Convention on International Trade in Endangered Species (CITES) Appendices (CITES, 2015).

#### **Description of how the producer sources feedstock**

Primary feedstock is sourced direct from the forest in the form of round wood or chips from 126 +/- 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.

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 Southampton plant, the pellet feedstocks have the following characteristics:

- Primary Feedstock (roundwood and forest residues direct from the forest) comprise 97% of the feedstock. 3.6% of primary volume comes from SBP Controlled sources with the remaining 96.4% of primary volume as SBP-compliant Primary Feedstock. 41% of the volume is from certified sources.
- Secondary Feedstock (sawmill and wood industry residues) makes up 3% of the feedstock supplied by 22+/- mills, are a combination of SBP-Controlled Secondary Feedstock and SBP-Compliant Secondary Feedstock and none is from certified sources.
- Hardwoods make up 91% of the feedstock and softwood species are the remaining 9%.

Enviva's three mid-Atlantic mills received feedstocks from the following sources, by volume:

- 13.7% was made up of residues supplied by sawmills and wood industries.
- 41.2% was made up of hardwood and pine chips and roundwood from mixed oak-pine 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.
- 34% was made up of hardwood and pine chips and roundwood from southern yellow 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.

- 6.1% was made up of hardwood and pine chips and roundwood from upland 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.
- 4.7% was made up of hardwood and pine chips and roundwood from bottomland hardwood forests. These are very low-intensity managed hardwood forests that are located in lowland areas and floodplains along rivers or other water bodies and which have soils that are saturated or flooded for at least part of the year. These forests contain overstories of large-diameter oak, gum, and cypress trees that originate from seedlings and sprouts arising out of stumps from previously harvested trees and a significant understory of small-diameter hardwood trees. When the landowner decides to harvest, the forest is clearcut and the stems of the large-diameter hardwood trees are sold to hardwood sawmills or furniture manufacturers, while the small diameter understory hardwood trees and tops and branches of sawtimber trees are sent to lower grade consumers like Enviva.

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

**General Forest Management Techniques**

Forestry practices in the mid-Atlantic region can vary greatly due to landowner demographics and forest types. There are financial and tax incentives available to forest landowners to encourage management, replanting, and riparian zone buffer incentives (Virginia Department of Forestry, 2015), (North Carolina Forest Service, 2015), (South Carolina Forestry Commissions, 2018).

Typically, hardwood management relies on natural regeneration of stands where forest tracts are harvested and the natural processes of seedling establishment and sprout growth from the remaining stumps (called “coppice”) produce the next forest.

*Forest management in bottomland/ wetland hardwood systems*

The majority of bottomland hardwood forest stands in the mid-Atlantic region have been harvested for sawtimber production for centuries. In terms of harvest techniques, as explained by the North Carolina Forest Service in its paper entitled *Managing and Regenerating Timber in Bottomland Swamps* (July 2012), “Implementing a carefully planned and executed swamp timber harvest in a manner that minimizes soil and water impacts has shown to be the practical and viable prescription for forest management in bottomland/cypress swamps.” In some instances, select cuts may be used for bottomland harvest, however clearcut harvest is the typical management method used in bottomland systems, as “nearly all swamp-adapted tree species require full sunlight to adequately regenerate, thus demanding a removal of the shading overstory” (North Carolina Forest Service, 2019). This harvest technique maximizes the likelihood of regeneration of desirable species post-harvest. Many of these existing bottomland hardwood stands have been poorly managed to date, such that appropriate silvicultural treatments such as clearcut embody restoration for these forests and are the best ecological outcome. For more information on bottomland hardwood forests and their silviculture, please see the excellent guide published by The Forest Guild, at <http://www.forestguild.org/node/263>.

Numerous state and Federal water quality regulations also govern forestry activities in swamps and wetlands. For example, the North Carolina and Virginia Departments of Forestry describe several forest management guidelines that should be followed when harvesting in bottomland systems. In addition to following best management practices (BMPs) for wetlands as described by the Department of Forestry in these forest types, streamside management zones (SMZs) are always established according to state guidelines. SMZ's are intended to protect water quality, to provide a visual screen, to enhance wildlife/ bird corridors and to provide an additional source of tree seed to enhance regeneration (North Carolina Forest Service, 2012). Enviva audits its suppliers' performance relative to state and Federal regulations and best management practices.

