



Drax Independent Advisory Board
Friday, November 15th, 2019, Meeting

Invited Attendees

IAB: Sir John Beddington, Lord John Krebs, Professor Sam Fankhauser, Professor Virginia Dale, Elena Schmidt, Robert Matthews

Drax: Matthew Rivers, Laura O'Brien, Ross McKenzie, Rebecca Heaton, Will Gardiner, Selina Williams

Facilitators: Matt Loose (SustainAbility), Rosie Powell-Tuck (SustainAbility), Vicky Copeman (Environmental Resources Management, Observer)

Agenda:

- 1. 09:00 – 09:30: Arrive at Drax's London office**
- 2. 09:30 – 10:00: Introductions**
 - 2.1 Board role and ways of working
 - 2.2 Media launch of the Board
- 3. 10:00 – 10:30: Discuss and accept Terms of Reference (TOR)**
- 4. 10:30 – 12:00: Introduction to Drax's new Responsible Sourcing policy**
 - 4.1 Presentation by Drax
 - 4.2 Group discussion
- 5. 12:00 – 12:30: Lunch**
- 6. 12:30 – 13:15: Forest Research's Carbon Impacts of Biomass Consumed in the EU report: introduction and key concerns**
 - 6.1 Presentation by Robert Matthews
 - 6.2 Group discussion
- 7. 13:15 – 14:15: Evidencing Plans for Drax's new Responsible Sourcing policy**
 - 7.1 Presentation by Drax
 - 7.2 Group discussion
- 8. 14:15 – 14:30: Break**
- 9. 14:30 – 15:30: Future plans and topics for consideration**
 - 9.1 Group discussion
- 10. 15:30 – 16:00: Board shares reflections with Will Gardiner, Drax CEO**
- 11. 16:00: Close**



Drax Independent Advisory Board
Friday, November 15th, 2019, Meeting

Attendees:

IAB: John Beddington (Chair), John Krebs (Deputy Chair), Elena Schmidt, Sam Fankhauser, Virginia Dale, Robert Matthews (Ex-Officio Observer)

Drax: Rebecca Heaton, Matthew Rivers, Laura Craggs, Ross McKenzie, Selina Williams (first agenda item only), Will Gardiner (last agenda item only)

Facilitators: Matt Loose (SustainAbility), Rosie Powell-Tuck (SustainAbility), Vicky Copeman (ERM, Observer)

Introductions, the Board's role, and public launch

1. The Board agreed to supplement twice yearly face to face meetings with two interim phone conversations
2. The Board agreed it will publish its advice, with the understanding that Drax may remove commercially sensitive elements.

Discussion of the Board's Terms of Reference (TOR)

3. The Board accepted the TOR

Introduction to Drax's new Responsible Sourcing policy

4. The Board explored, discussed and questioned Drax's new policy commitments
5. The Board agreed scrutinizing evidence relating to the impacts of forest thinnings on carbon, pest control and fire risks would be helpful
6. The Board sought to understand investor interest in Drax's sustainability policy
7. The Board noted that there are potential trade-offs between policies for carbon and biodiversity impacts and agreed to discuss this further
8. The Board recommended Drax refer to "forest environment" not "natural environment" in its policy
9. The Board suggested Drax should consider both a goal to continuously improve and consider the longer term consequences of its policy commitments in light of potential climate changes
10. The Board noted they had received anecdotal evidence that, despite mill compliance with regulations, stakeholders in certain locations were concerned with air quality. The



Board agreed to explore this area further including investigating where local legislation falls short of stakeholder expectations

11. The Board suggested Drax could consider a “Restatement of the Evidence” academic review process to better understand, and draw alignment on, where there is scientific evidence on the sustainability of biomass
12. The Board noted the potential for land-use conflicts between food supply and bioenergy and asked Drax to brief it on Drax’s agri-waste work
13. The Board raised soil and water management practices as potential areas for further discussion

Focus on Climate Aspects: Forest Research’s Carbon Impacts of Biomass Consumed in the EU report

14. The Board considered a presentation that explored the development of academic thinking on the climate impacts of biomass since the 1990s. The Board discussed Forest Research’s Carbon Impacts of Biomass Consumed in the EU report, its methodology and its suggested sustainability criteria for how biomass feedstocks can deliver greenhouse gas reductions
15. The Board suggested that a decision tree approach (e.g. a set of sub criteria or questions) could be developed to support decisions around small early thinnings and small roundwood. Classifying forest areas into different types could make this approach be more practical to apply, given the large number of mills Drax sources from and the size of its catchment areas.

Evidencing: Focus on the Sustainable Biomass Program, including a presentation by Drax and group discussion

16. The Board considered a presentation describing the Sustainable Biomass Program (SBP) and highlighted a number of considerations for Drax in its use of the program
17. The Board welcomed SBP’s move to a multi-stakeholder governance structure and suggested it will be important to scrutinize its evolution
18. The Board noted that, as Drax’s sustainability commitments go beyond SBP’s current criteria, Drax needs a strategy on how to evidence the compliance for these additional commitments
19. The Board discussed SBP’s Supply Based Evaluation approach, and explored using forest-level management approaches in higher risk sourcing regions. The Board also discussed how Drax might review findings made by the accreditation body on the different certifying bodies

Board discussion of topics for consideration at future board meetings



20. The Board reviewed Drax's answers to a list of challenging questions that Drax receives and considered potential topics to discuss in future meetings. The Board noted the following topics for further exploration:

- a. Evidence relating to the impact of forest thinnings on carbon, pest control and fire risks
- b. How Drax operationalizes its commitments, the counterfactuals of Drax's biomass activities, and the potential for trade-offs between biodiversity and carbon outcomes
- c. Drax's approach to biodiversity
- d. Drax's long-term vision including its plans for developing and scaling bioenergy with carbon capture and storage (BECCS) and its broader roadmap to net zero carbon emissions
- e. Drax's evidencing for each of its climate related commitments
- f. Potential differences between the standards expected by stakeholders and local legal standards
- g. Water and soil management practices.