Supply Base Report:

PHUC TAN KIEU ONE MEMBER LIMITED LIABILITY COMPANY
Main (Initial) Audit

Sustainable Biomass Program
sbp-cert.org

Completed in accordance with the Supply Base Report Template Version 2.2 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

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:	PHUC TAN KIEU ONE MEMBER LIMITED LIABILITY COMPANY
Producer address:	Lot E01, An Khe Industrial Cluster An Binh Ward, 62500 Gia Lai province, Viet Nam
SBP Certificate Code:	SBP-15-04
Geographic position:	13.979474, 108.657117
Primary contact:	Nam Vo Hoang, +84 905 582 986, namvh@phutai.com.vn
Company website:	
Date report finalised:	05 Aug 2026
SBR reporting period from:	01 Jan 2026
SBR reporting period to:	30 Jun 2026
Name of the Certification Body:	Preferred by Nature OÜ
Certification Body Approval date:	19 Oct 2026
SBP Standard(s) used:	SBP Standard 1: Feedstock Compliance v2.0, SBP Standard 2: Feedstock Verification v2.0, SBP Standard 4: Chain of Custody v2.0, SBP Standard 5: Collection and Communication of Data v2.0, Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1, Instruction Document Japan: Bridging Requirements for meeting Japanese sustainability, legality and GHG saving requirements v1.1 -, Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Feedstock origin (countries)	Viet Nam (Gia Lai)
Weblink to Standard(s) used:	https://sbp-cert.org/documents/standards-documents/standards

2 Description of the Biomass Producer and the Supply Base

2.1 Description of the company

PHUC TAN KIEU ONE MEMBER LIMITED LIABILITY COMPANY operates in wood pellet manufacturing and trading. The factory is located at Lot E01, An Khe Industrial Cluster An Binh Ward, Gia Lai province, Viet Nam. It has been running since 2015; commenced wood pellet production in 2026.

Pellets are manufactured at the facility, chipped inside the pellet plant and transported and loaded directly onto the vessel and exported worldwide under FOB.

Under SBP scope, the company implements mass balance system. All raw material used are acacia and eucalyptus roundwood (primary feedstock) from plantation in Viet Nam. All feedstock is EU RED compliant

Products included in the scope of SBP Certification: *WB 1.1 Wood pellets*
Number of employees: *85*
Annual maximum production capacity (metric tonnes): *120000*
Number of direct feedstock suppliers: *23*
Approximate number of feedstock sub-suppliers: *0*

Description of the chain-of-custody and upstream supply chain:

- The company maintains a transparent upstream supply chain for its wood pellet production.
- Logistics Management: The transportation of feedstock from the forest to the factory is organized and managed entirely by the forest owners. Suppliers may utilize their own transport vehicles or subcontract to thirdparty logistics providers. The company's responsibility begins upon the arrival and delivery of the material at the factory gate.
- Traceability: Every delivery is strictly monitored at the factory gate. Our staff verifies all forestry and certification documents (if any) to ensure that only compliant material enters the production chain, maintaining 100% traceability. The CoC system is activated immediately once the raw material is accepted at the facility. To prevent any risk of mixing, all SBP production is physicaly seragated with non-SBP production if any.
- Finished wood pellets are transported from the factory gate to Quy Nhon Port, we utilize the port's shore-crane system to load the pellets from the containers directly onto the vessel.