*Forest management in pine systems*

Pine plantations are managed under various regimes with the following typical management regime: planting, five years release spray, 15-year thinning and generally a final harvest between years 35 and 40. Other pine stands may be released after 5 years and left to grow as a mixed pine/ hardwood stand. Many pine stands are re-planted and are not intensively managed thereafter, which permits the growth of hardwood tree species within the stand, creating a mixed pine and hardwood forest.

**Ownership, Land Use and Certification**

The land ownership patterns in the Enviva mid-Atlantic supply base area are typical for the southern United States: approximately 85% of the forestland is privately held. Federal ownerships total 9% and state or local ownership are 5% of the forested hectares. As listed in Table 1, an estimated 54% of the region's total land area is forested, 22% is in agriculture, 10% is developed and 8% is wetlands. These four categories comprise 94% of the land cover (United States Department of the Interior Geological Survey, 2015).

Table 1. Land Cover in the Enviva Primary Fiber Sourcing Area

Cover/Land use	% of Supply Area
Water	2.2%
Developed	10.1%
Mechanically disturbed	3.3%
Mining	0.1%
Naturally barren	0.0%
Forest	54.5%
Grassland/ Shrubland	0.1%
Agriculture	21.8%
Wetlands	7.8%
Non-mechanically disturbed	0.0%

Major forest certification schemes such as the American Tree Farm System® (ATFS), SFI, and FSC, have program participants in the supply area. The FSC website indicates the program participants have certified 283,000 ha in the three states included in the supply base area. The SFI and ATFS Programs combined are nearly 2 million hectares in the three states. Companies in the supply base area active in certification are listed in Table 2.

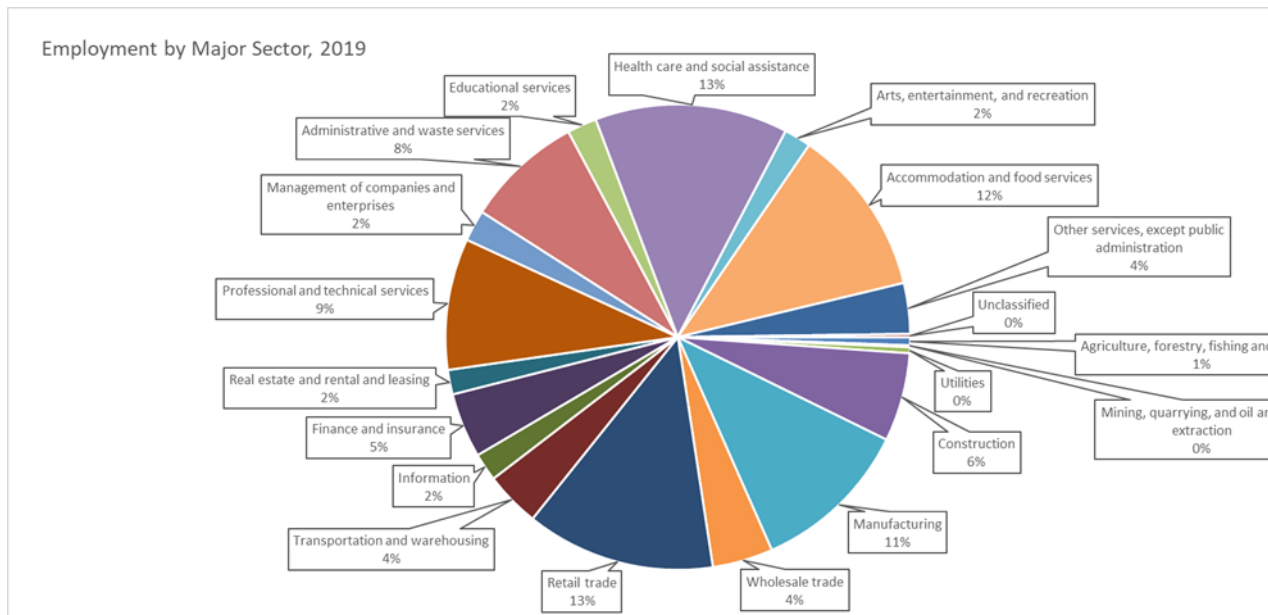
Table 2. Companies Active in SFI or FSC in the Enviva Supply Area

