

Commitment to Sustainable Forestry

Drax is committed to implementing and achieving the Sustainable Forestry Initiative® (SFI)* Standard, Forest Stewardship Council® (FSC®/FSC-C123692) Chain of Custody and Controlled Wood Standards, and the Program for the Endorsement of Forest Certification (PEFC/29-31-286) Standard as part of its wood procurement program to broaden the practice of sustainable forestry. Drax is also committed to the implementation and maintenance of the Sustainable Biomass Program (SBP) standards including the chain of custody system and mass balance requirements to align with SBP V2 and the Renewable Energy Directive (RED). These commitments are in line with Drax Group Environmental Policy and Drax Group Biomass Sourcing Policy which covers all sourcing of biomass within the Group.

Drax 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, continually improving forest practices, and avoiding controversial sources.

Drax will comply with the social, health and safety requirements of the standards. As such, Drax 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. Drax seeks to recognize and respect the rights of Indigenous Peoples' and traditional forest-related knowledge. Drax 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, Drax 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.

Drax is committed to following the SFI Principles for sustainable forestry practices, related to:

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| 1. Sustainable Forestry | 8. Research in sustainable forest management |
| 2. Forest Productivity and Health | 9. Training and Education |
| 3. Protection of Water Resources | 10. Community Involvement and Social Responsibility, and Respect for Indigenous Rights |
| 4. Protection of Biological Diversity | 11. Transparency |
| 5. Aesthetics and Recreation | 12. Continual Improvement and |
| 6. Protection of Special Sites | 13. Responsible Fiber Sourcing |
| 7. Legal Compliance | |

Drax 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. Drax 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 Drax personnel, suppliers, customers, and other interested parties upon request and will be posted at each participating site and on our website.



Matt White EVP North America Pellet Operations

