



Supply Base Report: Dansk Træemballage A/S

Main (Initial) Audit

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Completed in accordance with the Supply Base 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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1 Overview

Producer name: Dansk Træemballage A/S

Producer address: Ørstedesvej 71, 6760 Ribe, Denmark

SBP Certificate Code: SBP-05-15

Geographic position: 55.357900, 8.766100

Primary contact: Christian Rødin-Nielsen, +4562681323, can@dte.dk

Company website: www.dte.dk

Date report finalised: 12 May 2021

Close of last CB audit: 12 May 2021

Name of CB: DNV GL Business Assurance Finland Oy Ab

SBP Standard(s) used: SBP Standard 1: Feedstock Compliance Standard, SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Denmark

Weblink to SBR on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary, Secondary

Includes Supply Base evaluation (SBE): Yes

Feedstock origin (countries): Denmark, Norway, Germany, United Kingdom

2.2 Description of countries included in the Supply Base

Country:Denmark

Area/Region: Whole Country

Exclusions: Yes

Danish forestry: Danish forestry can be described on the basis of the following data (Source: Statistics Denmark 2018):

Denmark's forests make up 627,000 ha, corresponding to 15% of Denmark's total area. Of the total forest area, 611,000 are overgrown. 48% of the area is hardwood and 47% is coniferous. 5% are temporarily / permanently unvegetated.

71% of the forest area is in Jutland, the rest in the Islands.

The forest area in Denmark has been - and still is expected to be - increasing for a number of years. Beech (13%) and spruce (14%) constitute the largest single tree species for resp. hardwood and coniferous.

The standing wood mass in Denmark amounts to a total of 135 million m³ (216 m³ / ha). The growth in the Danish forests for 2018 is estimated at 6.5 million. m³ / year (Source: Department of Geosciences and Nature Communication, KU).

The felling in DK in 2018 amounted to a total of 3,704,000 m³, of which approx. 75% was coniferous. The share for energy use (round wood, firewood) was > 50%. Of the total felling in DK of approx. 1.3 million m³ sawmill wood (timber, packaging wood, industrial wood), DTE buys approx. 250,000 m³, corresponding to approx. 20%.

There are approx. 24,000 forestry holdings, of which 83% <20 ha and only 1% > 500 ha. Approx. 25% of the forest area is in public ownership (state, municipalities, churches, etc.). Various advisers within forestry (eg Foresters' Associations, HedeDanmark, advisory consultants, contractors, etc.) handle a large part of the operation of smaller private properties.

Danish forest owners are organized in the Danish Forest Association. Danish forestry today is based on a scientific basis inspired by both German and Nordic forest tradition.

In DK, graduates in forestry are educated at both bachelor's and master's level. Several institutions are responsible for training employees in the forest's manual / practical subjects.

The operation of the forests is regulated according to Danish law, here spc. The Forest Act (latest LBK no. 35 of 28.03.19). Other laws and regulations are important for the management of Danish forests, here are mentioned (-not exhaustive): The Nature Conservation Act (latest LBK no. 240 13.03.19) EU Natura 2000 designated areas (8% of DK's land area) (including Habitats Directive and Bird Protection Directive) Convention on biological diversity (CBD) has been ratified by DK I 1994 (IUCN Red List Species) DTE's FSC - CoC documents (DNV-CoC-ooo866) describe in detail how it is ensured that all raw materials for DTE are purchased in accordance with current legislation and with special regard to exposed nature. A guide line here is the registration of HCV values according to "Key for mapping naturally valuable forest" (Skovinfo-24, Naturstyrelsen.dk). This registration also includes risk assessment in relation to IUCN Red List species.

The gross factor income for timber production in Danish forests in 2015 amounted to DKK 1,092 million. DKK and for Christmas tree production 876 mill. DKK (B. Jellesmark Thorsen, M.Sc. 2017). The total timber sector (forestry, timber and furniture industry and energy production) contributes DKK 32 billion and has 51,400 full-time employees (report - TMI - 2018). Relatively few privately owned forests properties are > 500 ha and only among these are forestry-trained staff employed. Most often, private forest owners use support from forestry-trained consultants (eg HedeDanmark, Skovdyrkerforeningerne, consulting firms). Since virtually all coniferous wood and an increasing proportion of hardwood are deforested by machine, smaller forest owners often have direct contact with an executive forestry contractor. Denmark's state forests are the largest public forest owner and are run by forestry-trained staff.