360 Forest Products, Inc.	Duke University	Mid Carolina Timber Company, Inc	Sonoco Products Company
Campbell Global, LLC - East & SE Regions	Forest Investment Associates	The Molpus Woodlands Group, LLC	South Carolina Forestry Commission
Certified Forest Management, LLC	GreenLink Forest Resources, LLC	Plum Creek Timber Company, Inc	Westervelt
Conservation Forestry, LLC	Hancock Natural Resource Group	Resource Management Services, LLC	Weyerhaeuser NR Company
The Conservation Fund	Johnson Company, Inc.	S & M Forest Management Group	Timberland Investment Resources, LLC
Crawley Timber Co	Kingstree Forest Products, Inc	SR Jones Jr Land & Timber	

### 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 40% of the labor force. The mean income for the region is \$52,789 and mean income for the employment sector including Forestry is \$37,496 (United States Department of Labor, 2020). Enviva employs directly approximately 350 people in the region. Further, Enviva’s operations supports an additional 280 +/- various harvesting crews and saw mills, 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 (United States Department of Labor, 2020).

Figure 3. North Carolina and Virginia Employment by Major Sector



According to a report created for Enviva by Chmura Economics & Analytics, the total annual economic impact (direct, indirect, and induced impacts) of the ongoing operation of the Southampton wood pellet manufacturing plant in Virginia is estimated to be \$152.4 million (measured in 2013 dollars) which supports 261 state jobs. Aside from the direct impact, an additional indirect impact of \$61.0 million and

145 jobs will benefit other Virginia businesses that support the plant's operation, including local logging and trucking companies. The economic impact of the plant in North Carolina is smaller, derived entirely from the indirect and induced impact. The indirect impact in North Carolina is estimated to be \$21.1 million and 27 jobs per year in 2013, which benefits other North Carolina businesses that support the plant's operation, including local logging and trucking companies (Chmura Economics & Analytics, 2013).

### Forest composition

Common name	Scientific name
American beech	<i>Fagus grandifolia</i>
American elm	<i>Ulmus americana</i>
Atlantic white cedar	<i>Chamaecyparis thuyoides</i>
Black cherry	<i>Prunus serotina</i>
Black gum	<i>nyssa sylvatica</i>
Black jack oak	<i>Quercus marilandica</i>
Black oak	<i>Quercus velutina</i>
Black walnut	<i>Juglans nigra</i>
Cherry bark oak	<i>Qurecus pagoda</i>
Chinkapin oak	<i>Qurecus muehlenbergii</i>
Green ash	<i>Fraxinus pennsylvanica</i>
Hackberry	<i>Celtis occidentalis</i>
Hickory	<i>Carya spp.</i>
Holly	<i>Ilex opaca</i>
Laurel oak	<i>Quercus laurifolia</i>

Common name	Scientific name
Live oak	<i>Quercus virginiana</i>
Loblolly pine	<i>Pinus taeda</i>
Longleaf pine	<i>Pinus palustris</i>
Northern red oak	<i>Quercus rubra</i>
Overcup oak	<i>Quercus lyrata</i>
Pecan	<i>Cayra illinoensis</i>
Persimmon	<i>Diospyros virginiana</i>
Pond pine	<i>Pinus serotina</i>
Post oak	<i>Quercus stellata</i>
Red maple	<i>Acer rubrum</i>
River birch	<i>Betula nigra</i>
River oak	<i>Casuarina cunninghamiana</i>
Shortleaf pine	<i>Pinus echinata</i>
Shumard oak	<i>Quercus shumardii</i>

Common name	Scientific name
Slash pine	<i>Pinus elliotii</i>
Souther red oak	<i>Quercus falcata</i>
Sugar maple	<i>Acer saccharum</i>
Swamp chestnut oak	<i>Quercus michauxii</i>
Sweet gum	<i>Luquidambar styraciflua</i>
Sycamore	<i>Plantanus occidentalis</i>
Virginia pine	<i>Pinus virginiana</i>
Water oak	<i>Qurecus nigra</i>
Water tupelo	<i>Nyssa aquatica</i>
White ash	<i>Fraxinus americana</i>
White gum	<i>Eucalyptus wandoo</i>
White oak	<i>Quercus alba</i>
Willow oak	<i>Quercus phellos</i>
Winged elm	<i>Ulmus alata</i>
Yellow poplar	<i>Liridendron tulipifera</i>

