Supply Base Report:

Hue Bioenergy Joint Stock Company
Second 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:	Hue Bioenergy Joint Stock Company
Producer address:	Phu Bai Industrial Zone, Phu Bai Ward, 530000 Hue City, Viet Nam
SBP Certificate Code:	SBP-10-88
Geographic position:	16.389420, 107.691800
Primary contact:	Nam Nguyen Phuc, +84 858 896 552, huebioenergy@gmail.com
Company website:	
Date report finalised:	30 Jun 2026
SBR reporting period from:	01 Mar 2026
SBR reporting period to:	28 Feb 2026
Name of the Certification Body:	Preferred by Nature OÜ
Certification Body Approval date:	09 Nov 2026
SBP Standard(s) used:	SBP Standard 2: Feedstock Verification v2.0, SBP Standard 4: Chain of Custody v2.0, SBP Standard 5: Collection and Communication of Data v2.0, Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1, Instruction Document Japan: Bridging Requirements for meeting Japanese sustainability, legality and GHG saving requirements v1.1 -, Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Feedstock origin (countries)	Viet Nam (Quang Tri and Hue)
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

- Hue Bioenergy Joint Stock Company operates in wood pellet manufacturing and trading. The factory is located at Phu Bai Industrial Zone, Phu Bai ward, Hue City. It has been running since 2021.
- Pellets are manufactured at the facility, chipped inside the pellet plant and transported to storage where they are loaded directly onto the vessel and exported worldwide under FOB.
- The company has been certified FSC-COC-059371
- Under SBP scope, the company implements mass balance system.
- All raw material used are acacia and eucalyptus roundwood (primary feedstock) from plantation in Viet Nam.
- Feedstock types: FSC 100%, FSC CW or controlled material evaluated through the Organization's FSC DDS certified feedstock.
- The feedstock is registered as SBP controlled if no mitigation measures implemented.
- All feedstock is EU RED compliant

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

Number of employees: *110*

Annual maximum production capacity (metric tonnes): *180000*

Number of direct feedstock suppliers: *323*

Approximate number of feedstock sub-suppliers: *0*

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

The company maintains a transparent upstream supply chain for its wood pellet production.
- Logistics Management: The transportation of feedstock from the forest to the factory is organized and managed entirely by the forest owners. Suppliers may utilize their own transport vehicles or subcontract to thirdparty logistics providers. The company's responsibility begins upon the arrival and delivery of the material at the factory gate.
- Traceability: Every delivery is strictly monitored at the factory gate. Our staff verifies all forestry and certification documents (FSC claims) to ensure that only compliant material enters the production chain, maintaining 100% traceability. The CoC system is activated immediately once the raw material is accepted at the facility. To prevent any risk of mixing, all SBP production is physicaly seragated with non-SBP production if any.
- Finished wood pellets are transported from the factory gate to Chan May Port and Tien Sa port.
- The wood pellets seregatedly stored in a warehouse, often for 1 to 3 months, depending on the export schedule. For export, we utilize the port's shore-crane system to load the pellets from the containers directly onto the vessel.