References:

Danmarks Statistik: <https://www.dst.dk>

Retsinformation: <https://www.retsinformation.dk>

Naturstyrelsen (incl. Natura 2000): <https://www.nst.dk>

Institut for Geovidenskab og Naturformidling, KU: <https://www.ign.ku.dk>

Træ- og Møbelindustrien i Danmark, TMI: <https://www.danskindustri.dk>

International Union for Conservation of Nature, IUCN: <https://www.iucn.org> (rødliste)

Convention on International Trade in Endangered Species, CITES: <https://www.checklist.cites.org>

Skoven og dens dyrkning, H. A. Henriksen, Arnold Busck 1988

For yderligere info om Dansk Skovbrug (SB-DK) kan henvises til:

https://sbp-cert.org/wp-content/uploads/2018/12/SBP-endorsed-RRA-for-Denmark-RRA_Jun-17.pdf

Country:Norway

Area/Region: Whole Country

Exclusions: No

Norwegian forestry can be described on the basis of the following data (Source: Statistics Norway 2019):

Norway's forests make up approx. 12 mill. ha corresponding to 37% of Norway's total area, of which approx. 70% privately owned. Of the total forest area, approx. 68% productive forest ($> 1 \text{ m}^3 / \text{ha} / \text{year}$). Birch (25%), Scots pine (30%) and Spruce (45%) are the largest single tree species for resp. hardwood and coniferous. The forest area in Norway is, seen over a number of years, stable.

The standing wood mass in Norway amounts to a total of 942 million m^3 , of which $> 75\%$ is softwood. The growth in the Norwegian forests for 2019 is estimated at DKK 26 million. m^3 / year . The felling in Norway in 2019 amounted to a total of DKK 12.7 million. m^3 , of which approx. 99% was coniferous. The share for energy use (round wood, firewood) (2.5 million m^3) was $< 25\%$. Approx. 50% of the felling was used in the sawmill industry and approx. 50% in the paper industry.

There are approx. 125,000 forestry holdings, of which 34% $< 10 \text{ ha}$ and only 1% $> 500 \text{ ha}$. Approx. 30% of the forest area is in public ownership (state, municipalities, churches, etc.).

Norwegian private forest owners have a great tradition of consulting local forest owners' associations / foresters' associations and joining their sales organizations. Through this, professional forestry advice is obtained.

Norwegian forestry is regulated through national legislation. Similar to the EU's Natura 2000, NTNU-Norway has published the report "Natura 2000 in Norway" (NTNU-2002). The Convention on Biological Diversity (CBD) was ratified by Norway on 29 December 1993 (IUCN Red List Species). In PEFC-certified forest properties, any risks are assessed in relation to IUCN red list species. 18,500 forest owners in Norway have positive income from their forest property. Forestry, sawmills and the paper industry generate an annual value of NOK 36.5 billion. The same industries employ a total of 16,000 people annually.

References: Statistics Norway: <https://www.ssb.no> Lovdata: <https://lovdata.no> International Union for Conservation of Nature, IUCN: <https://www.iucn.org> (red list) Convention on International Trade in Endangered Species, CITES: <https://www.checklist.cites.org> Biological Diversity in Forests, Norwegian Forest Owners' Association, Landbruksforlaget, 1996

Country:Germany

Area/Region: Whole Country

Exclusions: No

German forestry can be described on the basis of the following data (Sources: DESTATIS and Bundeswaldinventur):

Germany's forests amount to 11.4 million. have corresponding to approx. 30% of Germany's total area, lowest in Schleswig-Holstein (11%) and highest in Hesse (42%) Of the total forest area, 10.6 mill. have overgrown. 44% of the vegetated area is hardwood and 56% is coniferous. Beech (16%), spruce (25%) and Scots pine (23%) constitute the largest single tree species for resp. hardwood and coniferous. The forest area in Germany is developing with an increasing proportion of hardwood at the expense of softwood (from 2002 to 2019 by + 7%)

The standing wood mass in Germany amounts to a total of 3,400 million m³ (330 m³ / ha). Of this, DKK 22.4 million is calculated. m³ (20.6 m³ / ha) as dead wood.