### Link to BP's Supply Base Report

BP's webpage: <https://www.envivabiomass.com>

BP's SBP certificate page: [https://sbp-cert.org/certificate-holders/enviva-pellets-southampton-llc-sbp-04-](https://sbp-cert.org/certificate-holders/enviva-pellets-southampton-llc-sbp-04-11)

[11](#)

## 5.3 Detailed description of Supply Base

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): 15.1 million ha
- b. Tenure by type (ha):

State	Federal	State + Local	Private	Total
NC	442,715	429,397	5,889,160	6,761,271
SC	86,700	128,276	1,750,520	1,965,496
VA	896,448	264,858	5,287,809	6,449,115
Total	1,425,863	822,531	12,927,489	15,175,882



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

Forest Type Group	NC	SC	VA	Total
White/red/jack pine	31,791	0	68,455	100,246
Spruce/fir	2,503	0	3,120	5,623
Longleaf/slash pine	170,705	85,945	4,155	260,805
Loblolly/shortleaf pine	2,342,810	792,505	1,209,490	4,344,805
Other eastern softwoods	9,749	8,220	30,689	48,658
Exotic softwoods	0	0	1,664	1,664
Oak/pine	841,198	240,561	676,016	1,757,775
Oak/hickory	2,276,927	427,514	3,925,180	6,629,622
Oak/gum/cypress	733,555	294,480	143,201	1,171,236
Elm/ash/cottonwood	226,152	83,716	174,396	484,264
Maple/beech/birch	12,057	0	141,903	153,960
Aspen/birch	0	0	591	591
Other hardwoods	37,020	0	26,211	63,231
Exotic hardwoods	8,971	3,917	10,449	23,337
Nonstocked	67,835	28,636	33,596	130,068
Total	6,761,274	1,965,495	6,449,115	15,175,885

d. Forest by management type (ha):

- Hardwoods comprise 70% of the forested hectares. These forests are typically naturally managed.
- The remaining 30% 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):

- SFI: 1,163,000 ha
- FSC: 283,000 ha
- ATFS: 631,000 ha

## Feedstock

f. Total volume of Feedstock: 915,568 metric tons

g. Volume of primary feedstock: 888,836 metric tons

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

- Forest Stewardship Council: 0.5%
- Program for the Endorsement of Forest Certification: 41%
- Not certified to an SBP-approved Forest Management Scheme: 58%

- i. List all species in primary feedstock, including scientific name

Common name	Scientific name
American beech	<i>Fagus grandifolia</i>
American elm	<i>Ulmus americana</i>
Atlantic white cedar	<i>Chamaecyparis thyoides</i>
Black cherry	<i>Prunus serotina</i>
Black gum	<i>nyssa sylvatica</i>
Black jack oak	<i>Quercus marilandica</i>
Black oak	<i>Quercus velutina</i>
Black walnut	<i>Juglans nigra</i>
Cherry bark oak	<i>Qurecus pagoda</i>
Chinkapin oak	<i>Qurecus muehlenbergii</i>
Green ash	<i>Fraxinus pennsylvanica</i>
Hackberry	<i>Celtis occidentalis</i>
Hickory	<i>Carya spp.</i>
Holly	<i>Ilex opaca</i>
Laurel oak	<i>Quercus laurifolia</i>

Common name	Scientific name
Live oak	<i>Quercus virginiana</i>
Loblolly pine	<i>Pinus taeda</i>
Longleaf pine	<i>Pinus palustris</i>
Northern red oak	<i>Quercus rubra</i>
Overcup oak	<i>Quercus lyrata</i>
Pecan	<i>Cayra illinoensis</i>
Persimmon	<i>Diospyros virginiana</i>
Pond pine	<i>Pinus serotina</i>
Post oak	<i>Quercus stellata</i>
Red maple	<i>Acer rubrum</i>
River birch	<i>Betula nigra</i>
River oak	<i>Casuarina cunninghamiana</i>
Shortleaf pine	<i>Pinus echinata</i>
Shumard oak	<i>Quercus shumardii</i>

