



Supply Base Report:

Amite BioEnergy LLC

First Surveillance 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:	Amite BioEnergy LLC
Producer address:	Old Hwy 24, 39638 Gloster, MS, United States
SBP Certificate Code:	SBP-04-01
Geographic position:	31.182900, -91.038100
Primary contact:	Kyla Cheynet, +1 404 229 8847, kyla.cheynet@draxbiomass.com
Company website:	https://www.drax.com/us/
Date report finalised:	12 May 2026
SBR reporting period from:	01 Apr 2025
SBR reporting period to:	31 Mar 2026
Name of the Certification Body:	SCS Global Services
Certification Body Approval date:	04 Sep 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 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF) v1.0, Instruction Document 5E: Collection and Communication of Energy and Carbon Data v2.0, Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0
Feedstock origin (countries)	United States (AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX)
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

Drax is a renewable energy company producing wood pellets made from sustainably sourced fiber. Drax owns and operates five primary pellet plants: Amite Bioenergy in Gloster, MS; Morehouse Bioenergy near Beekman, LA; LaSalle Bioenergy in Urania, LA; Alabama Pellets in Aliceville, and Demopolis, AL. Drax also owns two small satellite pellet plants co-located with sawmills: Arkansas Bioenergy Leola, and Arkansas Bioenergy Russellville; these sites are transitioning out of certificate scope and currently idled.

The procurement catchment for Drax's commercially operational facilities includes Arkansas, Louisiana, Mississippi, Alabama, Georgia, North Carolina, South Carolina, Tennessee, Kentucky, and portions of Texas (59 counties), Florida (28 counties), and Oklahoma (32 counties). Each primary plant typically draws feedstock from within a 70-mile radius but maintains the ability to procure out to approximately 100-mile radius to obtain primary feedstock in response to market pressures and weather events. However, processing residues may be sourced within the broader delineated supply area. Each satellite plant will obtain feedstock from the secondary material produced by the forest products manufacturer that is adjacent to the facility as well as another facility within the same company.

We are deeply committed to sustainability and work tirelessly in our efforts to benefit the climate, nature, and people. To learn more, please see our Sustainability Framework.

Products included in the scope of SBP Certification: *WB 1.1 Wood pellets*

Number of employees: 68

Annual maximum production capacity (metric tonnes): 560000

Number of direct feedstock suppliers: 7

Approximate number of feedstock sub-suppliers: 32

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

Drax Sources material from both primary (direct from forest) and sawmill/wood industry residues. Drax is actively operating three pellet facilities that source primary (direct from forest) and sawmill/wood industry residues, and two pellet plants that source sawmill/wood industry residues. Each primary plant typically draws feedstock from within a 70-mile radius but maintains the ability to procure out to a 100-mile radius in response to market pressures and weather events. However, processing residues may be sourced within the broader delineated supply area.

Amite Bioenergy is one of three primary pellet facilities that source both primary feedstock and processing residues. Under most circumstances, fiber is procured from Portions of Louisiana, Mississippi, Arkansas and Alabama.

This Facility is designed to consume just over 1 million green metric tons of biomass material per annum. The sourced material is comprised of mainly southern yellow pine with a potential de minimis quantity of mixed southern hardwoods. The material arrives in the form of low grade roundwood, thinnings, tops, logging and mill residues.

Amite Bioenergy utilizes majority southern yellow pine from forestry operations and in the form of wood industry residues. The primary material is sourced from approximately seven suppliers that source material from private landowners, corporate private landowners, state, and federally owned land, accounting for approximately 33% of total feedstock. The sawmill and wood industry residues is generated by roughly thirty two sawmills and wood processing facilities which comprises around 66% of the total feedstock. These facilities are located in Louisiana, Mississippi, Arkansas and Alabama. The remaining states in the supply base are part of the sourcing area for these sawmills and wood processing facilities, as well as the supply area for the other six Drax pellet plants, ensuring that fiber can flow freely between all Drax facilities thereby supply chain resiliency.

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.

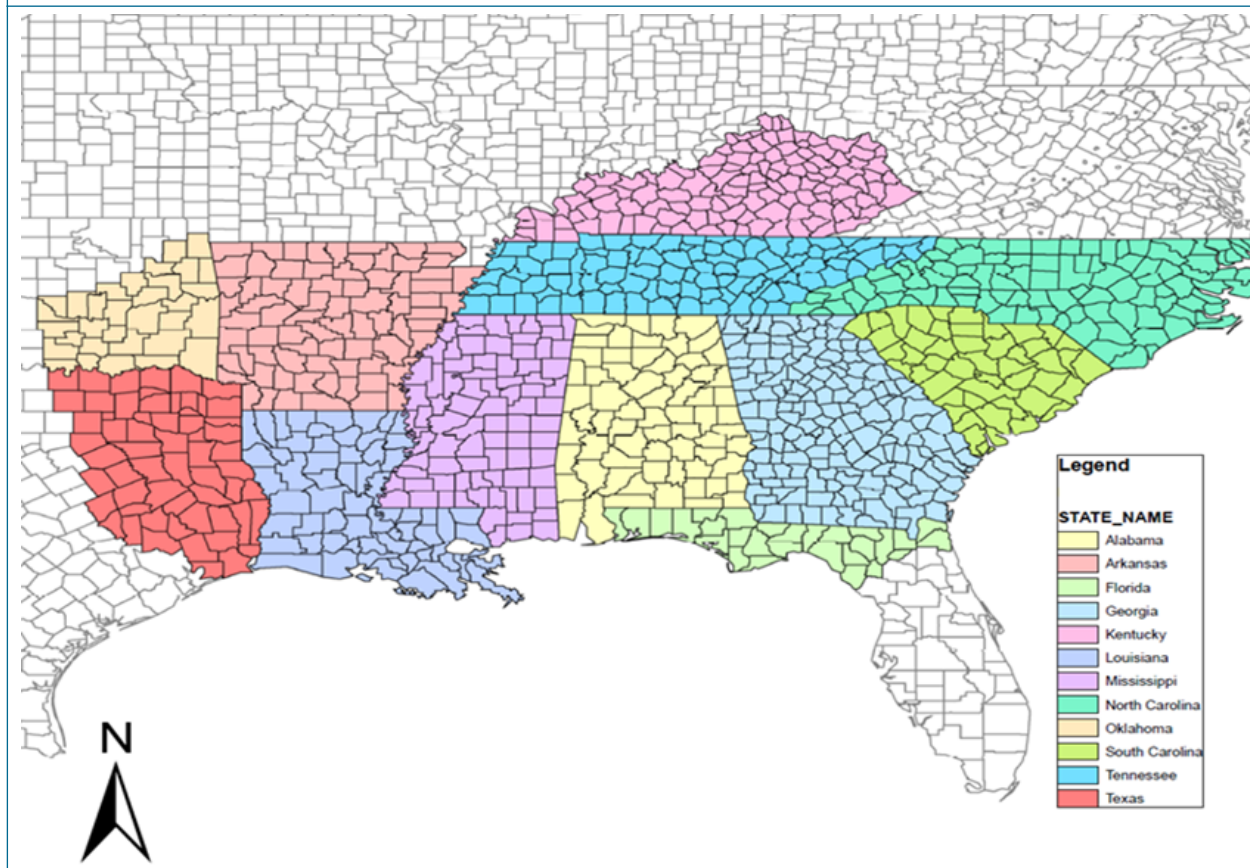
Annex 1 is generated by the system if the SBP SBE is used without Regional Risk Assessment(s) (RRAs). In case RRA(s) is used, further details shall be given only in section 3 below.

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

Country	United States
Area/Region	AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX
Exclusions	
Feedstock types	Primary feedstock, Processing residues
Feedstock Product Groups	Forest feedstock (1A), Trees outside forest (TOF) - Urban and landscape feedstock (2A), Processing residues feedstock (4A)
Feedstock inputs	SBP Compliant 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, Yes – Biomass Producer's own risk assessment used (SBE) , N/A – Primary and/or Processing residues certified to an SBP- recognised controlled scheme, N/A - Post-consumer feedstock
Provide a concise summary of why a SBE was determined to be required or not required here:	
The use of SBP-endorsed RRAs is required for all biomass producers that source within the RRA-covered regions. <i>Drax's supply base</i> is fully contained within two SBP-endorsed RRAs, the Regional Risk Assessment for US National Forest and the Regional Risk Assessment for US PrivateForest.	
Feedstock types included in SBE:	Primary feedstock, Processing residues
Includes EU RED SBE:	Yes

Includes EU RED II SBE grandfathering	No
Includes EU RED TOF:	Yes
Includes EU RED II TOF grandfathering	No
Size of Supply Base area (million ha):	132.4389

Map(s) of the Supply Base area:



2.3 Feedstock information

- a. Total volume of Feedstock:** 800,000-1,000,000 tonnes
- b. Volume of primary feedstock:** 200,000-400,000 tonnes
- c. List of all the species in primary feedstock, including scientific name:**

Pinus taeda	Loblolly
Pinus palustris	Longleaf
Pinus elliottii	Slash
Juniperus virginiana	Red cedar
Pinus virginiana	Spruce pine
Fraxinus pennsylvanica	Green ash
Fraxinus americana	White ash
Tilia americana	Basswood
Fagus grandifolia	Beech
Betula nigra	River birch
Nyssa sylvatica	Blackgum
Acer negundo	Boxelder
Catalpa bignonioides	Catalpa
Prunus serotina	Black cherry
Populus deltoides	Cottonwood
Cornus florida	Dogwood
Ulmus americana	American elm
Ulmus rubra	Slippery elm
Carya glabra	Hickory pignut
Carya ovata	Shagbark hickory
Ilex opaca	American holly
Gleditsia triacanthos	Honeylocust
Ostrya virginiana	Ironwood
Carpinus caroliniana	American hornbeam
Robinia pseudoacacia	Black locust

Magnolia grandiflora	Magnolia
Acer rubrum	Red maple
Acer saccharinum	Silver maple
Quercus velutina	Black oak
Quercus marilandica	Blackjack oak
Quercus pagoda	Cherrybark oak
Quercus laurifolia	Laurel oak
Quercus geminata	Sand live oak
Quercus rubra	Red oak
Quercus texana	Nuttall oak
Quercus lyrata	Overcup oak
Quercus stellata	Post oak
Quercus coccifera	Scarlet oak
Quercus shumardii	Shumard oak
Quercus falcata	Southern red oak
Quercus michauxii	Swamp chestnut oak
Quercus nigra	Water oak
Quercus alba	White oak
Quercus phellos	Willow oak
Maclura pomifera	Osage orange
Carya illinoensis	Pecan
Diospyros virginiana	Persimmon
Cercis canadensis	Eastern redbud
Sassafras albidum	Sassafras
Celtis laevigata	Sugarberry
Laurus nobilis	Sweetbay
Liquidambar styraciflua	Sweetgum
Platanus occidentalis	American sycamore
Nyssa aquatica	Water tupelo
Juglans nigra	Black walnut