2.2 Detailed description of the Supply Base

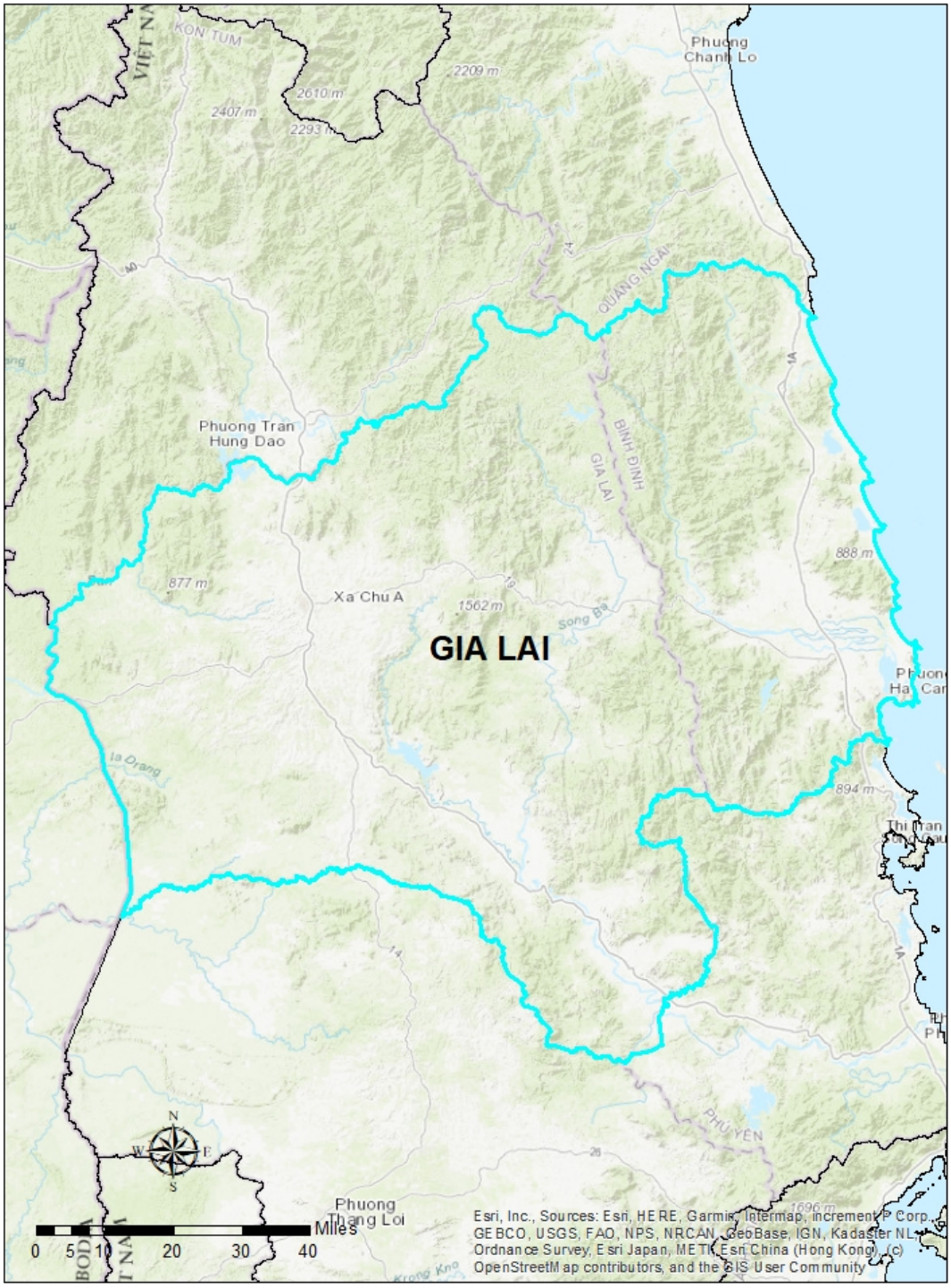
Guidance: Tables below have been generated automatically for each sourcing country based on the selection of 'Feedstock origin (countries)' in section 1 above.

Annex 1 is generated by the system if the SBP SBE is used without Regional Risk Assessment(s) (RRAs). In case RRA(s) is used, further details shall be given only in section 3 below.

Annex 2 is generated if EU RED SBE is in the scope for each country separately.

Country	Viet Nam
Area/Region	Gia Lai

Exclusions	
Feedstock types	Primary feedstock
Feedstock Product Groups	Forest feedstock (1A)
Feedstock inputs	SBP Compliant feedstock , SBP Controlled feedstock
Is the forest managed to supply energy and non-energy markets?	Yes - Majority
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
Risk assessment(s)	Yes – Regional Risk Assessment (RRA) used
Provide a concise summary of why a SBE was determined to be required or not required here:	
• The company utilizes the RRA for Vietnam for the primary feedstock and the product's compliance with the SBP-compliant claim. • There are 15 specific risks associated with small forest owners; rubber wood is not utilized, so indicators 2.2.7 and 2.2.8 are not applicable, meaning that 13 of the specified risks are effectively mitigated.	
Feedstock types included in SBE:	Primary feedstock
Includes EU RED SBE:	Yes
Includes EU RED II SBE grandfathering	No
Includes EU RED TOF:	No
Includes EU RED II TOF grandfathering	No
Size of Supply Base area (million ha):	0.2900
Map(s) of the Supply Base area:	


GIA LAI
KON TUM
QUẢNG NGÃI
BÌNH ĐỊNH
GIA LAI
PHÚ YÊN
Phuong Tran Hung Dao
Xa Chu A
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2209 m
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W
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S
Esri, Inc., Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

2.3 Feedstock information

a. **Total volume of Feedstock:** 1-200,000 tonnes

b. **Volume of primary feedstock:** 1-200,000 tonnes

c. **List of all the species in primary feedstock, including scientific name:**

Acacia spp	Acacia
Eucalyptus spp	Eucalyptus

d. **Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation?** No

Explanation: All raw materials are harvesting from production forests.

e. **Hardwood (i.e. broadleaf trees): specify proportion of feedstock from (%)**: 100.00

f. **Softwood (i.e. coniferous trees): specify proportion of feedstock from (%):** 0.00

g. **Proportion of feedstock composed of or derived from saw logs by weight (%):** 0.00

h. **Indicate how you determine the proportion of saw log:** Specification issued by a body exercising functions of a public nature and issued for use by sawmills in the area in which the wood was grown.

i. **Roundwood from fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 0.00

j. **Select forest type(s) where the primary feedstock was sourced from:** Planted Forest

k. **Select the main harvesting system(s) used for the sourced primary feedstock:** Clearcutting

l. **Volume of primary feedstock from primary forest:** 0 tonnes

m. **Volume of processing residues feedstock:** 0
Physical form of the feedstock: N/A

n. **Share of SBP-recognised system claim for processing residues:**

o. **Volume of post-consumer feedstock:** 0
Physical form of the feedstock: N/A

p. **Estimated amount of EU RED-compliant sustainable feedstock that could be collected annually by the BP:** 120000 tonnes

q. **What is the estimated amount of EU RED-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated):** 120000.00 tonnes

Explanation: Estimated based on our defined supply based report.