Common name	Scientific name
Slash pine	<i>Pinus elliottii</i>
Souther red oak	<i>Quercus falcata</i>
Sugar maple	<i>Acer saccharum</i>
Swamp chestnut oak	<i>Quercus michauxii</i>
Sweet gum	<i>Luquidambar styraciflua</i>
Sycamore	<i>Plantanus occidentalis</i>
Virginia pine	<i>Pinus virginiana</i>
Water oak	<i>Qurecus nigra</i>
Water tupelo	<i>Nyssa aquatica</i>
White ash	<i>Fraxinus americana</i>
White gum	<i>Eucalyptus wandoo</i>
White oak	<i>Quercus alba</i>
Willow oak	<i>Quercus phellos</i>
Winged elm	<i>Ulmus alata</i>
Yellow poplar	<i>Liridendron tulipifera</i>

- j. Volume of primary feedstock from primary forest: 0.0 metric tons
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0.0 metric tons
- l. Volume of secondary feedstock: 3% of the total feedstock sourced is delivered as sawdust or shavings.  
Volume of tertiary feedstock: 0.0%

## 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

<b>Auditor name:</b>	Kyle Meister	<b>Auditor role:</b>	Lead auditor
<b>Auditor name:</b>	Shannon Wilks	<b>Auditor role:</b>	Technical expert

<b>Supplier audits</b>	Primary supplier FMUs visited: 3 Secondary/Tertiary supplier interviews: 6
<i>Supplier sampling is determined using SBP sampling formulas described or cited in SBP Standard 3. 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:	1
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, stakeholder consultation, and follow-up:	0.5
<b>E. Total number of person days used in evaluation (A * B + C + D):</b>	<b>2.5</b>

<b>Site Name or Location:</b>	Southampton: 26570 Rose Valley Road, Franklin, Virginia	
<b>Date and Time of Audit:</b>	22 September 2020 (2pm EST): opening meeting 2 December 2020 (9:30am EST): closing meeting	
<b>Audit Activity</b>	<b>Items to Review / Actions</b>	<b>Approx. Time</b>
Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to SBP, FSC, and SCS standards and protocols, client description of organization	90 min.
Review of previous nonconformities	Review of evidence of corrective actions taken by organization since previous audit (records, documents, pictures, etc.)	4 hrs.
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 and/or SCS on-product and/or promotional trademark uses; review of any on-site trademark uses such as banners, posters, entryway signs	
Secondary Supplier Interviews (Conducted via Phone)	6 interviews	Approx. 15 minutes per call

Walkthrough of facility	Review of physical inputs and outputs, material receipt, processing, storage, credit account (if applicable), sale, and overall control	60 min. per facility
Staff interviews	Interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position	Done remotely and/or as part of remote facility inspection
Closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting	30 min.
Closing meeting and review of findings	Convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next steps	
End		

<b>Site Name or Location:</b>	Enviva Pellets Southampton, LLC.	
<b>Date and Time of Audit:</b>	September 4, 2020; 8:00 AM	
<b>Audit Activity</b>	<b>Items to Review / Actions</b>	<b>Approx. Start Time</b>
<b>Day 1</b> Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to SBP and SCS standards and protocols, client description of organization	1 work day
Field Site Inspections	3 tracts	
Staff interviews <i>(Conducted during Field Site Inspections)</i>	Interviews with appropriate number and diversity of staff and contractors to assess knowledge of SBP/BMP procedures related to their position or job function.	
Closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting	
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 may collect evidence using a combination of direct observation, document and record review, and interviews with stakeholders, rightsholders 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. If a pre-evaluation visit was conducted, results are described below.

- N/A, no pre-evaluation visits.
- Results of any pre-evaluation visits:

## 6.3 Process for consultation with stakeholders

SCS relies on its Master Stakeholder List, which contains interested parties such as stakeholders and/or rightsholders 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/territory at the very least, and for this consultation was filtered to omit any interested parties that were not geographically relevant to the certificate holder/applicant's supply base. A notification is sent out to all identified interested parties after the BP's consultation period has ended. Comments from interested parties that are received outside of regular consultation periods are fully considered. Methods used to communicate with interested parties may include, but are not limited to, public, private or semi-private meetings, email, telephone, written correspondence, and/or messaging application.

Consultation that may have been conducted by the BP during the audit period may be described in the BP's SBR. Sometimes, formal and informal consultation may not be documented in the BP's SBR due to confidentiality concerns of interested parties.

The following consultation activities occurred as a part of this audit:

- Consultation has been conducted by SCS Global Services.
- Consultation has been conducted by SCS Global Services, but interested parties did not respond to any communications and/or did not provide permission to include comments in the report.
- No consultation has been conducted by SCS Global Services.