Salix nigra

Black willow

Liriodendron tulipifera

Yellow poplar

d. 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: While most of the biomass feedstock is sourced from routine forest management activities, a small portion does originate from pest or salvage-related removals. Southern pine beetle outbreaks are becoming more common within the sourcing areas, particularly as drought-stressed trees become more vulnerable to infestation. Additionally, natural disasters such as tornadoes and hurricanes can cause significant storm damage, necessitating salvage operations to recover usable material from the forest and reduce forest health risks. These factors contribute to a minority share of the overall biomass supply.

e. Hardwood (i.e. broadleaf trees): specify proportion of feedstock from (%): 6.96

f. Softwood (i.e. coniferous trees): specify proportion of feedstock from (%): 93.04

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 used by the sawmill closest to where 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: Mix of The Above

k. Select the main harvesting system(s) used for the sourced primary feedstock: Mix of the above

l. Volume of primary feedstock from primary forest: 0

m. Volume of processing residues feedstock: 400,000-600,000 tonnes

Physical form of the feedstock: Chips, Sawdust, Other (specify)

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

N/A N/A

o. Volume of post-consumer feedstock: 0

Physical form of the feedstock: Chips, Sawdust, Other (specify)

p. Estimated amount of EU RED-compliant sustainable feedstock that could be collected annually by the BP: 1000000 tonnes

q. What is the estimated amount of EU RED-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): 42000000.00 tonnes

Explanation: The total supply base area was divided by the sum of total area of AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX. This ratio was applied to the total annual harvest volume for AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX.

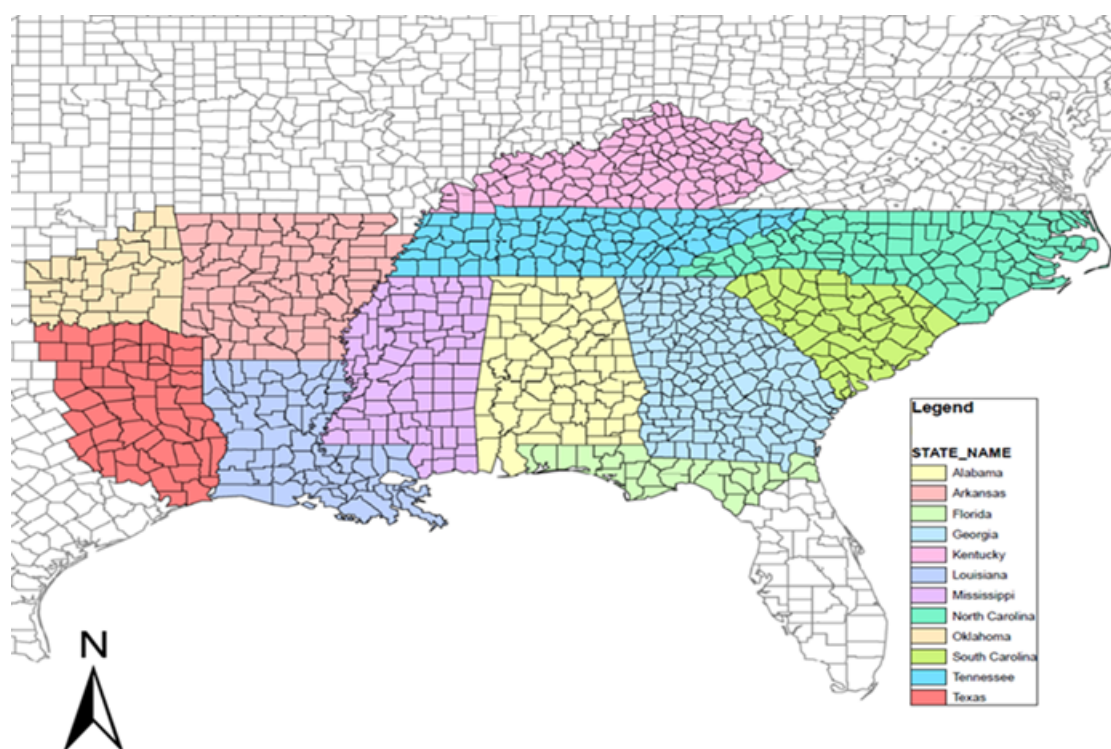
3 Supply Base Risk Assessments and Risk Management Measures

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

Drax's Supply Base falls within the SBP-endorsed Regional Risk Assessments (RRAs) for National Forests and privately owned forests in primary sourcing regions of the US. The area included in Drax's Supply Base is depicted below:



Forest Ownership, Management and Feedstocks

Private lands are the principal source of fiber in Drax's supply chains. As noted in the RRAs, around 87% of forests in the US South, where Drax's facilities are sited, are privately owned. The majority, around 58%, are owned by families and individuals. The Forest History Society estimates that 89% of the timber harvested in the US originates from private lands. This feedstock flows from millions of small tracts.

There is a mature forest sector in this region, supported by robust federal, state and local laws; well-developed markets; and strong environmental performance drawing an established, engaged forestry community and the highly integrated use of best management practices (BMPs) in harvesting operations.

In the *supply area*, wood fiber generally flows to the forest products sector at two stages, from thinning: and regeneration harvest. Thinning, a harvest practice where forest density is reduced by removing rows of trees and/or smaller, unhealthy, or malformed trees with an aim to reduce competition and promote growth of the most vigorous trees. Thinning also provides other benefits by improving habitat for many endemic species and improving overall forest health. By promoting the healthier trees through thinning, the stand is more resilient to stressors like climate change, insects, disease, and wildfires. Any natural regeneration will also flow from this more robust genetic material. Thinning generally yields pulpwood, which refers to small diameter trees of low quality that are not suitable for use in lumber, or other higher value products or applications. Pulpwood is an important source of biomass feedstock.

Final harvests generally happen when trees in the stand are suitable for the highest market application such as sawtimber. Final harvest may also produce pulpwood. During both intermediate or final harvesting processes, limbs, tops, branches, and bark may also be amassed and used as biomass. This low value material may be chipped “in woods” and cost effectively transported, making it also a source of biomass.

Processing residues account for a significant proportion of the inputs into biomass production in the region. According to US Forest Service studies, wood pellet mill feedstock in the US South represented less than 2% of the region’s total roundwood output in recent years, and that the large majority of pellet feedstock was derived from residuals. These statistics align with Drax’s feedstock profile with the majority of feedstocks comprised of processing residues.

The use of wood industry residues also provides an important market for sawmills, supporting profitability, improving site safety, and assuring healthy wood processing industry remains a viable market for sawlogs, encouraging well-managed, productive forests.

For more information, see the SBP-endorsed Regional Risk Assessment (RRA) for Private Lands in the United States.

Forest Certification

Drax has a longstanding commitment to forest certification. Drax actively promotes certified forest management amongst feedstock suppliers, as part of our Sustainable Forestry Initiative® (SFI)* Fiber Sourcing certification. This includes extensive reporting and contractually required training, as well as other components that are necessary for the certifications. Drax’s sustainability and fiber procurement staff are trained to assist suppliers and landowners in achieving these certifications through direct and/or collaborative efforts. Drax continually monitors the amount of certified fiber that it purchases and will pursue opportunities to increase the area of certified forests within its catchments.

While certification to forest management schemes is limited in the US South, it is estimated that SFI Fiber Sourcing influences 100% of the feedstocks used in biomass production. , For more information, please see the SBP-endorsed RRA.

Presence of CITES or IUCN species

Drax’s Supply Base has been assessed against the IUCN Red List (www.iucnredlist.org). The resulting analysis identified 21 Critically Endangered and Endangered IUCN trees and shrubs within the footprint (list provided upon

request). The majority of species identified are either non-commercial, i.e., shrubs, multi-stemmed, poor form, etc., or have extreme or limited geographic distribution, i.e., persist on high elevation montane sites, rocky outcrops, cliffs, glades, or low thicket-standing water habitats unsuitable for forest management. Many of these species exist primarily on protected or public lands. As such, most of these species pose limited concern to Drax. The one species that does exist within Drax's supply area, and is commercially viable, is the longleaf pine (*Pinus palustris*).

Longleaf pine is far less common than it once was, and efforts are underway to promote longleaf pine coverage in the region. The intent of listing species to the Red List is not to promote prohibition of its use but rather to heighten priority setting for conservation of the species (<http://www.iucnredlist.org/documents/RedListGuidelines.pdf>). Critical to the recovery of the species is continued access to markets for longleaf pine. If landowners do not expect to be able to sell this wood, then they will not plant the tree in the first place. This position is captured in a statement from a USDA researcher and supported by the conservation group the Longleaf Alliance:

"Strong markets for forest products provide incentives for private landowners to keep their lands in forest cover (Wear 2013). This is particularly important across the longleaf range where recent forecasts of human population and income growth point toward increasing pressure in some locations to convert forest land to other uses (Wear 2013) [1] . Strong markets also enable landowners to invest in the management practices required to establish longleaf pine forests and implement practices such as prescribed fire and thinning which are crucial restoration activities [2] ."

Recognizing the risk associated with longleaf pine, Drax has procedures in place to monitor if longleaf is offered as feedstock and has checks in place to ensure against conversion away from longleaf.

3.2 Conflicts with applicable national and sub-national legislation

No conflicts have been identified at this time.

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: United States	
Area/sub-scope:	
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:	
2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.	
Description of the specific risk:	
The Regional Risk Assessment for US Private Forest v1.1 identified risk for this indicator. The Endangered Species Act (ESA) is a highly efficient system for the maintenance and enhancement of Federally listed threatened and endangered animal species. However, there is a lack of regulatory safeguards and/or resources/incentives for maintenance and enhancement of G1-G2 animal species not addressed by ESA and G1-G2 plant species identified by the Nature Serve Network and 2019 FSC US NRA identified species, ecosystems, and HCVs.	
Mitigation measure:	
Drax's overall approach aligns with measures specified in the Regional Risk Assessment for US Private Forest v1.1. These include the following measures which are adaptively implemented and informed by our ongoing monitoring regime. 1. Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks: · Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin. · Results of the G1/G2 summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region. · Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species. 2. Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks: · Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin. · Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region. Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers. Additional mitigation measures undertaken by Drax include:	

- Maintaining SFI Chain of Custody and Fiber Sourcing Certifications as well as PEFC and FSC Chain of Custody and controlled wood.
- Supplier Screening, known as the Know Your Vendor Process which includes a geographical check of where fiber is coming from.
- A Contractual agreement with Supplier and Drax that requires them to follow all Sustainability requirements, laws, and regulations. This agreement also includes the right to audit.
- Annual supplier risk assessment and audit program.
- Collection of Latitudes and Longitudes and maps for every primary feedstock harvest Unit
- Collection of counties sawmill and wood industry residues are sourced from
- Internal Sensitive Species and Ecosystems screening
- Monthly field inspections of primary feedstock harvest units
- Requirement that primary feedstock suppliers used trained logging professionals
- Annual comprehensive Internal Audit Program

Monitoring and outcomes:

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership.