3 Supply Base Risk Assessments and Risk Management Measures

Guidance: Biomass Producers shall demonstrate that any specified risks of sourcing feedstock not in compliance with SBP Standard 1 have been adequately reduced to low risk, following Standard 2 requirements. Following section applies to Biomass Producer's implementing SBP Supply Base Evaluation (SBP RRA or company own risk assessment). EU RED Supply Base Evaluation details are reported in Annex 2.

☐ **Not Applicable – Supply Base Evaluation not implemented**

3.1 Summary of the Supply Base Evaluation

Our company demonstrates compliance with FSC COC and SBP certification standards as a certified wood pellet producer sourcing from Gia Lai, Vietnam. Species composition of all feedstock is: Acacia and Eucalyptus from small forest owners.

We implement comprehensive Risk Management Measures for specified risks of small forest owners on the RRA forest in Vietnam, reflecting our proactive approach instead of SBE.

For small forest owners, RRA identified 15 indicators as high risk in Vietnam. Mitigation measures were developed for such a supply directly from this kind of source; however, we are not using rubber trees in our supply chain, hence 2.2.7 and 2.2.8 are not applicable.

The effectiveness of mitigation measures is applied at the level of the forest, for every supplier (small forest owners and their forest plot).

The feedstock is acceptable under SBP/RED III when suppliers adhere to documentation and controls, with contingency measures in place for non-conforming feedstock, ensuring accountability and reliability.

3.2 Conflicts with applicable national and sub-national legislation

Forest planting and harvesting in Gia Lai province always comply with all laws and regulations of the Vietnamese government and local authorities.

3.3 Risk Management Measures

Guidance: Please provide more details about specified risk indicators in each supply country and describe mitigation measures taken to address all specified risks associated with indicators.

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim

	☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
1.1.1 Operations related to feedstock sourcing and biomass production shall comply with all existing applicable laws and regulations.	
Description of the specific risk:	
Vietnam has adequate legal regulations covering all supply base and biomass production activities. However, the implementation of legal rules for some aspects is still inadequate (based on the analysis in the relevant indicator), so this indicator is considered a risk identified for all 03 sub-scopes. Specific risks are detailed in the following indicators.	
Mitigation measure:	
- Verify the Land Use Rights Certificate. - Obtain a confirmation document from the local authorities. - Determine GPS coordinates using a handheld device. - Complete the Packing List (Form No. 01) according to Circular 26/2025/TT-BNNMT. - Consult the village head and neighboring households about any potential disputes.	
Monitoring and outcomes:	
Complete the required activities before purchasing the raw material. If these conditions are not satisfied, the company will refrain from purchasing this raw material. Risk conclusion: Low risk.	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed

	☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
1.1.2 Legal ownership of land and resource use rights shall be respected.	
Description of the specific risk:	
The supply of timber raw materials in Vietnam is mainly from production forests, of which the majority of production forests have been allocated to households for management. However, with a large number of small forest owners (>1 million), the issuance of land use right certificates has yet to be fully implemented, so this indicator is considered a definite risk for small forest owners.	
Mitigation measure:	
- Obtain the Land Use Right Certificate - Conduct an onsite visit and verification using GPS - Engage with stakeholders	
Monitoring and outcomes:	
• Locate the land use rights certificate and/or the forest allocation certificate, or equivalent documents such as the land lease/forest lease contract, the decision on land/forest allocation, the local government certificate of forest land ownership, or confirmation from the Commune People's Committee that the land is currently being used and is free from disputes. • Ensure that the name of the forest owner on the land use rights document matches the name on other documents, such as invoices and packing lists for forest products. • Verify whether there are any disputes involving the forest owner in the sourcing area. Risk conclusion: Low risk	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed

	☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
1.1.3 Feedstock shall be legally harvested, supplied and produced, including in compliance with CITES, EUTR and other applicable legal trade requirements.	
Description of the specific risk:	
The primary feedstock in Vietnam is mainly sourced from planted production forests. The main species used for forest plantations include Acacia, Eucalyptus and Rubber, which are in the list of major forestry species (Circular 22/2021/TT-BNNPTNT dated 29/09/2021) and not listed under CITES. Harvesting permits are required for state-owned forest owners but not for households and individuals, while forest product inventory is mandatory for all forest owners. In practice, state-owned organizations fully comply with the requirements for approving harvesting plans and forest product inventory. Smallholders mainly sell standing trees to intermediaries or traders. Therefore, filling in the forest product inventory is delegated or assigned to intermediaries or traders. Intermediaries or traders are not allowed to fill in the forest product inventory, which does not comply with current laws (Circular 26/2022/TT-BNNPTNT and Circular 22/2023/TT-BNNPTNT). In addition, the implementation and control of forest inventory for private forest owners has yet to be fully implemented. Therefore, specific risks are identified for feedstock originating from small forest owners and private organizations related to the requirement of forest inventory	
Mitigation measure:	
Our company sources Acacia and Eucalyptus exclusively from plantations managed by local households. Neither of these species is listed under CITES. Before procurement, we use GPS technology to pinpoint the locations of these plantations and consult with stakeholders to verify the plantation areas. This ensures that no natural forests have been converted into plantations since 2008, thereby ensuring our compliance with the EUTR.	
Monitoring and outcomes:	
1. Conduct an on-site inspection. 2. Engage with stakeholders. 3. Interview the harvesting team. Risk Conclusion: Low Risk.	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim

	☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.	
Description of the specific risk:	
They are found in many parts of Vietnam, but occur mainly in the Lower Mekong Delta (in the U Minh area being located in Ca Mau and Kien Giang provinces) and are estimated to cover about 24,000ha. A large area of peatlands here has been designated as protected areas as the U Minh Thuong and U Minh Ha National Parks and according to APMI - a regional framework in South Asia that in theDaklak, Hue, Da Nang,Lam Dong, Ho Chi Minh, Dong Naiareas, no significant peatlands or wetlands were identified, and no relevant scientific data was available for review (referenced: Interactive Map | People for Peat). It was also verified that forests in these areas have been allocated by authorities to smallholders for self management and maintained as production forests (plantations), with assignment timelines varying among stakeholders	
Mitigation measure:	
- Verify if the Red Book was issued before 2008; if so, examine the purpose of the land. - Check whether a drainage system is in place. If there is no drainage system, it indicates that there has been no conversion of wetland and peatland into plantations. - Consult with relevant stakeholders, such as the landowner, neighbors, or forest inspectors, to determine if the area was classified as primary forest before January 2008. - Obtain soil and forest maps from before and after 2008, as they are available. - Conduct a pre-harvesting plot survey and interview local authority landowners from all sources. - Review information on peatlands in Vietnam using the ASEAN Haze Portal.	
Monitoring and outcomes:	
No conversion of a) forests, b) wetlands, c) peatlands, or d) highly biodiverse grasslands since January 2028. Risk conclusion: Low risk.	

Country: Viet Nam

Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.2.3 Soil quality in the Supply Base shall be maintained or enhanced	
Description of the specific risk:	
RRA mentioned intensive afforestation can degrade soil through chemical use (fertilizers, pesticides) and short cycles. Circular 13/2023/TT-BNNPTNT introduces sustainable forest management principles, including environmental impact assessments and mitigation plans, but only mandates these for organizational forest owners. Practices like burning residues negatively impact soil microorganisms and increase erosion risks on sloping land. 75% of Vietnam's mountainous land (~25 million ha) has steep slopes prone to erosion, losing up to 2 billion tons of soil annually. Forest restoration has helped reduce erosion and soil leaching risks. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk for the private organization/small forest owner	
Mitigation measure:	
- On-site evaluation - Stakeholder consultation	
Monitoring and outcomes:	
- Conduct an onsite evaluation at the harvesting site. - Hold a stakeholder consultation with the local authority. This is considered a low-risk.	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim

	☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.2.4 Where the removal of harvest forest residues and/or stumps occurs, this shall not lead to irreversible negative impacts to the ecosystem.	
Description of the specific risk:	
RRA mentioned every year, Vietnam exploits nearly 300 thousand hectares of plantation forests and tens of thousands of hectares of rubber forests. Burning organic materials after exploitation is still commonly applied in forest plantations. For rubber, digging up tree stumps to clear the site for reforestation is also common (usually only used for rubber). Although the criteria for QLRBV in Circular 13/2023/TT-BNNPTNT dated November 30, 2023, also require forest owners to assess the positive and negative impacts that may occur on the environment of all forestry activities and have a plan and implement measures to prevent and minimize adverse effects on the environment before carrying out forestry activities. (Principle 5, Appendix 1). However, applying this circular is only mandatory for forest owners who are organizations. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk for The private organization and Small forest owner	
Mitigation measure:	
- Review records regarding the location and area of the planted forest. - Verify evidence related to forest owners replanting immediately after harvesting. - Examine evidence of site verification in relation to ecological areas or water bodies. - Conduct consultations. - Gather expert opinions.	
Monitoring and outcomes:	
Harvesting forest residues and/or stumps occurs without leading to irreversible negative impacts. Acacia and Eucalyptus plantations were clear-cut after 5 years for replanting. Risk conclusion: Low risk	