# 7 Results

## 7.1 Main strengths and weaknesses

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

## 7.2 Rigour of Supply Base Evaluation

N/A, no Supply Base Evaluation (SBE) 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

The BP 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. Unit conversions and calculations required in the SAR are made using the BP's data management programs, such as Excel.

## 7.4 Competency of involved personnel

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

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

systems relating to SBP compliance. Management interviewed during the assessment were found to be knowledgeable of the SBP requirements.

## 7.5 Stakeholder feedback

- 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, which remain *open* as described in the Major NCRs noted in section 10.
- 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.

- N/A, no SBE conducted.
- Refer to SBE risk ratings below. SCS assessed risk for the Indicators by evaluating MOV and evidence cutedin the SBE, and interviews with relevant staff and a sample of suppliers.

**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

- N/A, no mitigation measures.
- The organization implements the following mitigation measures

The following is from the BP's SBR and was confirmed via review of evidence cited in the SBE, including data maintained on suppliers.

Table 5. 2018 Report Findings

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"> <li>• Illegally harvest wood;</li> <li>• Wood harvested in violation of traditional and civil rights;</li> <li>• Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>• Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>• Wood from forests where genetically modified trees are planted;</li> <li>• Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <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>	<ul style="list-style-type: none"> <li>• ENV-SFIS-01 SFI Certified Sourcing Implementation Manual</li> <li>• ENV-PEFCCOC-01 PEFC Chain of Custody Procedures</li> <li>• ENV-FSCCOC-01 FSC Chain of Custody Procedures</li> <li>• ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment</li> <li>• FSC US Controlled Wood National Risk Assessment</li> <li>• Stakeholder engagement</li> <li>• Master Wood Purchase Agreement</li> <li>• State BMP Manuals</li> <li>• Track &amp; Trace®</li> <li>• HCV Tract Approval Process</li> <li>• District of Origin Process</li> </ul>

	Enviva uses its Tract Approval process and District of Origin process to assess feedstock purchases conformance to these indicators	
2.2.3 2.2.4 2.4.1	<p>Control system/Procedures</p> <p>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"> <li>• Illegally harvest wood;</li> <li>• Wood harvested in violation of traditional and civil rights;</li> <li>• Wood harvested from forests where high conservation values are threatened by management activities;</li> <li>• Wood harvested from old growth or semi-natural forests being converted to plantations or non-forest use;</li> <li>• Wood from forests where genetically modified trees are planted;</li> <li>• Wood in which there was a violation of the ILO Declarations on fundamental principle and rights at work.</li> </ul> <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. (<a href="http://envivaforestfund.org/">http://envivaforestfund.org/</a>)</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"> <li>a. Preamble citations</li> <li>b. ENV-SFIS-01 Certified Sourcing Implementation Manual</li> <li>c. Track &amp; Trace® Program</li> <li>d. ENV-PEFCCOC-01 PEFC Chain of Custody Procedures</li> <li>e. ENV-FSCCOC-01 FSC Chain of Custody Procedures</li> <li>f. ENV-COC-02 Controlled Wood/Controlled Sources Procedure</li> <li>g. ENV-COC-03 Controlled Wood/Controlled Sources Risk Assessment</li> <li>h. Master Wood Purchase Agreement</li> <li>i. Track &amp; Trace®</li> <li>j. District of Origin Process</li> <li>k. HCV Tract Approval Process</li> <li>l. State BMP Manuals and BMP monitoring data</li> </ul>

## **2020 Report Findings:**

In 2019 Enviva conducted 150+/- field site inspections in Enviva's mid-Atlantic region which include the Northampton mill as well as Enviva's Ahoskie, NC and Southampton, VA pellet mills. Field inspection to monitor 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. No tracts were out of compliance for state water quality according to state BMP guidelines.

Enviva's District of Origin process requires secondary feedstock suppliers to annually complete a Data Request Form. These forms are 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 Northampton received secondary feedstock from 44 suppliers, 11 are SBP-controlled based on their responses to Enviva Data Request Form and known high conservation value areas representing 3% of the mill's feedstock. Enviva audited 8 of its secondary feedstock suppliers in 2020 and there were no findings.