Assessment by our external consulting auditor finds that Drax has implemented a robust set of mutually supportive measures that, working together, reduce risk to low. All interviews and the evidence presented a comprehensive and technologically advanced program. All members of Drax team show high degree of awareness of process and details about how to get more info around the large number of species and importantly the forest types associated with species. The program leverages technologies, loyally maintained processes (BMP implementation, logger training, inspections, preharvest screenings, etc.) professional judgement, soft skills, relationships amongst the Drax team and suppliers, and integrates them to target changes, in approach, if needed to avoid impacts. What further sets this program apart is the supplier specific mapping and engagement around this issue of biodiversity values and protective measures.

This program will continue to be adaptively managed and rigorously evaluated.

Country: United States

Area/sub-scope:	
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:	
While there is consensus that deforestation rates are quite low in the US and for the RRA geography, including Drax's sourcing area, analysis of the USDA Forest Service's Forest Inventory and Analysis (FIA) data for the given time period indicates net loss of timberland for the RRA geography of less than 1% (0.75%) with localized losses and gains. Similarly, using a methodology based on population growth and issuance of housing permits, which is not based on change detection analysis of the forest itself, the FSC US NRA specified risk for a set of counties within the RRA's geography. Despite relatively low rates of forest loss, with recognition to the precedence of the FSC US NRA and the results of original analysis for the RRA's geography, risk is specified as it relates to forests for 46 counties identified by the 2019 FSC US NRA and a range of FIA Units identified in the RRA's Annexes.	
Mitigation measure:	
Drax's overall approach aligns with measures specified in the SBP-Endorsed Regional Risk Assessment for US Private Forest v1.1. These include the following measures: Development and implementation of binding written agreements with suppliers that prohibit the delivery of material originating from known conversions of forest to non forest use. Mitigation Measures of note within Drax's process and procedures include: • Contractual Agreements with suppliers that fiber sourced from conversion is not accepted at Drax facilities. • Conversion screenings when a harvest unit is setup • Monthly field inspections of primary feedstock harvest units • Annual risk screenings and audit of Sawmill and wood industry residue Suppliers • Internal Regeneration Screening Program	

- Annual comprehensive Internal Audit Program

Additionally, for processing residues, Drax accepts PEFC/SFI claims along with evidence to prove processing residues as a mitigation measure.

Lastly, the Drax team is piloting use of remote sensing and AI technologies to reinforce and augment the above measures.

Monitoring and outcomes:

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership.

Assessment by our external consulting auditor finds that Drax's RRMs designed to address conversion risks are multifaceted and mutually supportive. These mechanisms, working together, reduce risk to support the conclusion of low around this indicator. All interviews and evidence reviewed corroborated the approach and indicated shared understanding of the risk, procedures and mechanisms to address, as well as the degree/factors that are fully outside of the control of Drax operations. Drax's operational controls are limited to address conversion on the landscape, but the program is implemented rigorously and avoidance within the company's operational control is fully leveraged. In conclusion, despite the complexities of this issue, RRMs, particularly working together, appear to be effective.

Country: United States

Area/sub-scope:

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:

2.2.2 Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.

Description of the specific risk:

The Regional Risk Assessment for US Private Forest v1.1 identified risk for this indicator. The Endangered Species Act (ESA) is a highly efficient system for the maintenance and enhancement of Federally listed threatened and endangered animal species. However, there is a lack of regulatory safeguards and/or resources/incentives for maintenance and enhancement of G1-G2 animal species not addressed by ESA and G1-G2 plant species identified by the Nature Serve Network and 2019 FSC US NRA identified species, ecosystems, and HCVs.

Mitigation measure:

Drax's overall approach aligns with measures specified in the Regional Risk Assessment for US Private Forest v1.1. These include the following measures which are adaptively implemented and informed by our ongoing monitoring regime.

1. Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks:
 - Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.
 - Results of the G1/G2 summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
 - Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species.
2. Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks:
 - Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin.
 - Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.

Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers.

Additional mitigation measures undertaken by Drax include:

 - Maintaining SFI Chain of Custody and Fiber Sourcing Certifications as well as PEFC and FSC Chain of Custody and controlled wood.
 - Supplier Screening, known as the Know Your Vendor Process which includes a geographical check of where fiber is coming from.
 - A Contractual agreement with Supplier and Drax that requires them to follow all Sustainability requirements, laws, and regulations. This agreement also includes the right to audit.
 - Annual supplier risk assessment and audit program.

- Collection of Latitudes and Longitudes and maps for every primary feedstock harvest Unit
- Collection of counties sawmill and wood industry residue feedstock is sourced from
- Internal Sensitive Species and Ecosystems screening
- Monthly field inspections of primary feedstock harvest units
- Requirement that primary feedstock suppliers used trained logging professionals
- Annual comprehensive Internal Audit Program

Monitoring and outcomes:

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership.

Assessment by our external consulting auditor finds that Drax has implemented a robust set of mutually supportive measures that, working together, reduce risk to low. All interviews and the evidence presented a comprehensive and technologically advanced program. All members of Drax team show high degree of awareness of process and details about how to get more info around the large number of species and importantly the forest types associated with species. The program leverages technologies, loyally maintained processes (BMP implementation, logger training, inspections, preharvest screenings, etc.) professional judgement, soft skills, relationships amongst the Drax team and suppliers, and integrates them to target changes, in approach, if needed to avoid impacts. What further sets this program apart is the supplier specific mapping and engagement around this issue of biodiversity values and protective measures.

This program will continue to be adaptively managed and rigorously evaluated.

Country: United States

Area/sub-scope: ToF - Landscape + Urban

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-RRR-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐ SBP-RRR-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐ SBP-RRR-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐ SBP-RRR-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐ SBP-RRR-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐ SBP-RRR-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐ SBP-RRR-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☒ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.	
Description of the specific risk:	
This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses are appropriate to apply the ToF context for these feedstocks. The ESA serves as a powerful legal nexus that, as the RRA states, has been highly effective in protections of listed species. There remains, however, a gap in legal protections for G1/G2 species that are not listed under ESA, as well as HCVs not associated with ESA listed species and identified by the FSC NRA. Drax has developed, maintains and rigorously implements policies and programs to identify and protect G1/G2 species and HCVs identified by the FSC US NRA. Under Drax's programming, there is a high degree of assurance that known occurrences of these biodiversity values are protected in its direct and indirect sourcing. BMPs are a key management practice that are widely incorporated by the forestry community, resulting in protection of the disproportionately high concentrations of these species in aquatic ecosystems. However, given the lack of legal protections, non-negligible risk is concluded for the noted ToF sources.	
Mitigation measure:	
Drax's overall approach aligns with measures specified in the Regional Risk Assessment for US Private Forest v1.1. These include the following measures which are adaptively implemented and informed by our ongoing monitoring regime. 1. Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks: - Results of the assessment shall be integrated into a summary of management recommendations to	

support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.

- Results of the G1/G2 summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
- Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species.

2. Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks:

- Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin.
- Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.

Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers.

Additional mitigation measures undertaken by Drax include:

- Maintaining SFI Chain of Custody and Fiber Sourcing Certifications as well as PEFC and FSC Chain of Custody and controlled wood.
- Supplier Screening, including the Know Your Vendor Process and Residual Supplier Questionnaire which includes a geographical check of where fiber is coming from.
- A Contractual agreement with Supplier and Drax that requires them to follow all Sustainability requirements, laws, and regulations. This agreement also includes the right to audit.
- Annual supplier risk assessment and audit program.
- Collection of Latitudes and Longitudes and maps for every primary feedstock harvest Unit
- Collection of counties sawmill and wood industry residue feedstock is sourced from
- Internal Sensitive Species and Ecosystems screening
- Monthly field inspections of primary feedstock harvest units
- Requirement that primary feedstock suppliers used trained logging professionals
- Annual comprehensive Internal Audit Program

Monitoring and outcomes:

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed

comprehensively, as well as our management review process for visibility and oversight by our leadership. Assessment by our external consulting auditor finds that Drax has implemented a robust set of mutually supportive measures that, working together, reduce risk to low. All interviews and the evidence presented a comprehensive and technologically advanced program. All members of Drax team show high degree of awareness of process and details about how to get more info around the large number of species and importantly the forest types associated with species. The program leverages technologies, loyally maintained processes (BMP implementation, logger training, inspections, preharvest screenings, etc.) professional judgement, soft skills, relationships amongst the Drax team and suppliers, and integrates them to target changes, in approach, if needed to avoid impacts. What further sets this program apart is the supplier specific mapping and engagement around this issue of biodiversity values and protective measures.

This program will continue to be adaptively managed and rigorously evaluated.

Country: United States

Area/sub-scope: ToF - Urban + Landscape

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:

Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings:

- Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use.
- Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets,

roads, railways, power lines or airfields.

These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses.

The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses including those of the various ecosystem types were determined to be appropriate to apply to the ToF sources, including conclusion of non-negligible risk associated with forests (but not wetlands, peatlands or highly biodiverse grasslands where the conclusion of low risk applies).

For forests (a), while there is an array of relevant laws for lands owned by the State and Federal governments, there is no specific legal Federal framework that governs the conversion of private forests, outside of forested wetlands.

For (b) wetlands, land use history and the impact of legislation was evaluated. The US Clean Water Act (CWA) is the dominant Federal regulatory mechanism for protection of wetlands, which is further articulated at the State level through the implementation of Best Management Practices (BMPs). Specifically, Section 404 of the CWA regulates the discharge of dredged or fill material and specifies activities must not convert wetlands to uplands and/or new uses (EPA, 2020). The rigorous and longstanding enforcement of the CWA suggests conversion of any wetland to dried alternative ecosystems is likely to have occurred before its enactment in 1972, and well before the 2008 cut off specified by the SBP requirements

For peatlands (c), multidimensional analysis including quantitative and qualitative assessment in the RRA applies and finds low risk, appl.