Country: Viet Nam
Area/sub-scope: Gia Lai

Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.2.5 Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.	
Description of the specific risk:	
RRA mentioned every year, Vietnam exploits nearly 300 thousand hectares of plantation forests and tens of thousands of hectares of rubber forests. Burning organic materials after exploitation is still commonly applied in forest plantations. For rubber, digging up tree stumps to clear the site for reforestation is also common (usually only used for rubber). Although the criteria for QLRBV in Circular 13/2023/TT-BNNPTNT dated November 30, 2023, also require forest owners to assess the positive and negative impacts that may occur on the environment of all forestry activities and have a plan and implement measures to prevent and minimize adverse effects on the environment before carrying out forestry activities. (Principle 5, Appendix 1). However, applying this circular is only mandatory for forest owners who are organizations. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk for small forest owners	
Mitigation measure:	
• On-site verification • Stakeholder consultation.	
Monitoring and outcomes:	
Verification and monitoring of compliance with forestry regulations, forest planning maps at commune and province levels, stakeholder consultation, and field surveys. Risk conclusion: Low risk.	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.2.11 The impacts of natural processes such as fires, pests and diseases shall be managed.	
Description of the specific risk:	
Referred SBP-RRA-AS-VN-FOR v1.0, Forest fire and pest management in the forestry sector is implemented by the 2017 Forestry Law and related legal regulations. Vietnam's online forest fire monitoring system (referred to as FireWatch Vietnam) has also been established, which is an automatic system for early detection of fire spots (hotspots) throughout Vietnam from MODIS and AVHRR image data on TERRA, AQUA satellites and NOAA satellites regularly collected at the TeraScan receiving station located at the Forest Protection Department. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk for The private organization/Small forest owner	
Mitigation measure:	
- On-site verification - Check evidence of the regulations on environmental protection in harvesting will take into account the contract when the Company purchases its timber - Consultation record, includes: • The list of stakeholders includes all stakeholder groups • Evidence of consultation by direct interviewing / meeting • Result of consultation with stakeholders • Evidence of responding to all local authorities stakeholders	
Monitoring and outcomes:	
- On-site verification - Stakeholder engagement - Interview relevant stakeholders	

Risk conclusion: Low risk

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
4.1.8 Training shall be provided for all workers to allow them to implement the conditions set out in all elements of the SBP Standards relevant to their responsibilities.	
Description of the specific risk:	
Referred SBP-RRA-AS-VN-FOR v1.0 Regarding employee labor safety training, training on occupational safety and hygiene is a mandatory requirement that businesses must comply with regulations based on the provisions of the Law on Occupational Safety and Hygiene and the amended Decree No. 44/2016/ND-CP dated May 15, 2016, of the Government. Regarding training activities for workers in the forestry industry, Vietnam has approved the Vietnam forestry development strategy for the period 2021 - 2030, with a vision to 2050. Objectives of the forestry development strategy that is (1) The proportion of workers working in forestry receiving vocational training will reach 45% by 2025 and 50% by 2030; (2) Improve the quality of human resource training in the forestry industry, focusing on training high-quality human resources to serve the industrialization and modernization of the forestry industry; Prioritize training of highly qualified human resources; (3) Improve the quality of professional, effective and efficient forestry management staff; vocational training in forest product processing and forest care, protection and use, non-timber forest product development and agroforestry; (4) Encourage and create favorable environments and conditions for businesses and training organizations to cooperate and support in training and improving skills for businesses' workers; (5) Strengthen training forms at home and abroad for managers, researchers, and market development officers.	
Mitigation measure:	
- On-site verification - Check evidence of the training.	

- Consultation record, includes:

  - Result of consultation with stakeholders
  - Evidence of responding to all stakeholders

Records of training for small forest owners and harvesting teams

Monitoring and outcomes:

- Interview workers
- On-site verification
- Check evidence of the training

Risk conclusion: Low risk

Country: Viet Nam

Area/sub-scope: Gia Lai

Risk Assessment used:

☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim
☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim
☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim
☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed
☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim
☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed
☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed
☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed
☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim
☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim
☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim
☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim
☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim
☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim
☐ Biomass Producer's own risk assessment

Indicator with specified risk:

4.1.10 Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.

Description of the specific risk:

Referred SBP-RRA-AS-VN-FOR v1.0 In fact, according to the announcement of the labor accident situation in 2023 in Vietnam by the Ministry of Labor, War Invalids and Social Affairs in 2024, the production and business sectors with many fatal labor accidents include: (1) Construction sector accounts for 18.27% of total cases; (2) The mining and mineral exploitation sector accounts for 16.14% of the total number of accidents; (3) Mechanical and metallurgical fields account for 11.78% of the total number of cases;(4) Construction materials production sector accounts for 9.56% of the total number of cases; (5) The textile, garment and footwear sectors account for 7.18% of the total number of cases; (6) The service sector

accounts for 4.5% of the total number of cases. Statistics show that the number of occupational accidents in the forestry industry was not shown in the Government's announcement in the last 3 years.
However, most businesses and wood processing facilities in Vietnam still use low technology, outdated machinery and equipment, and a workforce with simple labor skills and seasonal work, leading to many limitations in compliance with labor laws in this industry. Statistics show that currently, the country has about 4,500 wood and forest product processing enterprises, with about 500,000 workers, of which 55-60% are trained and stable workers, and seasonal workers account for about 40-45%. Compliance with labor laws in the wood processing industry still has many shortcomings. It is estimated that about 93% of small and micro enterprises specializing in wood and forest product processing are currently using outdated machinery, equipment and technology. Violation of regulations on occupational safety and hygiene; Dangerous and toxic factors that have not been strictly Mitigation to have preventive solutions, such as dust, noise, slippage, etc., cause unsafety and occupational diseases for workers.
Refer SBP-RRA-AS-VN-FOR v1.0 Result:
Specified risk for The private organization/Small forest owner.