The growth in the German forests for 2018 is estimated at DKK 121.6 million. m³ / year. The felling in D in 2019 amounted to a total of DKK 68.2 million. m³, of which approx. 75% was coniferous. It should be noted that the felling in coniferous wood in 2018 and 2019 has been atypically large because of major nationwide typographer attacks. Private forestry accounted for 43% of the felling. The share for energy use (round wood, firewood) was <25%.

In Germany there are approx. 2 mill. private forestry holdings, of which approx. 50%% <20 ha and approx. 13% > 1,000 ha. Approx. 52% of the forest area is in public ownership (Bundesländer, municipalities, churches, etc.). Publicly owned areas are largely under professional forest management. Larger private forest properties have forestry trained staff. Smaller forestry properties usually use a local foresters' association. German forestry has a long - and largely independent - forestry tradition. In Germany, graduates in forestry are educated at both bachelor's and master's level. Several institutions are responsible for training employees in the forest's manual / practical subjects.

Forestry - both public and private - is subject to legislation at both national and state level. Germany is subject to the EU's Natura 2000 Directive (including the Habitats Directive and the Birds Directive). Convention on Biological Diversity (CBD) ratified by Germany 21.03.94 (IUCN Red List Species) The primary forest sector generates an annual turnover of approx. 4 billion EUR. The sector as a whole, including the wood industry, etc. generates an annual value of approx. 23 billion EUR and employs approx. 1.3 million persons.

References: DESTATIS: <https://www.destatis.de> Bundeswaldinventur: <https://www.bundeswaldinventur.de>
Federal and national law: <https://www.justiz.de> International Union for Conservation of Nature, IUCN:

<https://www.iucn.org> (red list) Convention on International Trade in Endangered Species, CITES:
<https://www.checklist.cites.org>

Country:United Kingdom

Area/Region: Scotland

Exclusions: No

Scotland accounts for 32% of the total area in the UK, a total of 77,910 km².

Of this, approx. 19% is forest area, a total of 1,467,000 Ha. Currently overgrown part of forest area is 74%.

Scotland has a temperate coastal climate with rain of up to 3,000 mm / year.

68% are privately owned and 32% are publicly owned.

The standing wood mass amounts to DKK 264 million. m³ of which softwood makes up 85%.

Deciduous forest makes up 25% of the area, coniferous forest 75%.

Oak, ash and birch make up 46% of the deciduous forest area.

Sitka spruce and Scots pine make up 76% of the coniferous forest area.

Estimated growth for sitka spruce is 20 m³ / ha / year.

66% of the coniferous forest area is in the age group 0 - 40 years.

In the year 2019/20, approx. 11,000 ha. The forest area in Scotland is increasing.

Up through the 1990s, large public subsidies have been granted for afforestation.

859,000 ha are estimated to be FSC / PEFC certified. There are no specific distribution figures for Scotland, but according to FSC.org and PEFC.org, the distribution is approx. 50-50% for the UK, ie approx. 430,000 ha for each certification scheme in Scotland.

All DTE's Scottish suppliers are either FSC - or PEFC certified.

Forestry, timber industry and tourism related to forestry in Scotland employ a total of approx. 19,000 man-years and contributes with a level of DKK 771 million. GBP (Gross Value Added, GVA).

In 1992, the UK (excl. Overseas Territories) ratified the Convention on Biological Diversity -CBD (IUCN Red List Species).

Until 2021, the UK has complied with the EU's Natura 2000 Directive (Habitats and Birds Directive).

Sources:

www.countryidea.gov.uk

www.forestry.gov.scot (the economic contribution of the forest sector in Scotland, 2015)

International Union for the Conservation of Nature, IUCN www.iucn.org

2.3 Actions taken to promote certification amongst feedstock supplier

DTE has PEFC and FSC certification and recommend at all times to our suppliers that they should be certified either PEFC or FSC. We do that through information material that are handed out to our suppliers and we are marketing our own certification.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 25,49
- b. **Tenure by type (million ha):**14.37 (Privately owned), 9.66 (Public)
- c. **Forest by type (million ha):**12.00 (Boreal), 13.50 (Temperate)
- d. **Forest by management type (million ha):**12.10 (Plantation), 13.40 (Managed natural)
- e. **Certified forest by scheme (million ha):**2.31 (FSC), 15.54 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above

Explanation: Wood production in high forests in Denmark takes place by a combination of a number of thinnings at the young age of the stands, followed by a drift with subsequent planting or a lighting position to subsequently ensure self-seeding on the area.