For (d), highly biodiverse grasslands, the SBP-endorsed RRA for private land finds low risk due to the elimination of these ecosystems before the US Civil War in 1861.

Mitigation measure:

Drax's overall approach aligns with measures specified in the Regional Risk Assessment for US Private Forest v1.1. These include the following measures:

Development and implementation of binding written agreements with suppliers that prohibit the delivery of material originating from known conversions of forest to non forest use.

Mitigation Measures of note within Drax's process and procedures include:

- Contractual Agreements with suppliers that fiber sourced from conversion is not accepted at Drax facilities.
- Conversion screenings when a harvest unit is setup
- Monthly field inspections of primary feedstock harvest units
- Annual risk screenings and audit of Sawmill and wood industry residue Suppliers
- Internal Regeneration Screening Program
- Annual comprehensive Internal Audit Program

Additionally, for processing residues, Drax accepts PEFC/SFI claims along with evidence to prove

processing residues as a mitigation measure.

The Drax team is also piloting the use of remote sensing and AI technologies to reinforce and augment the above measures.

Monitoring and outcomes:

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership. Assessment by our external consulting auditor finds that Drax's RRM's designed to address conversion risks are multifaceted and mutually supportive. These mechanisms, working together, reduce risk to support the conclusion of low around this indicator. All interviews and evidence reviewed corroborated the approach and indicated shared understanding of the risk, procedures and mechanisms to address, as well as the degree/factors that are fully outside of the control of Drax operations. Drax's operational controls are limited to address conversion on the landscape, but the program is implemented rigorously and avoidance within the company's operational control is fully leveraged. In conclusion, despite the complexities of this issue, RMMs, particularly working together, appear to be effective.

Country: United States

Area/sub-scope:

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:

3.1.1 LULUCF emissions shall be accounted for through one of the following routes: Route A Feedstock may be sourced from a country of origin which is party to the Paris Agreement, and which has submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions, or Route B Feedstock may be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national

laws in place (developed in accordance with Article 5 of the Paris Agreement and applicable in the area of harvest), to conserve and enhance carbon stocks and sinks, and provided there is evidence that reported LULUCF-sector emissions do not exceed removals, or Route C Feedstock may be sourced from a Supply Base where an assessment demonstrates that both the carbon stock is stable, and the forests' capacity to act as a carbon sink is stable or increasing over the long term.

Description of the specific risk:

On January 20, 2025, the United States (US) President signed Executive Order 14162 directing the United States Ambassador to the United Nations to submit a formal written notification of the United States' withdrawal from the Paris Agreement. This formal notification was submitted to the United Nations by the US Ambassador on January 26, 2025.

Article 28 of the Paris Agreement stipulates that "withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal" meaning as of January 27, 2026 the United States will no longer be a party to the Paris Agreement and from this date on, Routes A and B of Indicator 3.1.1 will cease to apply to US feedstock.

Until January 26, 2026, Route A is deemed to still be applicable. From January 27, 2026, onwards, Route C is the only option for compliance with this indicator.

Route C

Feedstock may be sourced from a Supply Base where an assessment demonstrates that both the carbon stock is stable, and the forests' capacity to act as a carbon sink is stable or increasing over the long term.

Mitigation measure:

Drax conducted an analysis of carbon stocks within its supply base, encompassing of all sources, via Route C, as identified in SBP Standard 1. Detail of this analysis is available in the company's Land Use, Land Use Change and Forestry (LULUCF) Level B risk assessment for RED Article 29(7) & Indicator 3.1.1 of SBP Standard 1. Summary of the results are below.

Mean carbon stocks and sinks over the future long-term period

To project carbon stocks and sinks over the future long-term period (2023-2053), the Drax team fit a linear regression model based on FIA inventory data from 2013-2022 (Figure 2). We chose this time period because 2013 is the first year following the reference period (2010-2013) and because 2022 is the most recent year for which inventory estimates were available for all states within the supply base.

Comparison of future projected carbon stocks to historical reference period

The difference between the most recent inventory estimate in the future long-term period and the most recent estimate in the historical reference period is approximately 798 million metric tonnes. While there may be ownerships within specific states (privately owned forests in OK and the Kisatchie National Forest in Louisiana) that indicate decreasing values in projections, the overall analysis for the sourcing area (supply base) is increasing.

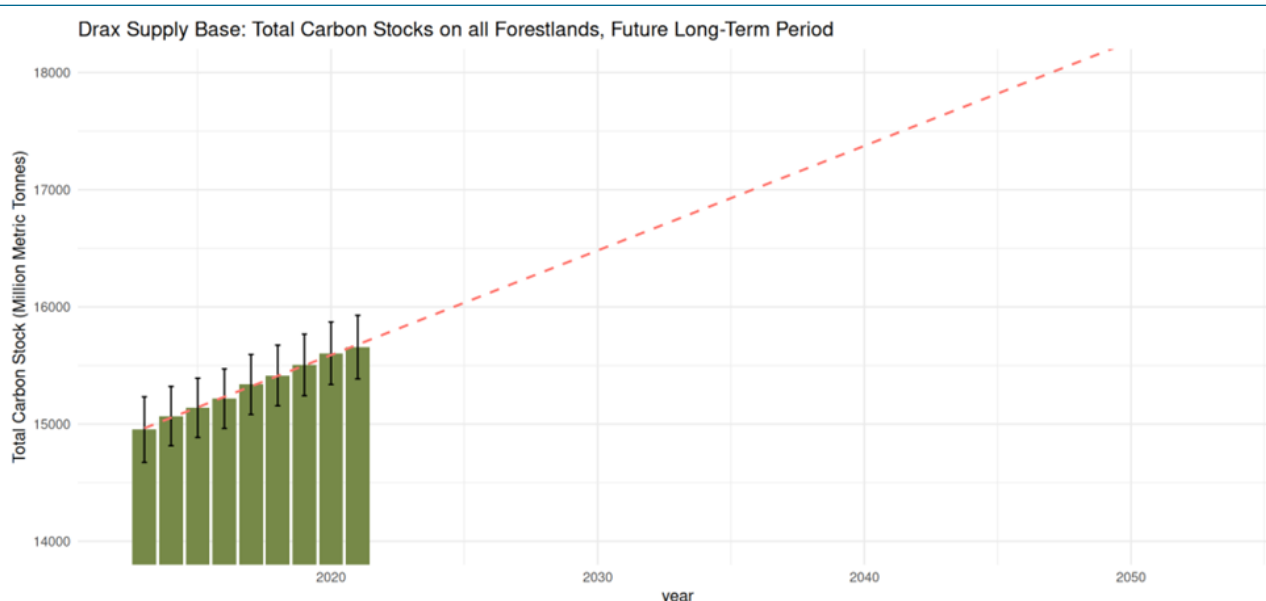


Figure 3: Total carbon stocks for Drax's supply base for the future long-term period. The green bars reflect inventory estimates for years 2013-2022 while the red trend line shows the forward-projection to 2053.

This suggests that carbon stocks within Drax's supply base are stable/increasing for the future long-term period of 2023-2053, based on a Level B risk assessment in accordance with the REDIIIBIO guidelines, and incorporating the modified workflow outlined above to estimate risk for a multi-state area.

Thus, via Route C, Drax demonstrates an increasing supply base, which mitigates the specified risk for this indicator.

Monitoring and outcomes:

Drax will continue to monitor carbon stocking and repeat the Route C analysis using the *SBP Guidance for US REDIII Level B LULUCF v1.0*, as directed by any forthcoming SBP requirements or advised by consulting experts.

4 Stakeholder engagement

4.1 General description

Biomass Producer's stakeholder engagement start date: 09 Apr 2026

Biomass Producer's stakeholder engagement end date: 09 May 2026

Total number of stakeholders contacted: 120

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

As part of its SEP, when updating its SBE, Drax engages with its stakeholders, with the specific intention of seeking feedback on its SBE, including its:

- a. Supply Base Verifiers, if used.
- b. Risk Assessment and risk ratings.
- c. Risk Management Plan, Risk Management Measures and Means of Verification.

These aspects are largely prescribed by the SBP-endorsed Regional Risk Assessment (RRA) which overlaps with Drax's supply area. Additionally, Drax undertakes its SEP and stakeholder consultation under the advisement of SBP guidance for SEP components invoked in feedstock sourcing (Std 1 and Std 2), as well as CoC (Std 4).

The consultation process is documented, including: the participants, how they were consulted, the results of the consultation, and the decisions taken.

The appropriate type(s) of engagement are identified for the range of stakeholders mapped. The type of engagement generally undertaken is that a member of Drax's Sustainability Team distributes an email to stakeholders identified in its stakeholder map. This email generally provides:

- A brief description of the SBP certification system, including links to the current version of SBP Standard
- A brief description of the purpose and scope of the SBE and risk assessment
- Access to drafts of the SBE
- A request for comments
- Timelines for the public stakeholder consultation period and anticipated completion of the SB
- Contact details of Drax's Sustainability Manager

This approach allows Drax to provide stakeholders with adequate information as a basis for informed comment but does not have to provide confidential information.

4.2 Response to stakeholder comments

Stakeholder description: Sawmill Residual Supplier

Stakeholder comment: Dear Kyla, Thank you for the opportunity to provide input as part of Drax's stakeholder consultation process. West Fraser supports Drax's commitment to sustainable sourcing and certification under the Sustainable Biomass Program (SBP). As a supplier, the fiber we provide to Drax consists primarily of sawmill residuals (e.g., shavings and other by-products), with only very limited volumes of chips. Based on this, we consider the risk of

unsustainable sourcing associated with our supply to be low. Our operations are governed by established policies, including our Code of Conduct, Supplier Code of Conduct, and Supply Chain & Human Rights Policy, which prohibit forced and child labour and support responsible sourcing practices. We are not aware of any concerns related to Drax's supply base evaluation, risk assessment, or mitigation measures, and we appreciate Drax's continued efforts toward transparency and continuous improvement. Please feel free to reach out if any additional information would be helpful. Kind regards, Sadaf Sadaf Shafiei Sabet, PhD Sustainability Manager, Strategy & Engagement 885 West Georgia Street, Suite 1500 Vancouver, BC, V6C 3E8 Office: 604.895.2700

Response to the stakeholder: Hi Sadaf, We appreciate your feedback; this helps us improve our understanding of our supply chain. We will use this feedback to inform our program. Regards Drax Sustainability

5 Report updates and approval

This document is: Updated SBR (surveillance audits/scope-change audits)

Annual update and addition of TOF scope.