Mitigation measure:

On-site verification for:

- Safety requirements when harvesting such as equipped labor safety facilities.
- Interview workers to verify the training of occupational safety and comply with health and safety regulations
- Check Evidence of the regulations on labor health and safety will take into account the contract when the Company purchases their logs

Consultation record, includes:

- Result of consultation with stakeholders
- Evidence of respond to all stakeholders

Monitoring and outcomes:

- On-site verification about safety requirements when harvesting such as equipped labor safety facilities.
- Interview workers

Risk conclusion: Low risk

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim

	☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
4.2.4 Legal, customary, and traditional tenure and use rights of Indigenous Peoples and local communities related to the Supply Base shall be identified, documented, and respected.	
Description of the specific risk:	
Referred SBP-RRA-AS-VN-FOR v1.0, Circular 28/2018/TT-BNNPTNT and Circular 13/2023/TT-BNNPTNT on sustainable forest management require forest owners to meet the primary cultural, religious and recreational needs of local communities and people related to the land and forests that the forest owners are managing by the provisions of law (Principle 1, Appendix 1). Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk for the private organization/Small forest owner	
Mitigation measure:	
• On-site verification • Consultant: local people, the process of planting and exploiting forests does not affect the local infrastructure, religious sites, and living conditions of ethnic minorities in mountainous areas, and the religious beliefs of ethnic minorities are preserved • Consultation record, includes: Result of consultation with stakeholders and Evidence of response to relevant stakeholders.	
Monitoring and outcomes:	
Checking and monitoring those documents: • Land use right certificate or equivalent • Agreement between the forest owner and the local community on traditional use rights • Consultation with stakeholders Risk conclusion: Low risk	

Country: Viet Nam
Area/sub-scope: Gia Lai

Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
4.2.5 Mechanisms shall be in place for resolving grievances and disputes relating to tenure and use rights of the forest and other land management practices.	
Description of the specific risk:	
Referred SBP-RRA-AS-VN-FOR v1.0, Forestry production activities are directly related to land issues, one of the issues that easily causes conflicts and disputes. The State's responsibility is to resolve land disputes, grievances and denunciations (Article 15, Land Law). The Law on Forestry also stipulates that the MARD is responsible for inspecting, monitoring, handling violations, and resolving grievances and denunciations related to forestry activities at the central level. The local People's Committees are in charge of these issues at their localities. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk The private organization/Small forest owner	
Mitigation measure:	
Checking those documents before sourcing: • Households have a Certificate of land ownership (red cert. Profile of its land allocation) in compliance with Vietnamese Law. • ID cards of Forest owners have been collected and stored. Stakeholder engagement has been reviewed and recorded to identify any disputes with local people's rights. Consultation with local authorities indicates that no protected sites.	
Monitoring and outcomes:	
• Evidence of response to all stakeholders • Result of consultation with stakeholders • Consultation record, includes: Check the evidence above and On-site verification of plot land. Risk conclusion: Low risk	

Country: Viet Nam	
Area/sub-scope: Gia Lai	
Risk Assessment used:	
	☒SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☐SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
4.2.6 Where Indigenous Peoples' rights are identified in the Supply Base, and Free Prior and Informed Consent (FPIC) has not been achieved for the proposed and planned activities, a consultation and, if required, accommodation process shall be put in place.	
Description of the specific risk:	
Referred SBP-RRA-AS-VN-FOR v1.0, For forest planning, this activity shall ensure publicity, transparency, sexual equality and participation of organizations, households, individuals and communities" (Article 10). The MARD is responsible for collecting comments from relevant state authorities, organizations, households, individuals and communities; consolidating, selecting and explaining comments on the national forestry planning. Refer SBP-RRA-AS-VN-FOR v1.0 Result: Specified risk The private organization/Small forest owner	
Mitigation measure:	
- On-site verification of plot land. - Check the evidence: Land use certificate or equivalent, local authorities actively encourage and allocate land for ethnic minorities to participate in forest planting. - Consultation record, includes: Result of consultation with stakeholders and Evidence of response to all stakeholders.	
Monitoring and outcomes:	
1. On-site verification 2. Check the evidence: Land use certificate or equivalent, local authorities actively encourage and allocate land for ethnic minorities to participate in forest planting. 3. Stakeholder consultation	

Risk conclusion: Low risk

4 Stakeholder engagement

4.1 General description

Biomass Producer's stakeholder engagement start date: 04 May 2026

Biomass Producer's stakeholder engagement end date: 04 Jun 2026

Total number of stakeholders contacted: 20

Give a general description of the process of Stakeholders Engagement, including stakeholders contacted, method of communication and a summary of the comments received:

The stakeholder engagement process is conducted to ensure transparency and to gather feedback related to the company's sourcing and feedstock management activities.

Types of stakeholders contacted include:
- Local government authorities (Forestry, Environment, Commune/City People's Committee).
- Feedstock suppliers (Plantation owners, wood-processing facilities)
- Local communities surrounding the plant
- Relevant NGOs or technical organizations when applicable

Methods of communication:
- Face-to-face meetings, surveys, or on-site visits.