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: in Denmark, forestry is run on a multifaceted basis - protection of endangered flora / fauna / fauna - protection of groundwater - protection against wind and erosion - recreational interests - production of raw materials for the wood industry etc. etc. The forests are grown here as traditional deciduous forest in both deciduous and coniferous wood. (ref. H. A. Henriksen, The forest and its cultivation, Arnold Busck 1988) Actual energy forests (typically willow / poplar in short rotation) are not included in DTE's Supply Base, i.e. p.g.a. tree species and diameter requirements.

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: ational legislation as well as rules in the most important certification schemes (PEFC and FSC) stipulate that planting / natural self-seeding must ensure continued forest cover.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? Yes - Minority

Explanation: The quality requirements for DTE's round wood allow insect damage and dead wood to occur. Such naturally occurring damaged trees are included as part of DTE's raw material.

Feedstock

Reporting period from: 01 Jan 2020

Reporting period to: 31 Dec 2020

- a. **Total volume of Feedstock:** 200,000-400,000 m3
- b. **Volume of primary feedstock:** 200,000-400,000 m3
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 60% - 79%
 - Not certified to an SBP-approved Forest Management Scheme: 20% - 39%
- d. **List of all the species in primary feedstock, including scientific name:** Pseudotsuga menziesii (Douglasgran); Abies grandis (Grandis); Picea glauca (Hvidgran); Larix decidua (Lærk, Europæisk); Larix kaempferi (Lærk, Japansk); Larix eurolepis (Lærk Hybrid); Abies procera (Nobilis); Abies nordmanniana (Nordmannsgran); Picea omorika (Omorika); Picea sitchensis (Sitkagran); Picea abies (Rødgran); Tsuga heterophylla (tsuga); Abies alba (Ædelgran);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** 0,00
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** 100,00
- h. **Proportion of biomass composed of or derived from saw logs (%):** 100,00
- i. **Specify the local regulations or industry standards that define saw logs:** There are no national definitions in DK and N of what is sawmill timber. Each purchasing industry defines its own effects / needs - typically based on tree species, length and min / max diameter as well as special quality requirements. In Germany, requirements for sawmill timber can to some extent be read from the surveying rules described by the individual Länder.
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 20,00
- k. **Volume of primary feedstock from primary forest:** 0 N/A
- l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. **Volume of secondary feedstock:** 1-200,000 tonnes
 - Physical form of the feedstock: Chips, Sawdust
- n. **Volume of tertiary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A

Proportion of feedstock sourced per type of claim during the reporting period

Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %

Primary	68,50	10,50	21,00	0,00
Secondary	68,50	10,50	21,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? Yes

Denmark: SBE completed because SBE is required as we are buying from Danish Forest feedstock that are neither FSC, PEFC nor SBP certified but through our own SBE confirmed as SBP Compliant Biomass.

Norway: SBE not completed. All feedstock from Norway is purchased according to FSC and PEFC procedures, and only feedstock purchased from forests which are FSC or PEFC certified are included in the SBP volume credit as SBP Compliant Biomass.

Germany: SBE not completed. All feedstock from Germany is purchased according to FSC and PEFC procedures, and only feedstock purchased from forests which are FSC or PEFC certified are included in the SBP volume credit as SBP Compliant Biomass.

Scotland (UK): SBE not completed. All feedstock from Scotland is purchased according to FSC and PEFC procedures, and only feedstock purchased from forests which are FSC or PEFC certified are included in the SBP volume credit as SBP Compliant Biomass.

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: Primary

SBP-endorsed Regional Risk Assessments used: Denmark

List of countries and regions included in the SBE:

Country: Denmark

Indicator with specified risk in the risk assessment used:

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.

Specific risk description:

There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests:

Risk is evaluated as LOW.

2. Feedstock originating from forest estates with a Green Management plan:

Risk is evaluated as LOW

3. Feedstock from thinning in even-aged stands of conifers:

risk is assessed as being LOW.

4. Feedstock from thinning in first generation afforestation areas:

risk is assessed as being LOW.