Name	Kyla Cheynet
Title	Management representative
Date of report approval	12 May 2026

Name	Bretta Palmer
Title	Management representative
Date of report approval	28 May 2026

Annex 1: Detailed findings for Supply Base Evaluation indicators

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
1.1.1	Operations related to feedstock sourcing and biomass production shall comply with all existing applicable laws and regulations.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - Court records of civil and criminal cases related to forestry violations - US Environmental Protection Agency records - US Fish and Wildlife Service records - State Environmental Agencies Documentation - US Department of Labor enforcement records - OSHA Compliance Records - Forest Stewardship Council US National Risk Assessment - Forest Stewardship Council Standards and Auditing processes - Sustainable Forestry Initiative Certification Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the private lands RRA apply to the ToF sources with a note that urban, domestic and infrastructure projects, in particular, because of their increased proximity to people, especially in densely populated areas, and related safety concerns associated with

	transportation, construction, electricity and other focuses of these projects, are heavily reliant on permitting processes at the local and regional levels, as well as at the federal level. As such, they are rigorously monitored, sometimes with daily checks, and enforced for legality. Given well-established laws pertaining to illegal harvesting and trade, the strong record of enforcement, conclusions of other, widely accepted analyses, and direct feedback from stakeholders and experts, it is concluded that the risk class for Indicator 1.1.1. for ToF sources is low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
1.1.2	Legal ownership of land and resource use rights shall be respected.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - US Constitution - Worldwide Governance Indicators - Forest Stewardship Council US National Risk Assessment - Forest Stewardship Council Standards and Auditing processes - Seneca Creek Associates Risk Assessment - List of Federally Recognized Tribes - Executive Order - Memorandum on Uniform Standards for Tribal Consultation - Laws and Regulations regarding Tribes and Tribal Lands - Forest Stewardship Council US National Risk Assessment - Forest Stewardship Council Standards and Auditing processes Sustainable Forestry Initiative Certification Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and

	federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the RRAs are appropriate to apply to the ToF sources without exception. Further, Drax has developed, maintains and rigorously implements policies and programs to avoid controversial sources including illegal materials of any kind. Given well-established laws pertaining to land use and resource rights, a strong track record of enforcement, the conclusions of other widely accepted analyses, as well as Drax's own policies and programs, it is concluded that the risk class for Indicator 1.1.2. is low risk for ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
1.1.3	Feedstock shall be legally harvested, supplied and produced, including in compliance with CITES, EUTR and other applicable legal trade requirements.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Lacey Act • Convention on International Trade in Endangered Species • Federal Laws • State Forestry Laws
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be

	sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA apply to the ToF sources without exception. Further, Drax has developed, maintains and rigorously implements policies and programs to avoid controversial sources including illegal materials of any kind. Given well-established laws pertaining to land use and resource rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, as well as Drax's own policies and programs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
1.1.4	Payments for harvest rights and feedstock, including duties, relevant royalties and taxes related to timber harvesting shall be complete and up-to-date.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Lacey Act • Convention on International Trade in Endangered Species • Federal Laws • State Forestry Laws
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields.

	These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA apply to the ToF sources without exception. Further, Drax has developed, maintains and rigorously implements policies and programs to avoid controversial sources including illegal materials of any kind. Given well-established laws pertaining to land use and resource rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, as well as Drax's own policies and programs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
1.1.5	There shall be adequate protection of the Supply Base from unauthorised and illegal activities, such as illegal logging, mining, and encroachment.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.1.1	Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Endangered Species Act

	• State Forestry Laws • FSC US Controlled Wood National Risk Assessment (FSC US CWNRA) • FSC Centralized National Risk Assessments (PSU-PRO-10-002V2-0 EN) • FSC National Risk Assessment Framework Procedure (FSC-PRO-60-002) • Interpretations of the Normative Framework, Controlled Wood (9/09/2024) • FSC Approved Controlled Wood Documents (FSC-PRO-60-002b V2-0 EN)
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs are appropriate to apply to the ToF sources without exception. Biodiversity values and related threats are well identified across a range of habitats within the systems noted in RRAs, including forests/trees in edge habitats commonly associated with landscape ToF treed environments. Further, Drax has developed, maintains and rigorously implements policies and programs to identify key species, habitats, ecosystems and HCVs. Given the conclusions of the endorsed RRAs and Drax's robust system for identification and protection of biodiversity values, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.1.2	Threats to and impacts on the identified key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified and evaluated.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest

	• Drax Policies and procedures • Endangered Species Act • State Forestry Laws • FSC US Controlled Wood National Risk Assessment (FSC US CWNRA) • FSC Centralized National Risk Assessments (PSU-PRO-10-002V2-0 EN) • FSC National Risk Assessment Framework Procedure (FSC-PRO-60-002) • Interpretations of the Normative Framework, Controlled Wood (9/09/2024) • FSC Approved Controlled Wood Documents (FSC-PRO-60-002b V2-0 EN)
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs are appropriate to apply to the ToF sources without exception. Biodiversity values and related threats are well identified across a range of habitats within the systems noted in RRAs, including forests/trees in edge habitats commonly associated with landscape ToF treed environments. Further, Drax has developed, maintains and rigorously implements policies and programs to identify key species, habitats, ecosystems and HCVs. Given the conclusions of the endorsed RRAs and Drax's robust system for identification and protection of biodiversity values, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.1.3	Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.

Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • Endangered Species Act • State Forestry Laws • State Wildlife Action Plans • FSC US Controlled Wood National Risk Assessment (FSC US CWNRA) • FSC Centralized National Risk Assessments (PSU-PRO-10-002V2-0 EN) • FSC National Risk Assessment Framework Procedure (FSC-PRO-60-002) • Interpretations of the Normative Framework, Controlled Wood (9/09/2024) • FSC Approved Controlled Wood Documents (FSC-PRO-60-002b V2-0 EN)
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses are appropriate to apply the ToF context for these feedstocks. The ESA serves as a powerful legal nexus that, as the RRA states, has been highly effective in protections of listed species. There remains, however, a gap in legal protections for G1/G2 species that are not listed under ESA, as well as HCVs not associated with ESA listed species and identified by the FSC NRA. Drax has developed, maintains and rigorously implements policies and programs to identify and protect G1/G2 species and HCVs identified by the FSC US NRA. Under Drax's programming, there is a high degree of assurance that known occurrences of these biodiversity values are protected in its direct and indirect sourcing. BMPs are a key management practice that are widely incorporated by the forestry community, resulting in protection of the disproportionately high concentrations of these species in aquatic ecosystems.

	However, given the lack of legal protections, non-negligible risk is concluded for the noted ToF sources.
Risk Rating	Specified Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
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.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • State Forestry Laws • FSC US Controlled Wood National Risk Assessment (FSC US CWNRA) • FSC Centralized National Risk Assessments (PSU-PRO-10-002V2-0 EN) • FSC National Risk Assessment Framework Procedure (FSC-PRO-60-002) • Interpretations of the Normative Framework, Controlled Wood (9/09/2024) • FSC Approved Controlled Wood Documents (FSC-PRO-60-002b V2-0 EN)
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses including those of the various ecosystem types were determined to be appropriate to apply to the ToF

	sources, including conclusion of non-negligible risk associated with forests (but not wetlands, peatlands or highly biodiverse grasslands where the conclusion of low risk applies). For forests (a), while there is an array of relevant laws for lands owned by the State and Federal governments, there is no specific legal Federal framework that governs the conversion of private forests, outside of forested wetlands. For (b) wetlands, land use history and the impact of legislation was evaluated. The US Clean Water Act (CWA) is the dominant Federal regulatory mechanism for protection of wetlands, which is further articulated at the State level through the implementation of Best Management Practices (BMPs). Specifically, Section 404 of the CWA regulates the discharge of dredged or fill material and specifies activities must not convert wetlands to uplands and/or new uses (EPA, 2020). The rigorous and longstanding enforcement of the CWA suggests conversion of any wetland to dried alternative ecosystems is likely to have occurred before its enactment in 1972, and well before the 2008 cut off specified by the SBP requirements For peatlands (c), multidimensional analysis including quantitative and qualitative assessment in the RRA applies and finds low risk, appl. For (d), highly biodiverse grasslands, the SBP-endorsed RRA for private land finds low risk due to the elimination of these ecosystems before the US Civil War in 1861.
Risk Rating	Specified Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.2	Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • Endangered Species Act • State Forestry Laws • FSC US Controlled Wood National Risk Assessment (FSC US CWNRA) • FSC Centralized National Risk Assessments (PSU-PRO-10-002V2-0 EN) • FSC National Risk Assessment Framework Procedure (FSC-PRO-60-002) • Interpretations of the Normative Framework, Controlled Wood (9/09/2024) • FSC Approved Controlled Wood Documents (FSC-PRO-60-002b V2-0 EN) • Worldwide Governance Indicators

	• State Forestry Action Plans • State Wildlife Action Plans
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses are appropriate to apply. The ESA serves as a powerful legal nexus that, as the RRA states, has been highly effective in protections of listed species. There remains, however, a gap in legal protections for G1/G2 species that are not listed under ESA, as well as HCVs not associated with ESA listed species and identified by the FSC NRA. Drax has developed, maintains and rigorously implements policies and programs to identify and protect G1/G2 species and HCVs identified by the FSC US NRA. Under Drax's programming, there is a high degree of assurance that known occurrences of these biodiversity values are protected in its direct and indirect sourcing. BMPs are a key management practice that are widely incorporated by the forestry community, resulting in protection of the disproportionally high concentrations of these species in aquatic ecosystems. However, given the lack of legal protections, non-negligible risk is concluded for the noted ToF sources.
Risk Rating	Specified Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.3	Soil quality in the Supply Base shall be maintained or enhanced
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures

	• Supplier contracts • State laws and BMPs • Clean Water Act
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. These RRAs and their analyses were determined to be appropriate to apply to these ToF sources. Laws and BMPs are widely implemented and they are not limited in their application to the noted landscape sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
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.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • State laws and BMPs • Clean Water Act
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields

	or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were determined appropriate to apply to the ToF sources. As noted in the private lands RRA, stump harvesting is not economically viable and would introduce dirt that interferes with pellet production. Thus, it is a non-issue. Considering BMP compliance coupled with a strong network of federal laws and regulations, residue removal is likewise characterized as low risk. In summary, there is low risk the removal of harvest residues and stumps from ToF sources shall lead to irreversible negative impacts to the ecosystem.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.5	Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • State laws and BMPs • Clean Water Act
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses.