2.2 Detailed description of the Supply Base

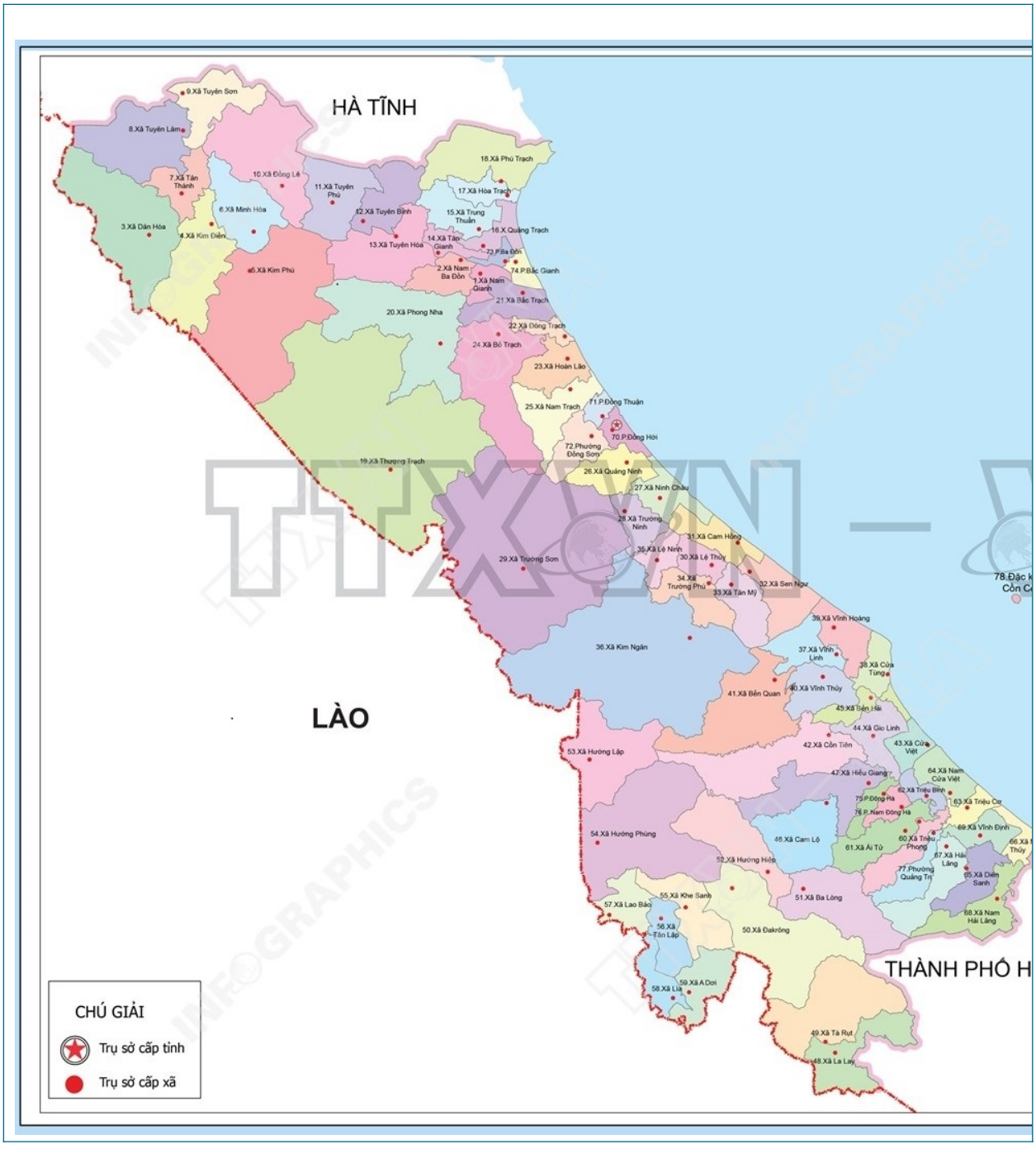
Guidance: Tables below have been generated automatically for each sourcing country based on the selection of 'Feedstock origin (countries)' in section 1 above.