5. Feedstock from uneven-aged stands or stands of broadleaf species:

Due to no legal requirement for identification and mapping of Key biotopes, it is assessed that for all other forest sources of biomass feedstock, the risk of HCVs being present, but not identified or mapped is SPECIFIED

6. Feedstock from non-forest areas, e.g. nature maintenance projects, windbreaks or residential areas:

evaluated to be LOW.

Risk conclusion

Based on the evidence provided above, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass. However, it is also concluded that some source types are inherently low in key biotopes, such as first generation afforestation areas or even-aged stands of conifers.

Country: Denmark

Indicator with specified risk in the risk assessment used:

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.

Specific risk description:

There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests:

Risk is evaluated as LOW

2. Feedstock originating from forest estates with a Green Management plan:

It is a requirement for receiving subsidies for developing a Green Management plan that HCV areas in the forest are identified and mapped. However, there is no strict requirement that the HCVs are monitored and protected from forest management, and therefore risk is evaluated as SPECIFIED.

3. Feedstock from thinning in even-aged stands of conifers:

risk is assessed as being LOW

4. Feedstock from thinning in first generation afforestation areas:

risk is assessed as being LOW

5. Feedstock from uneven-aged stands or stands of broadleaf species:

Due to no legal requirement for identification and mapping of Key biotopes, it is assessed that for all other forest sources of biomass feedstock, the risk of HCVs being present, but not identified or mapped is SPECIFIED

6. Feedstock from non-forest areas, e.g. nature maintenance projects, windbreaks or residential areas:

is evaluated to be LOW.

Country: Denmark

Indicator with specified risk in the risk assessment used:

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).

Specific risk description:

As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped.

Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Country: Denmark

Indicator with specified risk in the risk assessment used:

2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

4.2 Justification

Denmark: Raw wood is purchased from forests that are PEFC or FSC certified and this quantity is included in the calculation of DTE's SBP compliant volume.

In addition procedures have been extended to also assess Specified risk in accordance with the RRA for Denmark sections 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

4.3 Results of risk assessment and Supplier Verification Programme

The supplier base has been mapped. Dansk Træemballage has +50 number of suppliers, most of them in Denmark.

Out of the total quantity delivered in 2020, more than 90% comes from suppliers who have one or more of the 3 certifications - FSC, PEFC and SBP.

The remaining volume is distributed among a large number of smaller Danish suppliers, where there is a special focus on assessing that the specified risk mentioned in section 4.1 has been met.

Our professionally trained staff is thus a full overview of which suppliers and areas must have special focus and where random checks must be made that the risk assessments made are correct.

The procedure as described in section 5.0 has thus not given rise to any deviations in 2020.

4.4 Conclusion

DTE meets 100% SBP requirements for Feedstock to be SBP compliant. Only PEFC or FSC certified material is purchased from Germany and Norway (and possibly Scotland in the future). FSC, PEFC or SBP certified material is purchased from Denmark. The weakest link in our supply base Denmark is the remaining quantity, which comes from suppliers and forests that are not certified. These, which make up less than 10% of our quantity (2020), are subject to our control procedure, which is described in section 5. This control procedure has been used in relation to FSC controlled Wood for a number of years and has now been expanded to include SBP requirements. A large number of samples are taken and inspection visits are made to the felling sites in question, where information is provided that independent professionals have checked the forest of origin. This Internal Audit will also be documented in the future, by endorsing the submitted statements and performing field inspections.

5 Supply Base Evaluation process

Dansk Træemballage A/S, own staff has performed the SBE (supply Base Evaluation).

Our supply base covers suppliers in Denmark, Norway and Germany (and maybe in the future Scotland). From Norway and Germany (and Scotland) only FSC and PEFC certified material is purchased, no further evaluation is therefore necessary.

With regard to our supply originating from Denmark, we have carefully analysed the information stated in SBP-endorsed Regional Risk Assessment for Denmark, and concluded that the Results of the RRA is not that much different from the results found in the National Risk Assessment performed by FSC for Controlled wood. We are therefore familiar in working with mitigating the specified risks mentioned in the report. Our procedures is developed to also mitigating the Specified risks mentioned in the SBP RRA for Denmark

6 Stakeholder consultation

This Section only related to SBE for Denmark

The interested parties have received this present document, which was submitted on the 19 march 2021 and was given 30 days to revert with any comment.

The parties in the below table was contacted by mail.