	The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs was determined to apply to the ToF sources without exception. Further, Drax has developed, maintains and rigorously implements policies and programs to promote, implement and monitor performance of BMPs to support protection of water quality and quantity. Given the conclusions of the endorsed RRAs and Drax's robust system for widespread use and performance of BMPs, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.6	Air emissions shall comply with national legislation or in the absence of national legislation with industry best practice.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • State laws and BMPs • Clean Air Act • EPA website
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses.

	The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were deemed appropriate to apply to the ToF sources. EPA and its partners in state, local, and Tribal air quality programs design and implement ambient air monitoring networks to meet multiple objectives that include providing publicly available air pollution data, supporting compliance with the National Ambient Air Quality Standards (NAAQS) and emissions strategy development, and supporting air pollution research studies (EPA, 2024). All of these are required elements of the US Clean Air Act, a comprehensive Federal law that regulates emissions. The EPA is the Federal agency responsible for ambient air monitoring, which includes the collection and measurement of samples of ambient air pollutants to evaluate the status of the atmosphere as compared to clean air standards and historical information. The monitoring procedures, functions, and resulting data can be found on the EPA's website. Given the conclusions of the endorsed RRAs and Drax's robust system for compliance with law, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.7	Pesticides shall only be used as part of an Integrated Pest Management (IPM) plan in compliance with national legislation, chemical safety data sheets and industry best practice. Banned pesticides shall not be used.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.8	Waste shall be disposed of in an environmentally appropriate manner.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures

	• Supplier contracts • State laws and BMPs
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA apply to the ToF sources. Proper disposal of waste is a key component of forestry Best Management Practices (BMPs) as the standard practices require the removal of garbage and other wastes. BMP manuals are widely available on-line for each State and are governed by municipalities for ToF sources originating in cities, which may have greater emphasis on aesthetic values. Given the conclusions of the endorsed RRAs, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.9	Harvesting levels shall be justified as to how they can be sustained with reference to inventory and growth data for the Supply Base.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States	Indicator
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AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	
2.2.10	Harvested areas shall be regenerated
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax Policies and procedures • Supplier contracts • State laws and BMPs
Risk Rating justification	This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. The application of this indicator to landscape ToF sources is awkward and generally should not apply given that these end-of-life trees are often sourced from trees that are generally not in forested areas, such as in hedgerows or in removing encroachment and, thus, regeneration may not make sense. These areas are not well suited to forest production generally but may require maintenance that involves biomass removal. In any event, risk analyses in the RRAs for this indicator as well as those undertaken for indicator 3.2.2 are salient and find low risk. Given the conclusions of the endorsed RRAs and Drax's robust programming to support regeneration and use of BMPs, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.11	The impacts of natural processes such as fires, pests and diseases shall be managed.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.

Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
2.2.12	Genetically modified trees shall not be used.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
3.1.1	LULUCF emissions shall be accounted for through one of the following routes: Route A Feedstock may be sourced from a country of origin which is party to the Paris Agreement, and which has submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions, or Route B Feedstock may be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national laws in place (developed in accordance with Article 5 of the Paris Agreement and applicable in the area of harvest), to conserve and enhance carbon stocks and sinks, and provided there is evidence that reported LULUCF-sector emissions do not exceed removals, or Route C Feedstock may be sourced from a Supply Base where an assessment demonstrates that both the carbon stock is stable, and the forests' capacity to act as a carbon sink is stable or increasing over the long term.
Supply Base Verifiers	• SBP Endorsed RRA for US Private Lands v1.1 • SBP Endorsed RRA for National Forests v1.1 • SBP endorsed REDIII Level A Risk Assessment for US National Forests • SBP endorsed REDIII Level A Risk Assessment for Private Forest • Drax's LULUCF Level B Analysis
Risk Rating justification	With the exit of the US from the Paris Agreement, Drax undertook a Level B risk assessment of the likelihood of depleting regional carbon stocks within it's supply basin. Drax sources harvest and mill residue from a twelve-state area including Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. The analysis responds directly to the need for a Level B analysis, as required by the Regional Risk Assessments for National Forests and US Private Forest under indicator 3.1.1 and the Renewable Energy Directive III (REDIII) under articles 29(7).

	To develop this estimate, annualized state-level carbon stock inventories from the US RED III Level B LULUCF workbook were used and a modified workflow to scale these to a multi-state region aligning with the Drax fiber supply basin, inclusive of residuals and primary sourcing was developed. Results of this analysis indicate that forest carbon stocks are stable or increasing within Drax's supply basin, relative to a reference period of 2010-2013. Recent inventory data, future projections, and the consistent nature of forest management practices in the southeastern US suggest that this trend will remain through the future long-term period of 2022-2053. This analysis acknowledged that some feedstock may be generated from lands that are not defined as forest by the US Forest Service Forest Inventory and Analysis (FIA) program, the dataset from which the stock estimates used in this analysis were derived. This may include trees outside of forests (TOF) characterized by SBP as urban, domestic or infrastructure wood, as well as landscape sources. These feedstocks are sourced from environments in an existing, stable non-forest land use with trees present but at a density that that falls below FIA's threshold forest definition of at least 10% canopy cover. These include end of life trees sourced from urban yards and landscaping, clearing encroachment at edges of rights of way and municipal airfields and similar applications, as well as hedgerows, shelterbelts and windbreaks in areas of primarily agricultural use. To date, Drax has not yet received such ToF materials. However, New March and Drax worked together to assess the contribution of such feedstocks to the company's fiber supply. Results of this analysis indicate that across the fully supply basin, TOF biomass is likely to account for well below 1% of its total furnish under a range of scenarios. This contribution is considered de minimis and thus of no detectable impact on the overall carbon and emissions accounting associated with the company's sourcing. These analyses indicate that forest carbon stocks are stable or increasing within Drax's supply basin, including for ToF sources, and thus a low risk rating is applied.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
3.2.1	All feedstock sourcing shall be consistent with either of these two options: Option A. Feedstock may be sourced from Supply Bases where an assessment of the Supply Base shows that the forest carbon stocks are stable or increasing, or Option B. Feedstock may be sourced, if the assessment shows that the forest carbon stocks are declining in the Supply Base, provided that the decline is due to natural processes (fire, pests etc.), and sourcing of feedstock has the aim to recover feedstock that would otherwise be lost or to assist regeneration.

Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
3.2.2	Primary feedstock shall not be sourced from forest areas where site productivity is low and, according to local definitions or norms, the areas are classified as low-productive or difficult to regenerate.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
3.2.3	feedstock shall not be sourced from forest areas in the Supply Base which, according to local definitions or norms, are classified as having combined attributes of high carbon stocks and high conservation value (HCV).
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
3.3.1	Feedstock sourcing shall be in compliance with the principles of cascading use, high quality stem wood shall not be used as feedstock if it is in substantial demand for long-lived products in the Supply Base.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.1	Freedom of association and the right to collective bargaining shall be respected in the workplace.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - State Environmental Agencies Documentation - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA were deemed to apply to the ToF sources. National Labor Relations Act (NLRA) of 1935, which provides legal protections of workers' rights to associate and engage in collective bargaining in the forestry sector. The NLRA prohibits employers from interfering with worker participation in labor organizations or their efforts to improve employment terms and conditions. The majority of the states in this geography are referred to as 'right to work' states. "Right to Work" laws allow employees to work without being required to join a union or pay union dues as a condition of employment. While the NLRA is important to this legal framework to protect worker's rights,

	there are more than 80 US laws associated with “freedom of association, collective bargaining, and industrial relations. Given well-established laws pertaining to workers rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.2	Forced or compulsory labour shall not be used.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA were deemed to apply to the ToF sources. The US has comprehensive Federal and state laws prohibiting child labor and forced labor. Employment of minors under age 18 is restricted under specific conditions, while forced labor is banned entirely. Federal legislation, like the

	US Trafficking Victims Protection Act (TVPA) (2000) and the US Abolish Human Trafficking Act (AHTA) (2017), are specifically designed to prevent human trafficking and forced labor. The US Fair Labor Standards Act of 1938 establishes protection for minors, ensuring their health, safety, and education are not compromised by their workplace. The US Department of Labor's Wage and Hour Division has administrative oversight over the US Fair Labor Standards Act (FLSA). The FLSA sets standards for minimum age of employment, maximum hours, and types of work permissible for minors. The US legal framework creates multiple layers of protection against exploitative labor practices involving children or forced workers. Both Federal and State authorities play important roles in enforcing these laws. The combined efforts of Federal and State agencies, strict enforcement of labor laws such as the FLSA, and oversight by organizations like the DOJ, DOL, and Department of Homeland Security, along with compliance measures implemented by biomass producers, result in a robust framework. This framework ensures that forced or compulsory labor is not used when sourcing feedstock from private and public lands. Given well-established laws pertaining to workers rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.3	Child labour shall not be used.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - State Environmental Agencies Documentation - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These

	feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were deemed to appropriately apply to the ToF sources. The US has comprehensive Federal and state laws prohibiting child labor and forced labor. Employment of minors under age 18 is restricted under specific conditions, while forced labor is banned entirely. Federal legislation, like the US Trafficking Victims Protection Act (TVPA) (2000) and the US Abolish Human Trafficking Act (AHTA) (2017), are specifically designed to prevent human trafficking and forced labor. The US Fair Labor Standards Act of 1938 establishes protection for minors, ensuring their health, safety, and education are not compromised by their workplace. The US Department of Labor's Wage and Hour Division has administrative oversight over the US Fair Labor Standards Act (FLSA). The FLSA sets standards for minimum age of employment, maximum hours, and types of work permissible for minors. The US legal framework creates multiple layers of protection against exploitative labor practices involving children or forced workers. Both Federal and State authorities play important roles in enforcing these laws. The combined efforts of Federal and State agencies, strict enforcement of labor laws such as the FLSA, and oversight by organizations like the DOJ, DOL, and Department of Homeland Security, along with compliance measures implemented by biomass producers, result in a robust framework. This framework ensures that forced or compulsory labor is not used when sourcing feedstock from private and public lands. Given well-established laws pertaining to workers rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.4	Workers shall not be discriminated in hiring, remuneration, access to training, promotion, termination or retirement.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1

	- SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - Court records of civil and criminal cases related to forestry violations - US Environmental Protection Agency records - US Fish and Wildlife Service records - State Environmental Agencies Documentation - US Department of Labor enforcement records - OSHA Compliance Records - Forest Stewardship Council US National Risk Assessment - Forest Stewardship Council Standards and Auditing processes - Sustainable Forestry Initiative Certification Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. Federal laws addressing workplace discrimination include several pieces of legislation: the US Equal Pay Act of 1963, US Civil Rights Act of 1964, US Age Discrimination in Employment Act of 1967, US Rehabilitation Act of 1973, US Civil Service Reform Act of 1978, US Pregnancy Discrimination Act of 1978, US Americans with Disabilities Act of 1990, and US Pregnant Workers Fairness Act of 2022. These laws prohibit discrimination in various forms, whether in hiring, earnings, training opportunities, promotions, or the terms of termination and retirements. Harassment is also treated as a form of discrimination under Title VII of the US Civil Rights Act (CRA) of 1964, making it unlawful in the workplace. There are additional State laws that protect against workplace discrimination thus further strengthening the Federal mandates. Given well-established laws pertaining to workers rights, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.

