

Sustainability

Commitment to Sustainable Forestry

Drax Biomass Inc. (DBI) is committed to implementing and achieving the Sustainable Forestry Initiative® (SFI) Standard, Forest Stewardship Council® (FSC) Chain of Custody and Controlled Wood Standards, and Program for the Endorsement of Forest Certification™ (PEFC) Standard as part of its wood procurement program to broaden the practice of sustainable forestry. This commitment is in line with Drax Group Environmental Policy and Sustainability Policy for Biomass which covers all sourcing of biomass within the Group.

DBI's Sustainable Forestry Policy is to promote the Principles of Sustainable Forest Management including: encouraging sustainable forestry, employing responsible practices, regenerating the forest and maintaining productive capacity, protecting and maintaining long-term forest and soil productivity, protecting water resources, protecting special sites and biological diversity, complying with legal requirements, managing visual impacts and providing recreational opportunities for the public, promoting sustainable forestry among landowners, supporting forestry research, training and education, promoting community involvement and transparency, and continually improving forest practices.

DBI is committed to comply with applicable federal, state and local laws and regulations, including social laws such as those covering civil rights, equal employment opportunities, anti-discrimination and anti-harassment measures, workers' compensation, indigenous peoples' rights, workers' and communities' right to know, prevailing wages, workers' right to organize, and occupational health and safety. DBI also promotes forest certification with family forest owners and requires wood producers to participate in appropriate logger training programs.

To implement and achieve the SFI Standard Principles, Objectives, Performance Measures and Indicators, DBI has developed and adopted programs and plans to guide its wood procurement and fiber sourcing activities. These programs and plans are contained in appropriate documents including the SFI Certified Sourcing Requirements document, the Chain of Custody manual and other procedures.

The company is committed to annually review the effectiveness of its sustainable forestry programs, systems, and commitments and to continual improvement in the practice of sustainable forestry, and to monitor, measure and publicly report progress performance in achieving the commitment to sustainable forestry. DBI is committed to implement its best efforts to avoid trading and sourcing wood from the following categories:

- a) Illegally harvested wood;
- b) Wood harvested in violation of traditional and civil rights;
- C) Wood harvested in forests where high conservation values are threatened by management activities;
- d) Wood harvested in forests being converted to plantations or non-forest use;
- e) Wood from forests in which genetically modified trees are planted.

This commitment shall be made available to DBI personnel, suppliers, customers, and other interested parties upon request and will be posted at each participating site and on our website.

Mott White

Senior Vice President, Drax Biomass