Organisation	navn	E-mail
3F - SID (Specialarbejderforbundet)	Jesper Lund Larsen	jesper.lund.larsen@3f.dk
BAT-Kartellet	Sidse Buch	sidse.buch@batkartellet.dk
Danmarks Naturfredningsforening	Info	dn@dn.dk
Dansk ornitologisk forening, DOF	Knud Flensted/Østjylland v/ Peter Lange	mail@dof.dk; dof@dof.dk
Dansk Energi	Kristine van het Erve Grunnet	keg@danskenergi.dk; info@danskenergi.dk
Dansk Skovforening	Marie-Louise Bretner; Tanja Olsen	mlb@skovforeningen.dk; to@skovforeningen.dk
Energistyrelsen	Lars Martin Jensen	lamj@ens.dk
Naturstyrelsen	Jens Teinborg	jatei@nst.dk
Miljøstyrelsen	Info	mst@mst.dk; info@mst.dk
Verdens Skove	Jakob Rydding; jens Kanstrup	jhk@verdenskove.org; jr@verdenskove.org
Ørsted	Peter K. Kristensen	pekk@orsted.dk

6.1 Response to stakeholder comments

Description: Naturstyrelsen

Comment: by mail: Naturstyrelsen have no remarks to the forwarded SBE

Response: Thanks very much for your feed back.

7 Mitigation measures

7.1 Mitigation measures

Country: Denmark

Specified risk indicator: 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.

Specific risk description:

There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests:

Risk is evaluated as LOW.

2. Feedstock originating from forest estates with a Green Management plan:

Risk is evaluated as LOW

3. Feedstock from thinning in even-aged stands of conifers:

risk is assessed as being LOW.

4. Feedstock from thinning in first generation afforestation areas:

risk is assessed as being LOW.

5. Feedstock from uneven-aged stands or stands of broadleaf species:

Due to no legal requirement for identification and mapping of Key biotopes, it is assessed that for all other forest sources of biomass feedstock, the risk of HCVs being present, but not identified or mapped is SPECIFIED

6. Feedstock from non-forest areas, e.g. nature maintenance projects, windbreaks or residential areas:

evaluated to be LOW.

Risk conclusion

Based on the evidence provided above, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass. However, it is also concluded that some source types are inherently low in key biotopes, such as first generation afforestation areas or even-aged stands of conifers.

Mitigation measure:

Supplier verification programme with documentation control, screening and field verification:

The process is based on the fact that all registered suppliers are listed in the DTE system: List of Suppliers, where their status as a supplier of SBP low risk feedstock. Suppliers are listed in a hierarchy according to how they meet the requirements to provide SBP approved feedstock:

1: Suppliers who are FSC or PEFC certified and deliver feedstock as FSC or PEFC certified: Checkpoint- code and claim must appear on the Invoice on each delivery (LOW Risk).

2: Suppliers who are SBP certified and deliver feedstock as SBP compliant: Checkpoint – code and claim must appear on Invoice on each delivery (LOW Risk).

3. None of 1 or 2, but feedstock can be traced to felling site through: a) Tracking site to harvesting site in forest of origin, b) GPS coordinates, maps or similar c) Order delivery note with harvesting site: Checkpoint for each delivery: If the forest of origin is FSC or PEFC certified (LOW Risk).

4: None of 1,2 or 3, but Key Biotopes have been mapped by an expert: Checkpoint: Copy/map of key biotope mapping or copy of Green Management Plan, which includes key biotope mapping. Key biotope mapping is defined as: 4.1 Key biotopes in forests according to national catalog 24 or 4.2 national Key for mapping of naturally particularly valuable forest (cf. the Forest Act §25) and open habitats (cf. the Nature Conservation Act §3) and localities with known occurrences of red-listed species. If key biotopes have been mapped in the forest of origin by an expert. Further Checkpoint: risk mitigation measures are taken to ensure that the key biotopes mapped are not threatened by forestry, including: The executing party is instructed in and/or trained to take the necessary protection measures to ensure that key biotopes on the site are preserved, b) There is no harvesting in areas with key biotopes, or c) there are no Key Biotopes in the forest of origin. Final checkpoint: completion of mapping form by external professional confirming that a), b), or c) above (LOW RISK).

5: None of 1-4, where key biotopes have not been mapped by an expert. Specified risk. The feedstock is not accepted as inputs.