4.2 Response to stakeholder comments

5 Report updates and approval

This document is: New Supply Base Report (Assessments/reassessments)

Summary of changes: N/A

Name	Le Thi Qui Nu
Title	Management representative
Date of report approval	05 Aug 2026

Annex 1: Detailed findings for Supply Base Evaluation indicators

Annex 2: EU RED Supply Base Evaluation

Countries where EU RED Supply Base Evaluation is used	
Country	Viet Nam
Area	Gia Lai
Sustainable harvesting criteria 29(6)	
(i) The legality of harvesting operations	
Type of Risk Assessment used	☐ Level A – proof at national or sub-national level ☒ Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	• In Vietnam, the forest sector is overseen by the Ministry of Agriculture and Environment (MAE). The governance framework operates at both national and provincial levels, with the MAE responsible centrally and the Provincial Departments of Agriculture and Environment handling regional matters. At each level, Forest Protection Departments (also known as the forest ranger system) support local People's Committees in ensuring that forest management activities are conducted in accordance with legal requirements. • For plantation forests, the key elements to ensure legal compliance are generally well-addressed. Our company procures raw materials from planted forest of small forest owners. In relation to the verification of land tenure and forest management rights, the following measures have been implemented: Households possess official Certificates of Land Use Rights (commonly referred to as "Red Books"), demonstrating legal land ownership in accordance with Vietnamese legislation. • Identification documents (ID cards) of forest owners have been collected and securely maintained. • Stakeholder consultations have been conducted and documented to identify any potential conflicts with local community rights. Engagement with local authorities confirmed that harvesting activities did not impact protected areas or species. • Forest boundaries are clearly demarcated, and there are no recorded disputes between adjacent land or forest owners. • Field inspections revealed no violations. • Replanting after harvested: households have submitted all required documentation related to their land plots, including Certificates of Land Use Rights or equivalent legal documents, in full compliance with Vietnamese law. • The traceability of land plots has been confirmed through field verification to ensure alignment with legal tenure, usage rights, and defined boundaries. Review and verify documents or interview:

	• Tracing the land use right certificate and/or forest allocation certificate or equivalent documents (land lease/forest lease contract, decision on land/forest allocation, certificate of local government on forest land ownership, confirmation from the Commune People's Committee that land is currently used and free to dispute). • The name of the forest owner on the land-use right document should correspond with other documents such as invoice, packing list of forest products. • Check whether forest owner disputes in the sourcing area. • Use GPS to locate plantation plots and parcels Consultation: • Consult with the local authorities such as Commune People's Committee, Forest Protection Department, and neighbor forest owners
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grasslands, heathland and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(iv) that harvesting is carried out considering the maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts as defined in the country where the forest is located, and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats	
Type of Risk Assessment used	☐ Level A – proof at national or sub-national level ☒ Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing	**1. Back ground:**

area	While individual or household forest owners are not legally required to develop a Sustainable Forest Management (SFM) plan, they must comply with certain environmental and safety obligations. These include preparing and executing a Fire Prevention and Control Plan, adhering to environmental protection measures such as using approved pesticides, treating wastewater prior to discharge into natural water bodies, avoiding the disposal of hazardous substances in forest areas, and implementing erosion control techniques (e.g., contour planting) on steep slopes exceeding 25°C. Although there is no direct evidence of widespread violations, weak enforcement, limited regulatory oversight, and insufficient penalties contribute to a risk of non-compliance among forest owners. **2. Management system at forestry sourcing area level:** **2.1. Consultations with stakeholders:** Stakeholders provided no negative feedback about the impact of mineral exploitation activities on soil quality and biodiversity in these raw material areas. Implement measures to maintain soil quality and biodiversity to minimize negative impacts. **2.2. Landuse management:** Applying farming techniques such as crop rotation and minimizing plowing helps protect soil structure and prevent erosion. **2.3. Use less toxic fertilizers and pesticides:** Limit harmful chemicals and use biological and organic methods to protect crops without harming other species in the ecosystem. Households use phosphorus, organic, and NPK fertilizers for acacia and eucalyptus trees and do not use chemicals or pesticides. The company only purchases acacia wood from forests that are 5 years old or older. After felling, forest owners replant these forests for a new crop. Post-harvest soil restoration and protection: After each harvest, apply measures such as organic fertilization, cover cropping, or soil regeneration techniques to protect soil structure, keep the soil healthy and nutrient-rich, sustain plant and animal life, and minimize soil erosion. After harvesting, waste is collected and transported to a waste treatment facility. Organic waste (branches, grass, plants, etc.) is chopped into small pieces and spread evenly on the ground. Planned and sustainable exploitation: Avoid over-exploitation or exploitation in vulnerable areas. Currently, planted forests are located far from natural and protected forests, in areas without rare flora and fauna or vulnerable habitats. Forests must be at least 5 years old before harvesting, and new seedlings will be planted after harvesting. **2.4. Biodiversity management:** Ensuring the protection of flora and fauna in the harvesting area. This may include maintaining buffer zones, creating ecological corridors, or restoring affected ecological areas. Local authorities also implement a policy of integrated harvesting and environmental protection for forest-planting households. This ensures that harvesting does not pollute soil and water and protects the flora and