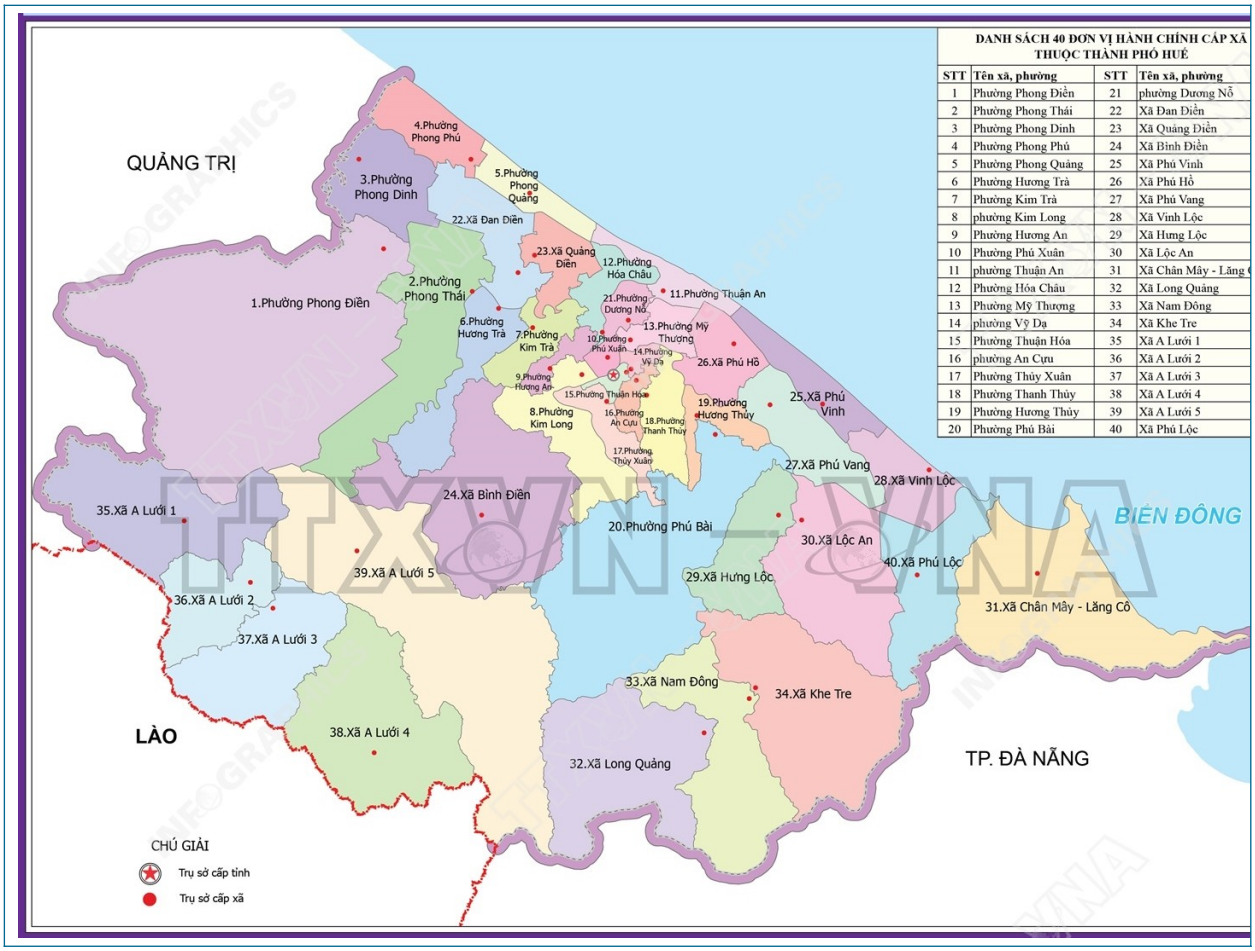
Annex 1 is generated by the system if the SBP SBE is used without Regional Risk Assessment(s) (RRAs). In case RRA(s) is used, further details shall be given only in section 3 below.

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

Country	Viet Nam

Area/Region	Quang Tri and Hue
Exclusions	0
Feedstock types	Primary feedstock
Feedstock Product Groups	Forest feedstock (1A)
Feedstock inputs	SBP Controlled feedstock
Is the forest managed to supply energy and non-energy markets?	Yes - Majority
For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling?	Yes - Majority
Risk assessment(s)	N/A – Primary and/or Processing residues certified to an SBP- recognised controlled scheme
Provide a concise summary of why a SBE was determined to be required or not required here:	
Because the feedstock is primary and certified to an SBP-recognised controlled scheme.	
Feedstock types included in SBE:	N/A
Includes EU RED SBE:	Yes
Includes EU RED II SBE grandfathering	No
Includes EU RED TOF:	No
Includes EU RED II TOF grandfathering	No
Size of Supply Base area (million ha):	0.2500
Map(s) of the Supply Base area:	


HÀ TĨNH
LÀO
THÀNH PHỐ H
9.Xã Tuyên Sơn
8.Xã Tuyên Lâm
7.Xã Tân Thành
10.Xã Đồng Lê
11.Xã Tuyên Phú
12.Xã Tuyên Bình
6.Xã Minh Hóa
3.Xã Dân Hóa
4.Xã Kim Điền
13.Xã Tuyên Hóa
5.Xã Kim Phú
18.Xã Phú Trạch
17.Xã Hòa Trạch
15.Xã Trung Thuần
16.X Quảng Trạch
14.Xã Tân Gianh
73.P.Ba Đồn
2.Xã Nam Ba Đồn
74.P.Bắc Gianh
1.Xã Nam Gianh
21.Xã Bắc Trạch
20.Xã Phong Nha
22.Xã Đông Trạch
24.Xã Bố Trạch
23.Xã Hoàn Lão
71.P.Đồng Thuận
25.Xã Nam Trạch
70.P.Đồng Hới
72.Phường Đồng Sơn
19.Xã Thượng Trạch
26.Xã Quảng Ninh
27.Xã Ninh Châu
28.Xã Trường Ninh
31.Xã Cam Hồng
35.Xã Lê Ninh
30.Xã Lệ Thủy
29.Xã Trường Sơn
34.Xã Trường Phú
32.Xã Sen Ngư
33.Xã Tân Mỹ
39.Xã Vĩnh Hoàng
36.Xã Kim Ngân
37.Xã Vĩnh Linh
38.Xã Cửa Tùng
40.Xã Vĩnh Thủy
41.Xã Bến Quan
45.Xã Bến Hải
44.Xã Gio Linh
42.Xã Cồn Tiên
43.Xã Cửa Việt
53.Xã Hướng Lập
47.Xã Hiếu Giang
64.Xã Nam Cửa Việt
62.Xã Triệu Bình
75.P.Đông Hà
63.Xã Triệu Cơ
76.P.Nam Đông Hà
69.Xã Vĩnh Định
54.Xã Hướng Phùng
46.Xã Cam Lộ
60.Xã Triệu Phong
61.Xã Ái Tử
66.Xã Thủy
52.Xã Hướng Hiệp
67.Xã Hải Lăng
77.Phường Quảng Trị
65.Xã Diên Sanh
55.Xã Khe Sanh
57.Xã Lao Bảo
51.Xã Ba Lòng
68.Xã Nam Hải Lăng
56.Xã Tân Lập
50.Xã Đakrông
59.Xã A Dơi
58.Xã Lìa
49.Xã Tà Rụt
48.Xã La Lay
CHÚ GIẢI
Trụ sở cấp tỉnh
Trụ sở cấp xã