Inputs are all requested to meet 1, 2, 3 or 4, before the inputs are regarded as low risk and allowed as inputs to the SBP compliant biomass, in order for DTE to confirm that the feedstock originates from a forest where key biotopes and other nature values are identified and protected from harvest.

In addition, several control measures in the DTE management system are conducted as part of the above assessment by own professionally trained personnel (foresters), where screening of national data portals (Denmark has a national data portal where all known nature and environmental values are visible (<http://arealinformation.miljoeportal.dk>) and on-site inspections by own foresters are carried out by sampling for supplies under point 4, if the harvesting map of the forest of origin are classified as feedstock from uneven-aged stands or stands of broadleaf species: Checkpoint: Harvesting site, identification and protection of key biotopes as part of the forest management, where at least a forester or other expert has assessed the area for key biotopes before and after the harvest operation. The screening and on-site field verification by sampling is based on review of documentation on feedstock according to point 1-4 above and cross-checking if feedstock is originating from uneven-aged stands or stands of broadleaf species and if yes, that still the requirements are met and low risk can be confirmed with no damage to key biotopes or other nature values/biodiversity.

Country: Denmark

Specified risk indicator: 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.

Specific risk description:

There can be defined different “**source types**” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests:

Risk is evaluated as LOW

2. Feedstock originating from forest estates with a Green Management plan:

It is a requirement for receiving subsidies for developing a Green Management plan that HCV areas in the forest are identified and mapped. However, there is no strict requirement that the HCVs are monitored and protected from forest management, and therefore risk is evaluated as SPECIFIED.

3. Feedstock from thinning in even-aged stands of conifers:

risk is assessed as being LOW

4. Feedstock from thinning in first generation afforestation areas:

risk is assessed as being LOW

5. Feedstock from uneven-aged stands or stands of broadleaf species:

Due to no legal requirement for identification and mapping of Key biotopes, it is assessed that for all other forest sources of biomass feedstock, the risk of HCVs being present, but not identified or mapped is SPECIFIED

6. Feedstock from non-forest areas, e.g. nature maintenance projects, windbreaks or residential areas:

is evaluated to be LOW.

Mitigation measure:

Supplier verification programme with documentation control, screening and field verification:

The process is based on the fact that all registered suppliers are listed in the DTE system: List of Suppliers, where their status as a supplier of SBP low risk feedstock. Suppliers are listed in a hierarchy according to how they meet the requirements to provide SBP approved feedstock:

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4: None of 1,2 or 3, but Key Biotopes have been mapped by an expert: Checkpoint: Copy/map of key biotope mapping or copy of Green Management Plan, which includes key biotope mapping. Key biotope mapping is defined as: 4.1 Key biotopes in forests according to national catalog 24 or 4.2 national Key for mapping of naturally particularly valuable forest (cf. the Forest Act §25) and open habitats (cf. the Nature Conservation Act §3) and localities with known occurrences of red-listed species. If key biotopes have been mapped in the forest of origin by an expert. Further Checkpoint: risk mitigation measures are taken to ensure that the key biotopes mapped are not threatened by forestry, including: The executing party is instructed in and/or trained to take the necessary protection measures to ensure that key biotopes on the site are preserved, b) There is no harvesting in areas with key biotopes, or c) there are no Key Biotopes in the forest of origin. Final checkpoint: completion of mapping form by external professional confirming that a), b), or c) above (LOW RISK).

5: None of 1-4, where key biotopes have not been mapped by an expert. Specified risk. The feedstock is not accepted as inputs.

Inputs are all requested to meet 1, 2, 3 or 4, before the inputs are regarded as low risk and allowed as inputs to the SBP compliant biomass, in order for DTE to confirm that the feedstock originates from a forest where key biotopes and other nature values are identified and protected from harvest.

In addition, several control measures in the DTE management system are conducted as part of the above assessment by own professionally trained personnel (foresters), where screening of national data portals (Denmark has a national data portal where all known nature and environmental values are visible (<http://arealinformation.miljoeportal.dk>) and on-site inspections by own foresters are carried out by sampling for supplies under point 4, if the harvesting map of the forest of origin are classified as feedstock from uneven-aged stands or stands of broadleaf species: Checkpoint: Harvesting site, identification and protection of key biotopes as part of the forest management, where at least a forester or other expert has assessed the area for key biotopes before and after the harvest operation. The screening and on-site field verification by sampling is based on review of documentation on feedstock according to point 1-4 above and cross-checking if feedstock is originating from uneven-aged stands or stands of broadleaf species and if yes, that still the requirements are met and low risk can be confirmed with no damage to key biotopes or other nature values/biodiversity.