	fauna ecosystem in the planted forest area. Local authorities require forest-planting households to maintain hygiene in the harvesting area, avoid impacts on the ecosystem of animals, plants, and microorganisms, and protect the soil and water environment. Regularly educate and encourage households to avoid burning topsoil, which causes landslides, erosion, environmental pollution, and can easily lead to forest fires. Local authorities confirm that some households still collect and burn mining waste because hiring sanitation workers is costly and time-consuming. However, very few households do this. **2.5. On-site inspection:** During the inspection of the forests, the assessment team found: + No landslides or soil erosion were detected. + The harvest process always ensures environmental hygiene, does not affect the soil environment, and does not pollute water sources. + After harvesting, workers clean the area and collect waste. Harvesting waste is collected and transported to a processing site, and any remaining organic matter (leaves, small branches, etc.) is chopped and evenly distributed. + Leaving the stump intact and avoiding digging/disturbing the roots. 2.6. Any material from FMUs that do not comply with EU RED will be excluded.
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[1] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(a) **primary forest** and other wooded land and **old growth forest,** namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed; and old growth forests as defined in the country where the forest is located. If there is no definition of **old growth forest** at the national level, then the following definition shall apply: A forest stand or area consisting of native tree species that have developed, predominantly through natural processes, structures and dynamics normally associated with late-seral developmental phases in primary or undisturbed forests of the same type. Signs of former human activities may be visible, but they are gradually disappearing or too limited to significantly disturb natural processes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR

Level B management system at the level of the forest sourcing area	N/A
(vi)[2] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(b) **highly biodiverse forest** and other wooded land which is species-rich and not degraded, and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[3] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(d) **highly biodiverse grassland** spanning more than one hectare that is: (i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or (ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as highly biodiverse grassland.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[4] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(e) **heathland** - Biomass Producer shall use the official definition for Heathland used in the applicable feedstock origin country. In the absence of such a definition, then the following definition shall be applied: Vegetation with low and closed cover, dominated by bushes, shrubs, dwarf shrubs (heather, briars, broom, gorse, laburnum etc.) and herbaceous plants, forming a climax stage of development (Source: EU Copernicus).*	

Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[5] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (4): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with high-carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status: (a)* ***wetlands,*** *namely land that is covered with or saturated by water permanently or for a significant part of the year (NOTE: Evidence of verification of wetlands should reflect seasonal changes within a year).*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[6] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (5): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land that was* ***peatland*** *in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil. For a peatland that was partially drained in January 2008, a subsequent deeper drainage, affecting soil that was not fully drained, would constitute a breach of the criterion.*	
Type of Risk Assessment used	☐Level A – proof at national or sub-national level ☒Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Our company mitigated through the implementation of wood traceability, which is strictly regulated by a series of legal documents, the most recent being Circular No. 26/2025/TT-BNNMT - Check if the Red Book was issued before 2008, in this case check the purpose of the land Check if there is a drainage system available. If no drainage system in place, there was no conversion from peatland into plantation. Consult relevant stakeholders (discuss with the owner, neighbors or forest inspectors) if relevant forest was a primary forest before January 2008. Soil map or forest map from before and after 2008 (if available). - Forest cover map. Management system: If during the harvesting site

	check the evidences obtained that the status of the land before January 2008 was a peatland, such kind of source is not accepted as SBP EU RED-compliant. The status of feedstock is recorded in the internal accounting system.
(vii) that installations producing biomass fuels from forest biomass, issue a statement of assurance, underpinned by company-level internal processes, for the purpose of the audits conducted pursuant to Article 30(3), that the forest biomass is not sourced from the lands referred to in point (vi).	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	*Not applicable, requirement only applies to Level A*

LULUCF criteria 29(7)	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A

Annex 2a: EU RED II Supply Base Evaluation

Annex 3: SBP Processing residues and/or Post-consumer feedstock requirements

☒ Not Applicable (Processing Residues and/or post-consumer feedstock not used)

Verification and monitoring of suppliers

N/A

Feedstock inspection and classification upon receipt

N/A

Supplier audit for processing residues and post-consumer feedstock

N/A

Annex 4: EU RED detailed findings for Trees Outside Forest (TOF) feedstock

NOTE: For "Trees outside forests (TOF) – Urban and landscape feedstock" no EU RED sustainability requirements apply, only the GHG savings criteria apply (SBP EU RED Bridging ID v2.0 Section 1.1). The land use category in this case is neither forest land nor agricultural land. For "Trees outside forests (TOF) – Agricultural land feedstock" the applicable criteria are Article 29 paragraphs (2)-(5).

Not Applicable (RED II TOF not included)

Annex 4a: RED II detailed findings for Trees Outside Forest (TOF) feedstock

NOTE: For "Trees outside forests (TOF) – Urban and landscape feedstock" no REDII sustainability requirements apply, only the GHG savings criteria apply (SBP REDII Bridging ID Section 4.2). The land use category in this case is neither forest land nor agricultural land. For "Trees outside forests (TOF) – Agricultural land feedstock" the applicable criteria are Article 29 paragraphs (2)-(5).