DANH SÁCH 40 ĐƠN VỊ HÀNH CHÍNH CẤP XÃ THUỘC THÀNH PHỐ HUẾ

STT	Tên xã, phường	STT	Tên xã, phường
1	Phường Phong Điền	21	phường Dương Nỗ
2	Phường Phong Thái	22	Xã Đan Điền
3	Phường Phong Dinh	23	Xã Quảng Điền
4	Phường Phong Phú	24	Xã Bình Điền
5	Phường Phong Quảng	25	Xã Phú Vinh
6	Phường Hương Trà	26	Xã Phú Hồ
7	Phường Kim Trà	27	Xã Phú Vang
8	phường Kim Long	28	Xã Vinh Lộc
9	Phường Hương An	29	Xã Hưng Lộc
10	Phường Phú Xuân	30	Xã Lộc An
11	phường Thuận An	31	Xã Chân Mây - Lăng C
12	Phường Hóa Châu	32	Xã Long Quảng
13	Phường Mỹ Thượng	33	Xã Nam Đông
14	phường Vỹ Dạ	34	Xã Khe Tre
15	Phường Thuận Hóa	35	Xã A Lưới 1
16	phường An Cựu	36	Xã A Lưới 2
17	Phường Thủy Xuân	37	Xã A Lưới 3
18	Phường Thanh Thủy	38	Xã A Lưới 4
19	Phường Hương Thủy	39	Xã A Lưới 5
20	Phường Phú Bài	40	Xã Phú Lộc

2.3 Feedstock information

a. **Total volume of Feedstock:** 200,000-400,000 tonnes

b. **Volume of primary feedstock:** 200,000-400,000 tonnes

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

Acacia spp	Acacia spp

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

Explanation: All raw materials are harvesting from production forests

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

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

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

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

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

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

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

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

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

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

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

p. **Estimated amount of EU RED-compliant sustainable feedstock that could be collected annually by the BP:** 40000 tonnes

q. **What is the estimated amount of EU RED-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated):** 41000000.00 tonnes

Explanation:

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

3.2 Conflicts with applicable national and sub-national legislation

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.

4 Stakeholder engagement

4.1 General description

Biomass Producer's stakeholder engagement start date: 16 Apr 2026

Biomass Producer's stakeholder engagement end date: 22 Jun 2026

Total number of stakeholders contacted: 57

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

Type of stakeholders: NGOs (Environmental, social), Universities, Local/regional authorities, individuals. Methods of communication: email and in persion

4.2 Response to stakeholder comments

Stakeholder description: Stakeholders

Stakeholder comment: - All forest planting households comply with current laws and regulations - All forest planting households have red books, land use right certificates, and exploitation applications confirmed by local authorities. There is no encroachment on natural forests or protective forests. There are no disputes between forest planting households - Labor rights are guaranteed, no violation of current Labor Law. There is a labor safety regime for workers exploiting forest plantation households. - The production forest planting area does not have cultural values that need to be preserved, there are no rare animals and plants - The process of planting and exploiting forests does not affect the lives and beliefs of local people and ethnic minorities - The exploitation process does not affect the ecosystem of the area, does not pollute the soil and water environment, does not cause landslides, soil erosion, and ensures forest fire prevention and fighting. Although the burning of vegetation still exists in some forest plantation households, forest owners only carry out local burning in small patches, ensuring that it does not harm the soil and water ecosystems