Country:

Denmark

Specified risk indicator:

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).

Specific risk description:

As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped.

Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Mitigation measure:

Supplier verification programme with documentation control, screening and field verification:

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5: None of 1-4, where key biotopes have not been mapped by an expert. Specified risk. The feedstock is not accepted as inputs.

Inputs are all requested to meet 1, 2, 3 or 4, before the inputs are regarded as low risk and allowed as inputs to the SBP compliant biomass, in order for DTE to confirm that the feedstock originates from a forest where key biotopes and other nature values are identified and protected from harvest.

In addition, several control measures in the DTE management system are conducted as part of the above assessment by own professionally trained personnel (foresters), where screening of national data portals (Denmark has a national data portal where all known nature and environmental values are visible (<http://arealinformation.miljoeportal.dk>) and on-site

inspections by own foresters are carried out by sampling for supplies under point 4, if the harvesting map of the forest of origin are classified as feedstock from uneven-aged stands or stands of broadleaf species:
 Checkpoint: Harvesting site, identification and protection of key biotopes as part of the forest management, where at least a forester or other expert has assessed the area for key biotopes before and after the harvest operation. The screening and on-site field verification by sampling is based on review of documentation on feedstock according to point 1-4 above and cross-checking if feedstock is originating from uneven-aged stands or stands of broadleaf species and if yes, that still the requirements are met and low risk can be confirmed with no damage to key biotopes or other nature values/biodiversity.

Country: Denmark

Specified risk indicator: 2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

Mitigation measure:

Supplier verification programme with documentation control, screening and field verification:

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forest (cf. the Forest Act §25) and open habitats (cf. the Nature Conservation Act §3) and localities with known occurrences of red-listed species. If key biotopes have been mapped in the forest of origin by an expert. Further Checkpoint: risk mitigation measures are taken to ensure that the key biotopes mapped are not threatened by forestry, including: The executing party is instructed in and/or trained to take the necessary protection measures to ensure that key biotopes on the site are preserved, b) There is no harvesting in areas with key biotopes, or c) there are no Key Biotopes in the forest of origin. Final checkpoint: completion of mapping form by external professional confirming that a), b), or c) above (LOW RISK).

5: None of 1-4, where key biotopes have not been mapped by an expert. Specified risk. The feedstock is not accepted as inputs.

Inputs are all requested to meet 1, 2, 3 or 4, before the inputs are regarded as low risk and allowed as inputs to the SBP compliant biomass, in order for DTE to confirm that the feedstock originates from a forest where key biotopes and other nature values are identified and protected from harvest.

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7.2 Monitoring and outcomes

The Procedures for ensuring that the feedstock under the SPB certification is compliant with the requirements is described in the Dansk Træemballage managementsystem for PEFC- FSC and SBP certification. The system and its procedures and documents is audited both by external and internal auditors.

Risk mitigating of the indicators 2.1.1, 2.1.2, 2.2.3 and 2.2.4 has since been in force since 2017 at least with regard to mitigating 2.1.1. and 2.1.2.

The risk is mainly related to the lacking of the mapping of HCV areas and KEY biotopes.

Our mitigation procedures is to succure that our feedstock does not originates wholly nor I part for anny such areas.

We perform audits to the written documentation received for each delivery of feedstock. Audits can a desk audits using tools at "Danmarks Miljøportel" or field inspections, where the actual forest area is inspection physical by one of our forresters. We perform around 100 field inspections every year for auditing the documentation received.

We have to the date of this report not found any devistions.

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? Yes

9 Review of report

9.1 Peer review

No external review has been performed, however our own internal personnel which counts educated foresters have reviewed the report.

9.2 Public or additional reviews

The report was sent to a number of stakeholders for hearing and the report is therefore supposed read by these professionals.

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Hans Viggo Hertz	Manager Purchase og Feedstock	12 May 2021
	Name	Title	Date
Report Prepared by:	Christian Anthon Rødin-Nielsen	Exec Vice President, CSR	12 May 2021
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	Orla Poulsen	Exec. Vice President Sawmill	12 May 2021
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A