## **2019 Report Findings:**

### *Management System*

In 2018 Enviva conducted 260 field site inspections in Enviva's mid-Atlantic region which include the Ahoskie mill as well as Enviva's Northampton, NC and Southampton, VA pellet mills. Field inspection to monitor 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. No tracts were found to be out of compliance for state BMP water quality guidelines.

Enviva's District of Origin process requires secondary feedstock suppliers to annually complete a Data Request Form. These forms are 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 2018 Southampton received secondary feedstock from 45 suppliers, 15 are SBP-controlled based on their responses to Enviva Data Request Form and known high conservation value areas representing 4% of the mill's feedstock.

In 2018 Enviva's Forest Conservation Fund has help secure conservation easements on over 5,000 acres. To date the program has helped landowners secure conservation easements covering over 17,000 acres of sensitive forestland.

2.1.2, 2.2.4 Enviva's High Conservation Tract Approval process and secondary feedstock procedures are effective.

2.2.3 Enviva's Forest Conservation Fund continues to provide an avenue to assist forest landowners in conserving forests.

## **2018 Report Findings:**

### *Management System*

In 2017 Enviva conducted 116 field site inspections in Enviva's mid-Atlantic region which include the Southampton mill as well as Enviva's Northampton, NC and Ahoskie, NC pellet mills. Field inspection to

monitor 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 but not according state BMP guidelines.

Enviva’s District of Origin process requires secondary feedstock suppliers to annually complete a Data Request Form. These forms are 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 2017 Southampton received secondary feedstock from 22 suppliers, 8 are SBP-controlled based on their responses to Enviva Data Request Form and known high conservation value areas representing 0.9% of the mills feedstock.

In 2017 Enviva’s Forest Conservation Fund has help secure conservation easements on over 8,000 acres. To date the program has helped landowners secure conservation easements covering over 13,200 acres of sensitive.

**2017 Report Findings:**

2.1..2 Enviva's High Conservation Tract Approval process and secondary feedstock procedures are business as usual controls.

2.2.3 Enviva's Forest Conservation Fund has already helped conserve seven high conservation forest tracts in the mid-Atlantic region protecting more than 5,200 acres of sensitive forestland.

2.2.4 Enviva's High Conservation Tract Approval process and secondary feedstock procedures are business as usual controls.

**2020 Report Findings:**

There were no adjusted or new risk ratings or mitigation measures.

**2019 Report Findings:**

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	Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management systems or	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

conservation values from forest management activities.	mitigation measures cannot be implemented to reduce risk.	has robust management systems that can address these areas of specified risk and manage the outcome to low risk.
--	---	--

<p>2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	<p>Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended 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.</p>
<p>2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</p>	<p>Related to 2.1.1 Identification of areas with biodiversity concerns is necessary to begin the process of identifying if they are properly protected.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended 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.</p>



<p>2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).</p>	<p>Related to 2.1.1 Identification of forest ecosystems that provide key services is necessary to ensure proper control systems are employed to ensure forest health, vitality and other services are maintained.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified key forest ecosystems. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6) Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p>
--	---	--

**2018 Report Findings:**

Risk designation changes are as described in Sections 4 and 9.

Indicator	Risk Assessment	Management system
<p>2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.</p>	<p>The US does not have an SBP approved regional risk assessment that fully considers all of the indicators.</p>	<p>Enviva is using the FSC US CWNRA as the baseline for determining potential areas of high conservation value. Additional work with interested and engaged stakeholders (see Section 6) has been incorporated into the supply base evaluation to supplement Enviva's ability to accurately map areas of high conservation value.</p>
<p>2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</p>	<p>Related to 2.1.1 If areas of high conservation value cannot be adequately identified the management systems or mitigation measures cannot be implemented to reduce risk.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of high conservation value. Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p>

<p>2.1.3 The BP 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.</p>	<p>Related to 2.1.1 Areas of conversion to production plantation (as defined by SBP) is low in Enviva's supply base area. Conversion to non-forest after January 2008 may occur in the supply base area.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and local knowledge provide Enviva the ability identified areas of conversion after January 2008 Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p>
<p>2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	<p>Related to 2.1.1 Identification of key ecosystems and habitats is necessary to begin the process of identifying if they are properly conserved or set aside.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended 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.</p>
<p>2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</p>	<p>Related to 2.1.1 Identification of areas with biodiversity concerns is necessary to begin the process of identifying if they are properly protected</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified areas of key ecosystems and habitats. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended 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.</p>