Response to the stakeholder: The company used the inputs of stakeholders as mitigation measures for specified risk indicators

5 Report updates and approval

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

Summary of changes: N/A

Name	LAM THAO NGAN
Title	Management representative
Date of report approval	30 Jun 2026

Annex 1: Detailed findings for Supply Base Evaluation indicators

Annex 2: EU RED Supply Base Evaluation

Countries where EU RED Supply Base Evaluation is used	
Country	Viet Nam
Area	Quang Tri and Hue
Sustainable harvesting criteria 29(6)	
(i) The legality of harvesting operations	
Type of Risk Assessment used	☐ Level A – proof at national or sub-national level ☒ Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	- The company only purchases acacia wood from households that have planted forests. The acacia trees have been identified as not being on the CITES and EUTR lists. - The company checks the land use rights certificates, logging applications, and timber product lists of the suppliers. All forest-planting households have land use rights certificates or logging applications certified by the local authorities. - Field inspection: Company purchasing staff conducted surprise inspections of several forest plantation households before, during, and after harvesting. - The company did not detect any boundary disputes or illegal harvesting; the forest plantation owners harvested within the scope stipulated in their land use right certificates (including felling, harvesting, and clearing of timber). - Consultation with local authorities and relevant parties: + Vice Chairman of the communes: Ai Tu, Dien Sanh, Hai Lang, Hieu Giang, My Thuy, Nam Cua Viet, Quang Tri, Trieu Co, Trieu Phong, Nam Hai Lang of Quang Tri provine and Phong Dinh, Phong Dien, Phong Thai of Hue city. + Departments under the Quang Tri province and Hue city Provincial Department of Agriculture and Environment: Forestry Sub-department; Land Management Sub-department; Environmental Protection Sub-department. - Local authorities and forest rangers regularly monitor and inspect the planting, harvesting, and transportation of timber at planted forest households. No violations of current laws and regulations have been recorded in the commune/district. The material that comes from the FMUs that are not complying with EU RED will be excluded.
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level

	☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grasslands, heathland and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(iv) that harvesting is carried out considering the maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts as defined in the country where the forest is located, and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats	
Type of Risk Assessment used	☐ Level A – proof at national or sub-national level ☒ Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	- Consultations with stakeholders: No negative feedback was received from stakeholders regarding the negative impact of mineral exploitation activities on soil quality and biodiversity in these raw material areas. - Implement measures to maintain soil quality and biodiversity, in order to minimize negative impacts: + Rational land management: Applying farming techniques such as crop rotation and minimizing plowing helps protect soil structure and prevent erosion. + Using less toxic fertilizers and pesticides: Limiting the use of harmful chemicals, instead using biological and organic methods to protect crops without harming other species in the ecosystem. + Households use phosphorus fertilizer, organic fertilizer, and NPK fertilizer for acacia and eucalyptus trees, and do not use chemicals or pesticides. + Post-harvest soil restoration and protection: After each harvest, apply measures such as organic fertilization, cover cropping, or soil regeneration techniques to protect soil structure, keep the soil healthy

	and nutrient-rich, sustain plant and animal life, and minimize soil erosion. - After harvesting, waste is collected and transported to a waste treatment facility. Organic waste (branches, grass, plants, etc.) is chiping into small pieces and spread evenly on the ground. + Planned and sustainable exploitation: Avoid over-exploitation or exploitation in vulnerable areas. Currently, planted forests are located far from natural and protected forests, in areas without rare flora and fauna or vulnerable habitats. Forests must be at least 5 years old before harvesting, and new seedlings will be planted after harvesting. + Biodiversity management: Ensuring the protection of flora and fauna in the harvesting area. This may include maintaining buffer zones, creating ecological corridors, or restoring affected ecological areas. - A policy of integrated harvesting and environmental protection is implemented by local authorities for forest-planting households. This ensures that the harvesting process does not pollute the soil and water environment and protects the flora and fauna ecosystem in the planted forest area. + Local authorities require forest-planting households to maintain hygiene in the harvesting area, avoiding impact on the ecosystem of animals, plants, and microorganisms, and protecting the soil and water environment. Regularly educate and encourage households to avoid burning the topsoil, which causes landslides, erosion, environmental pollution, and easily leads to forest fires. Local authorities confirm that some households still collect and burn mining waste because the cost of hiring sanitation workers is quite high and time-consuming. However, very few households do this. - On-site inspection: During the inspection of the forests, the assessment team found: + No landslides or soil erosion were detected. + The mining process always ensures environmental hygiene, does not affect the soil environment, and does not pollute water sources. + After mining, workers clean the area and collect waste. Mining waste is collected and transported to a processing site, and any remaining organic matter (leaves, small branches, etc.) is chopped and evenly distributed. + Tree stumps are cut close to the base, leaving the stump intact, avoiding digging/disturbing the roots. The material that comes from the FMUs that are not complying with EU RED will be excluded.
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR

Level B management system at the level of the forest sourcing area	N/A
(vi)[1] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(a) **primary forest** and other wooded land and **old growth forest,** namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed; and old growth forests as defined in the country where the forest is located. If there is no definition of **old growth forest** at the national level, then the following definition shall apply: A forest stand or area consisting of native tree species that have developed, predominantly through natural processes, structures and dynamics normally associated with late-seral developmental phases in primary or undisturbed forests of the same type. Signs of former human activities may be visible, but they are gradually disappearing or too limited to significantly disturb natural processes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[2] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(b) **highly biodiverse forest** and other wooded land which is species-rich and not degraded, and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[3] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(d) **highly biodiverse grassland** spanning more than one hectare that is: (i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or (ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the harvesting of the raw material is necessary to preserve*	

its status as highly biodiverse grassland.	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[4] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(e) **heathland** - Biomass Producer shall use the official definition for Heathland used in the applicable feedstock origin country. In the absence of such a definition, then the following definition shall be applied: Vegetation with low and closed cover, dominated by bushes, shrubs, dwarf shrubs (heather, briars, broom, gorse, laburnum etc.) and herbaceous plants, forming a climax stage of development (Source: EU Copernicus).*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[5] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (4): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with high-carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status:* *(a) **wetlands,** namely land that is covered with or saturated by water permanently or for a significant part of the year (NOTE: Evidence of verification of wetlands should reflect seasonal changes within a year).*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR
Level B management system at the level of the forest sourcing area	N/A
(vi)[6] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (5): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land*	

*that was **peatland** in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil. For a peatland that was partially drained in January 2008, a subsequent deeper drainage, affecting soil that was not fully drained, would constitute a breach of the criterion.*	
Type of Risk Assessment used	☐Level A – proof at national or sub-national level ☒Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Stakeholder Consultation: - For feedstock supplied from Hue City, peatlands are distributed within or in the vicinity of the former Phong Dien and Quang Dien districts, including areas corresponding to Phong Hoa, Phong Hien, Phong Chuong, and Quang Thai communes. - For feedstock supplied from Quang Tri Province, relevant areas include Gio Linh and My Chanh/Hai Lang, as well as other low-lying wetland areas identified as containing peatland. There are no production forest plantations of Acacia established on peatland areas in these provinces for the following reasons: - Small and scattered distribution: Peatland and organic-rich wetland soils in these provinces occur in relatively small and scattered areas, mainly in low-lying plains, downstream river basins, and lagoon areas. These areas have historically been utilized by local communities for other purposes, including wet-rice cultivation and other food crops, aquaculture, and peat extraction for fertilizer production. - Different ecological requirements: Acacia plantations are generally established in upland and mountainous areas, including sloping land and degraded soils such as gray soils or feralitised soils derived from granite, which are typically well-drained. These conditions differ significantly from those of peatland, and Acacia does not generally perform well on waterlogged peat soils. - Strict legal management: Peatland areas in Vietnam are subject to strict management and regulatory controls under relevant legislation, including the Law on Minerals, Law on Environmental Protection, Law on Forestry, and Land Law. Therefore, no cases of establishing Acacia or Eucalyptus production forests on identified peatland areas have been identified. - The Company's supply base is primarily concentrated in highland and mountainous areas. Based on the geographical characteristics and land-use conditions of the supply base, peatland is not present within the Company's identified supply areas. The material that comes from the FMUs that are not complying with EU RED will be excluded.
(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	SBP-RED-AS-VN-FOR_v1.1 REDIII Level A for Vietnam FOR

Level B management system at the level of the forest sourcing area	*Not applicable, requirement only applies to Level A*

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

Annex 2a: EU RED II Supply Base Evaluation

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

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

Verification and monitoring of suppliers

N/A

Feedstock inspection and classification upon receipt

N/A

Supplier audit for processing residues and post-consumer feedstock

N/A

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

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

Not Applicable (RED II TOF not included)

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

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