Risk Rating	Low Risk
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United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.5	Wages paid to workers shall meet or exceed the legal minimum wage or where there is no statutory minimum wage industry norms shall be met or exceeded
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were deemed appropriate to apply to the noted ToF sources. The US has a comprehensive legal framework to ensure wages paid to workers meet or exceed the legal minimum wage. The US Equal Pay Act requires that men and women in the same workplace be given equivalent compensation for work that is comparable. The main law of this framework is the US Fair Labor Standards Act (FLSA). The FLSA establishes a Federal minimum wage. The FLSA also sets requirements for minimum wage and overtime pay for employees in the private sector as well as Federal, State, and local governments

	Given well-established labor laws, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.6	Working hours shall comply with legal requirements.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - Court records of civil and criminal cases related to forestry violations - US Environmental Protection Agency records - US Fish and Wildlife Service records - State Environmental Agencies Documentation - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were determined to apply to the ToF sources. The US standard of an eight-hour workday, five days a week is the result of a

	mix of labor action, advocacy, economic competition, and pioneering employers. The US Fair Labor Standards Act (FLSA) sets standards for minimum wage, overtime pay, recordkeeping, and youth employment in the private sector. Under the FLSA, non-exempt employees are entitled to overtime pay at a rate of one and a half times their regular rate of pay for any hours worked over 40 in a workweek. This law applies to most workers in this sector. Given well-established labor laws, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.7	Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking - US Department of Labor enforcement records - OSHA Compliance Records
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF

	feedstocks. Risk analyses and conclusions of the endorsed RRAs were determined to apply to the ToF sources. In the US, worker access to health care, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation is governed by Federal laws and State laws. The US Affordable Care Act (ACA) and US Family and Medical Leave Act (FMLA) are Federal laws that constitute the legal framework to protect workers benefits. These laws are enforced. Given well-established laws, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
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.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Drax training records - Drax procedures
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were

	determined to apply to the ToF sources. Moreover, Drax polices undergird performance on this indicator. In the US, worker training is essential piece to ensure compliance with industry standards and sustainable management practices in this sector. The US Occupational Safety and Health Administration (OSHA) mandates employers to train their workers on workplace safety practices, including the use of personal protective equipment (PPE) and handling hazardous equipment. This compliance is mandated by several forest certification programs, industry organizations, and through Federal guidelines. Drax maintains an array of CoC and Fiber Sourcing certifications, which require employees and, for SFI Fiber Sourcing, contractors to be trained to meet sustainability standards relevant to their job responsibilities. It is mandatory for workers involved in forestry operations, including loggers, to undergo formal training, which include safety protocols and business management for SFI certification. Drax has a robust, documented training program that is embodies written procedures. These procedures include employee training protocols, safety management systems, health and safety performance reports, and process risk and safety. Given well-established laws pertaining to land use and resource rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, as well as Drax's own policies and programs, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.1.9	Mechanisms shall be in place for resolving grievances and disputes in the workplace.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Drax procedures
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use.

	- Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were identified to apply to the ToF sources. Moreover, Drax polices undergird performance on this indicator. The US has labor laws at the Federal- and State-level that provide a legal framework for resolving grievances and disputes in the workplace. These mechanisms ensure workers have the ability to raise concerns regarding working conditions, pay, harassment, and other issues, and creates opportunities for employers to address these issues fairly. Although grievance policies are not required by law, most employers have a policy to: (1) mitigate legal risks by avoiding disputes escalating to the Equal Employment Opportunity Commission (EEOC), (2) comply with anti-discrimination laws, and (3) promote employee satisfaction. Drax integrates grievance mechanisms in their internal policies, which are further audited via their third-party certifications for CoC. Given well-established labor laws, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, along with Drax's own policies, ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
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.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - US Department of Labor enforcement records - OSHA Compliance Records

	- Drax procedures
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were deemed to apply to the ToF sources, which finds low risk on the basis of standard practices. Furthermore, Drax has developed, maintains and rigorously implements policies and programs to protect the health and safety of workers. In the US, safeguarding the health and safety of workers is a top priority and can be seen in the policies and procedures in place. The US Department of Labor's Occupational Safety and Health Administration (OSHA) has national responsibility for enforcing the Occupational Safety and Health (OSH) Act of 1970. OSHA is primarily responsible for regulating workplace safety. It sets mandatory standards and requires employers to develop and communicate policies aimed at preventing workplaces injuries, illnesses, and fatalities. OSHA has established, and enforces, health and safety standards for general industry and for some specific industries. OSHA standards for logging operations require that employees provide a comprehensive set of personal protective equipment (PPE) to workers (at no cost) that is maintained in serviceable condition. Drax's own policies include safety training, use of PPE and other critical measures that are assiduously implemented, monitored and evaluated. Given well-established labor laws, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, and Drax's own policies and programs ToF sources are found to be of low risk.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX		Indicator
4.2.1		Negative social and community impacts shall be identified and avoided.
Supply Base Verifiers		- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Drax policies and programs
Risk Rating justification		Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRA apply to the ToF sources. These conclusions regarding the enforcement of an array of laws that apply to the impacts on communities and people. Additionally, Drax has a focus on community and people within its broader Sustainability Framework and has a targeted team that focuses specifically on community engagement. Given well-established laws, a strong track record of enforcement and the conclusions of SBP-endorsed RRAs, as well as Drax's programs related to community and social wellbeing, ToF sources are found to be of low risk.
Risk Rating		Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX		Indicator
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4.2.2	Feedstock sourcing shall positively contribute to the local economy, including employment.
Supply Base Verifiers	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification	This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX		Indicator
4.2.3		Food, water supply or high conservation values (HCV) that are essential for the fulfilment of basic needs of communities shall be maintained or enhanced
Supply Base Verifiers		This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating justification		This indicator is NA for Landscape and Urban, Domestic and Infrastructure ToF Sources.
Risk Rating		Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX		Indicator
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.
Supply Base Verifiers		- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking
Risk Rating justification		This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses.

	The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Endorsed RRA risk analyses and conclusions were deemed to be appropriate to apply to the ToF sources. As per indicator 1.1.2, use rights including those of Indigenous Peoples and local communities are protected under law. Additionally, treaties specific to these communities are also legally binding. Given the conclusions of the endorsed RRAs, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
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.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Worldwide Governance Indicators/Kaufmann-Kray model rankings - Transparency International's Corruption Perceptions Index ranking
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs were found

	to apply to the ToF sources. As noted in above indicators Drax has a range of audited grievance mechanisms Given well-established laws pertaining to land use and resource rights, a strong track record of enforcement, the conclusions of SBP-endorsed RRAs, as well as Drax's own policies and programs, ToF sources are found to be of low risk
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX		Indicator
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.
Supply Base Verifiers		- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - Federal laws - DOI records
Risk Rating justification		This indicator is not applicable to Urban, Domestic and Infrastructure ToF Sources. Risks were analyzed for feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs appropriately apply to the ToF sources without exception. In the US, Indigenous Peoples' land and resource rights are legally protected through treaties, the US Constitution, and Federal laws. Land tenure and use rights have been acknowledged through more than 650 treaties signed between the Federal government and Tribes. The US government has a trust responsibility to protect Indigenous lands, resources, and rights. These treaties are enforced.

	Given the conclusions of the endorsed RRAs, low risk is concluded for the noted ToF sources.
Risk Rating	Low Risk

United States AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX	Indicator
4.2.7	Designated cultural heritage sites shall be preserved.
Supply Base Verifiers	- SBP Endorsed RRA for US Private Lands v1.1 - SBP Endorsed RRA for National Forests v1.1 - SBP endorsed REDIII Level A Risk Assessment for US National Forests - SBP endorsed REDIII Level A Risk Assessment for Private Forest - US National Historic Preservation Act
Risk Rating justification	Risks were analyzed for feedstock derived from trees outside of forests (TOF) sourced in two settings: - Feedstock originating from cuttings landscape maintenance projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are generally characterized as low value trees within shelterbelts or windbreaks at the edges of agricultural fields or are encroaching into those fields, where agriculture is the land use. - Feedstock originating cuttings in urban, domestic and infrastructure projects within Drax's sourcing geography contained in the Southeast US. These feedstock sources are characterized as low value and end of life trees woody waste from existing gardens or parks or along existing infrastructure such as streets, roads, railways, power lines or airfields. These feedstocks primarily originate on private lands but may also be sourced from local governments (including cities and counties), state and federal ownerships, as well as National Forests, which were also considered in these analyses. The SBP-endorsed RRAs served as the primary sources for evaluating risks and were assessed for the appropriate application to the noted ToF feedstocks. Risk analyses and conclusions of the endorsed RRAs are deemed applicable to the ToF sources without exception. The protection of cultural heritage sites is guided by Federal and State laws. The US National Historic Preservation Act (NHPA) of 1966 and the creation of the National Register of Historic Places established a legal framework for identifying and protecting historic and cultural sites. The enforcement of cultural heritage preservation laws falls under the jurisdiction of Federal, State, and local agencies. The NHPA is enforced by the US Advisory Council on Historic Preservation (ACHP). The conclusions of SBP-endorsed RRAs apply and ToF sources are found to be of low risk.