<p>2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).</p>	<p>Related to 2.1.1 Identification of forest ecosystems that provide key services is necessary to ensure proper control systems are employed to ensure forest health, vitality and other services are maintained.</p>	<p>Related to 2.1.1 Enviva's use of the FSC US CWNRA and stakeholder engagement has adequately identified key forest ecosystems. Additionally, Enviva's Forest Conservation Fund provides grant monies to successful applicant to help them set aside or conserve forests containing high conservation values, key ecosystems and habitats. Further, Enviva's ongoing engagement with interested stakeholders has extended our reach into additional areas of conservation (See section 6) Enviva has robust management systems that can address these areas of specified risk and manage the outcome to low risk.</p>
--	---	--

**2017 Report Findings:**

2.1.2 Enviva's annual District of Origin and Supplier Data Request Form process meets the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is also in alignment with SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US.

The process Enviva employ's through its District of Origin Process and annual Supplier Data Request process ensures Enviva can meet and exceed the guidance provided in the document therefore providing conformance to indicators 2.1.1 and 2.1.2 and confirming low risk.

2.2.3 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/>)

2.2.4 Enviva's annual District of Origin and Supplier Data Request Form process allows meets the requirements described in SBP's Normative Interpretations Document dated December 2017. The guidance found in Standard 2 Section 8.4 describes the procedures a Biomass Producer may use to ensure secondary feedstock sources can be proven SBP-compliant. The evidence collected and evaluated by Enviva to determine the risk of a supplier sourcing practices and supply area are low risk for all indicators.

This approach is also in alignment with SBP Guidance Document: Meeting SBP Criteria in relation to protecting exceptional conservation values in the southern US.

## 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.

Previous audit

<b>NC number 3</b>	<b>NC Grading:</b> Observation
<b>Standard &amp; Requirement:</b>	Standard 1, indicators 2.2.6, and 2.3.2.
<b>Description of Non-conformance and Related Evidence:</b>	
Observation on 3 of 8 harvested tracts whereby soil movement had occurred and on 1 tract not enough waterbars were installed. No logging debris used to mat skid trails. No evidence of impact to SMZs or watercourses were observed on any of the 8 tracts visited.	
<b>Timeline for Conformance:</b>	Other
<b>Evidence Provided by Company to close NC:</b>	While no report was made to the SFI IC, closer attention to BMPs was made during tract inspection.
<b>Findings for Evaluation of Evidence:</b>	During the onsite portion of the audit, overall conformance with BMPs was observed. Tract inspection forms reviewed and SB monitoring reported on in the SBE noted no issues,
<b>NC Status:</b>	Closed

2020 audit

<b>NC number 2020.1</b>	<b>NC Grading:</b> Observation
<b>Standard &amp; Requirement:</b>	ID 5E, 6.5.1: The BP shall operate a management system including logbooks or electronic code/card systems to allocate the use of fossil fuel to processing or transport. (see also ID 5E, 6.2.1: The SAR Reporting Period shall meet the following criteria:- the period should be 12 consecutive months; and- the start date shall not exceed 18 months before the audit onsite closing meeting date as indicated in the SAR. The BP may select a convenient Reporting Period, for example, fiscal year, civil/calendar year or any other 12-month period if it fits those requirements.)
<b>Description of Non-conformance and Related Evidence:</b>	

<p>The SAR summary Excel file's Energy tab has recorded data from a diesel invoice reported for November 2020, which could not be found and also is outside of the SAR reporting period (11/29/2020; 1200.4 gal). This results in an overreporting of diesel use.</p> <p><b>Evidence:</b> SAR summary Excel file (energy tab), SAR section 3.4</p>	
<b>Timeline for Conformance:</b>	Other
	Prior to finalisation of SAR
<b>Evidence Provided by Company to close NC:</b>	This issue was the result of a typo in the date when entering the invoice into the SAR excel calculation file; the invoice was from Nov. 29, 2019 (not 2020) – invoice attached for reference. Therefore, no overreporting occurred in the SAR and no changes have been made to the document
<b>Findings for Evaluation of Evidence:</b>	Confirmed via review of the invoice that this falls within the reporting period and that the SAR values reported are correct.
<b>NC Status:</b>	Closed

# 11 Certification decision

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

<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Theodore Brauer
<b>Date of decision:</b>	31/Dec/2020
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>