Risk Rating	Low Risk
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Annex 2: EU RED Supply Base Evaluation

Countries where EU RED Supply Base Evaluation is used	
Country	United States
Area	AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX
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	SBP-RED-US-PF-FOR_v1.1 REDIII Level A for US Private FOR
Level B management system at the level of the forest sourcing area	N/A
(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-US-PF-FOR_v1.1 REDIII Level A for US Private 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-US-PF-FOR_v1.1 REDIII Level A for US Private 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 area	Drax has developed a system that leverages industry standards, including specifically the SFI FM standard, referencing 250 acres as a average max size. Harvest tracts for all in wood materials are screened for harvest area and point data is collected, along with maps. The tracts are reviewed for a range of sustainability risks, including harvest size. Rapid risk assessments are reviewed and approved, if appropriate. the implementation of this measure is stidently evaluated. Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership. Assessment by our external consulting auditor finds procedures and contracts, along with interviews verify both rarity of this issue (large clearcuts), as well as the effective handling to address adverse impacts, in cases where it arises. All interviews corroborate procedures and evidence suggests these measures are effective.
(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-US-PF-FOR_v1.1 REDIII Level A for US Private 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. <i>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:</i> <i>(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.</i>	
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	**The RED III Level A Risk Assessment for US Private Forests finds that:** - vi¹ primary or old growth forests are essentially not present in a geography overlapping with Drax's sourcing region. - vi³ highly biodiverse grasslands are essentially not present in geography overlapping with Drax's sourcing region. - vi⁴ heathlands are not present in a geography overlapping with Drax's sourcing region. - vi⁵ wetlands generally occurred before 2008 and are generally protected by the Clean Water Act (CWA) and related regulatory and voluntary mechanisms, including the use of forestry Best Management Practices (BMPs) which Drax requires of all suppliers. - vi⁶ peatlands, as a subset of wetlands, are generally protected by the Clean Water Act (CWA) and related regulatory and voluntary mechanisms, including the use of forestry Best Management Practices (BMPs) which Drax requires of all suppliers. *For, vi², highly biodiverse forests, Drax implements the following mitigation measures, per the RED III Level A Risk Assessment for US Private Forests: * 1. *Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks.* - *Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.* - *Results of the G1/G2 summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.* - *Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species.* * 1. *Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks.* - *Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin.* - *Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.* - *Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers. Mitigation Measures of note within Drax's process and procedures include:* * Maintaining SFI Chain of Custody and Fiber Sourcing Certifications as well as PEFC and FSC Chain of Custody and controlled wood. · Supplier Screening, known as the Know Your Vendor Process which

includes a geographical check of where fiber is coming from.

- A Contractual agreement with Supplier and Drax that requires them to follow all Sustainability requirements, laws, and regulations. This agreement also includes the right to audit.
- Annual supplier risk assessment and audit program.*
- *Collection of Latitudes and Longitudes and maps for every primary feedstock harvest unit.
- Collection of counties* Sawmill and wood industry residue *feedstock is sourced from.
- Internal Sensitive Species and Ecosystems screening*
- * Monthly field inspections of primary feedstock harvest units.
- Requirement that primary feedstock suppliers used trained logging professionals.
- Annual comprehensive Internal Audit Program.*

Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership.

Assessment by our external consulting auditor finds that Drax has implemented a robust set of mutually supportive measures that, working together, reduce risk to low. All interviews and the evidence presented a comprehensive and technologically advanced program. All members of Drax team show high degree of awareness of process and details about how to get more info around the large number of species and importantly the forest types associated with species. The program leverages technologies, loyally maintained processes (BMP implementation, logger training, inspections, preharvest screenings, etc.) professional judgement, soft skills, relationships amongst the Drax team and suppliers, and integrates them to target changes, in approach, if needed to avoid impacts. What further sets this program apart is the supplier specific mapping and engagement around this issue of biodiversity values and protective measures.

This program will continue to be adaptively managed and rigorously evaluated. *

* **REDIII Level A Risk Assessment for US National Forest finds low risk for the following items:**

- vi²^, highly biodiverse forests, which have a robust framework of protection on National Forest Service lands
- vi³^ highly biodiverse grasslands are designated separately on National Forest Service lands as National Grassland and are not in scope of the interim US National Forest SBP RRA. These lands do not have trees and are, thus, are low risk.
- vi⁴^ The USFS is legally obligated by numerous federal laws that prohibit degradation of heathlands and other rare native ecosystems.
- vi⁵ ^wetlands generally occurred before 2008 and are generally protected by the Clean Water Act (CWA) and related regulatory and voluntary mechanisms, including the use of forestry Best Management Practices (BMPs) which Drax requires of all suppliers.

	vi⁶ peatlands, as a subset of wetlands, are generally protected by the Clean Water Act (CWA) and related regulatory and voluntary mechanisms, including the use of forestry Best Management Practices (BMPs) which Drax requires of all suppliers. *For ,vi¹, RED III Level A Risk Assessment for US Private Forests finds that primary or old growth forests are essentially not present in Drax's sourcing region. These conclusions apply to all forest ownerships, as the resources used to support these conclusions are general. Furthermore, Drax commits in its Biomass Sourcing Policy to Sourcing biomass which avoids direct sourcing from designated areas of old growth (and primary forest) as defined by the relevant competent authority.*
(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. <i>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:</i> <i>(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.</i>	
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	*For, vi², highly biodiverse forests, Drax implements the following mitigation measures, per the RED III Level A Risk Assessment for US Private Forests.* * * *Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks.* - *Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.* - *Results of the G1/G2 summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.* - *Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species.* * * *Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks.* - *Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement

	of HCVs associated with forest types within the supply basin.* - *Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.* *Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers. Mitigation Measures of note within Drax's process and procedures include:* *· Maintaining SFI Chain of Custody and Fiber Sourcing Certifications as well as PEFC and FSC Chain of Custody and controlled wood.· Supplier Screening, known as the Know Your Vendor Process which includes a geographical check of where fiber is coming from.· A Contractual agreement with Supplier and Drax that requires them to follow all Sustainability requirements, laws, and regulations. This agreement also includes the right to audit.· Annual supplier risk assessment and audit program.* *Collection of Latitudes and Longitudes and maps for every primary feedstock harvest unit.· Collection of counties Sawmill and wood industry residue feedstock is sourced from.· Internal Sensitive Species and Ecosystems screening* *· Monthly field inspections of primary feedstock harvest units.· Requirement that primary feedstock suppliers used trained logging professionals.· Annual comprehensive Internal Audit Program.* Monitoring of mitigation measures and their effectiveness is comprehensive and includes multi-level analyses. This involves our supplier audit program, where mitigation measures are reviewed for implementation and effectiveness, as well as our internal audit program, where the system is reviewed comprehensively, as well as our management review process for visibility and oversight by our leadership. Assessment by our external consulting auditor finds that Drax has implemented a robust set of mutually supportive measures that, working together, reduce risk to low. All interviews and the evidence presented a comprehensive and technologically advanced program. All members of Drax team show high degree of awareness of process and details about how to get more info around the large number of species and importantly the forest types associated with species. The program leverages technologies, loyally maintained processes (BMP implementation, logger training, inspections, preharvest screenings, etc.) professional judgement, soft skills, relationships amongst the Drax team and suppliers, and integrates them to target changes, in approach, if needed to avoid impacts. What further sets this program apart is the supplier specific mapping and engagement around this issue of biodiversity values and protective measures. This program will continue to be adaptively managed and rigorously evaluated.
(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-US-PF-FOR_v1.1 REDIII Level A for US Private 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-US-PF-FOR_v1.1 REDIII Level A for US Private 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-US-PF-FOR_v1.1 REDIII Level A for US Private 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. <i>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.</i>	
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-US-PF-FOR_v1.1 REDIII Level A for US Private FOR
Level B management system at the level of the forest sourcing area	N/A
(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	<i>Not applicable, requirement only applies to Level A</i>

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	N/A
Level B management system at the level of the forest sourcing area	A customized report contains a Level B risk assessment of the likelihood of depleting regional carbon stocks within Drax's supply basin. Drax sources harvest and mill residue from a twelve-state area including Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. This report responds directly to the need for a Level B analysis, as required by the Regional Risk Assessments for National Forests and US Private Forest under indicator 3.1.1 and the Renewable Energy Directive III (REDIII) under articles 29(7). To develop this estimate, we used annualized state-level carbon stock inventories from the US RED III Level B LULUCF workbook and

developed a modified workflow to scale these to a multi-state region aligning with the Drax fiber supply basin, inclusive of residuals and primary sourcing. Details of how this analysis was conducted can be found in the following sections.

Results of this analysis indicate that forest carbon stocks are stable or increasing within Drax's supply basin, relative to a reference period of 2010-2013, as discussed below. Recent inventory data, future projections, and the consistent nature of forest management practices in the southeastern US suggest that this trend will remain through the future long-term period of 2022-2053.

This report was prepared by New March by a qualified team with extensive knowledge of biomass feedstock sourcing, land use change, forests and forest carbon dynamics. The team included Sarah Crow, CEO of New March, a leading professional in the forest certification and sustainability space, Dr. Brian Clough, a data scientist and biometrician specializing in forest carbon, and Eric Werner, Forest Certification Specialist at New March, who brings operational knowledge of biomass material flows and certification programs. Dr. Clough is an expert in analyzing US Forest Service Forest Inventory and Analysis (FIA). The assessment was developed with high fidelity to the SBP Guidance for US REDIII Level B LULUCF v1.0.

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

Suppliers of Sawmill and wood industry residue feedstocks have contractual requirements to confirm that their feedstock originates within Drax's defined catchment. This is checked through internal procedures at Drax, including collection of county of origin, regular communication with secondary and tertiary suppliers, and internal audit.

Suppliers of Sawmill and wood industry residues are contacted annually and their processes, fiber supply, sourcing area, and changes in their systems are reviewed and discussed.

Drax chooses a sample of their Sawmill and wood industry residue suppliers for Internal Audit based on their risk ranking. Drax then conducts onsite visits to review all sustainability aspects of the suppliers.

Feedstock inspection and classification upon receipt

Drax fiber procurement personnel inspects samples of material prior to receiving s Sawmill and wood industry residue material from new suppliers. Each delivery is required to have a pre-printed delivery ticket that specifies contract information including type of material that connects to a robust transaction accounting system that captures sustainability characteristics about the source upon establishment and assigns relational information to each load registered upon delivery.

- Transaction accounting system captures location, type of material, certification status and species groups and as well as other information.
- Control points are established, and training is completed to ensure only sources of known origin enter mill sites.
- Monitoring by procurement and sustainability staff verify accuracy of records

Supplier audit for processing residues and post-consumer feedstock

Drax implements a Failure Mode and Effects Analysis annually to develop a risk rating for each Sawmill and wood industry residue supplier that delivers to Drax. The risk rating is then used to determine which suppliers will have an onsite audit. The audit includes:

- Visual inspection of operation.
- Review of Residual Supplier Questionnaire with Drax personnel (Sustainability and Fiber Procurement)
- Signature of self declaration

All Sawmill and wood industry residue suppliers are required to review, and sign a Residual Supplier Questionnaire annually.

Self-declarations by the supplier provide additional verification that the feedstock is eligible for the exemptions per the RED Article 29 (1)

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).

Country: United States - AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX

Not Applicable - only urban and landscape feedstock is used

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).