



Supply Base Report: Skovbygaard A/S

Second Surveillance Audit

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Completed in accordance with the Supply Base Report Template Version 1.4

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: Skovbygaard A/S

Producer address: Alstrupvej 32 9700 Brønderslev , Denmark

SBP Certificate Code: SBP-05-10

Geographic position: 57.2835, 9.7558

Primary contact: Kasper Nielsen, +45 2380 1480,kasper@skovbygaard.com

Company website: N/A

Date report finalised: 2021-04-26

Close of last CB audit: N/A

Name of CB: DNV GL Business Assurance Finland Oy Ab

SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Denmark

Weblink to SBR on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary

Includes Supply Base evaluation (SBE): Yes

Feedstock origin (countries): Denmark

2.2 Description of countries included in the Supply Base

Country:Denmark

Area/Region: Denmark

Exclusions: No

General description of Danish forests and forestry

Forests cover approx. 620,000 ha in Denmark, corresponding to approx. 14.4% of the country's total area. This area is expected to increase over time. Total standing timber in Danish forests is 130 million m³.

Standing timber in the forests has been increasing rapidly from the 2000 statement until today. This is a result of the steadily increasing forest area and probably an increase in standing timber per hectare.

Generally, Danish forests include a wide variety of wood species of which the most common species are: Norway spruce 15%, beech 14% and oak 10%. The numbers for the other wood species are: pine 11%, silver spruce 6%, Nordmann fir 5%, noble fir 2%, other fir species 10%, Sycamore maple 4%, birch 7%, ash 3% and other broadleaves 9%. In addition to this, unstocked areas are 4%. Broadleaves make up 47 per cent of the total wooded area whereas conifers make up 49 per cent. The rest is unstocked areas and areas where a particular wood species could not be determined. None of the wood species belong to the CITES or IUCN species.

Approx. 2000 species are listed on the Danish Red List, and many of these species are related to forests, old forests in particular. Areas in which one or more red list species have been identified are often registered as Natura 2000 areas, protected by the Danish Forest Act and/or the Danish Nature Protection Act. Red list species are found here: <http://naturstyrelsen.dk/media/nst/67066/rodlis.pdf>.

The estimated total number of forest estates in Denmark is 24,000. 89% of the total number of forest estates have a size between 0.5 and 20 ha.

Most of the forest area is privately owned, either by individuals (59%) or by companies (10%) and foundations (6%). The Danish state forests make up 19% of the total forest area, while the area owned by municipalities and public institutions is 6%. This means that the Danish forest structure includes many private owners with forest areas of less than 20 ha.

Atypically, Danish forestry legislation has no requirements as to how each estate plans forestry, nor does the forest owners have to apply for or report cutting in their forests.

Danish forest owners are well-organised in various local and national associations. Dansk Skovforening (Danish Forest Association) is the trade organisation of private forest owners.

Moreover, up to 6,000 owners of small forests are organised in local forest owner associations which help owners with advice and management of their forests and are also involved in forest policy. Similarly, many private forest owners also work with HedeDanmark and other forestry consultancies.

Two certification options exist in forest management: PEFC and FSC. The areas owned by the Danish state have been certified according to both standards. In private and municipal forests, some 56,000 ha have been certified according to PEFC and 20,161 ha according to FSC.

Total income in the production of forest products in Denmark is approx. DKK 1 billion. The sale of energy wood amounted to DKK 300 million in 2015.

General description of Danish windbreaks

Planted windbreaks are a tradition in Denmark. The systematic planting of windbreaks started in the 1930s. The first major windbreak planting guilds were setup in 1967 and windbreaks with mainly 3 and 6 rows of broadleaves were introduced. Since then, various subsidies have existed to establish windbreaks and most have been established with subsidies. Today, Denmark is estimated to have some 80,000 km of windbreaks.

Windbreaks planted with subsidies must be maintained and cannot be removed.

Description of the supply base

Skovbygaard's supply base is Danish forests, windbreaks, scenic areas and urban plantations where the supply base covers all of Denmark, however, mainly North-Jutland.

Skovbygaard is a forest contractor that produces and sells wood chip. Wood chip production is approx. 25,000-35,000 tonnes a year; 45% of the wood chip is produced in areas outside forests, mainly windbreaks and small plantations and in connection with nature projects. The base also includes clearing of trees and shrubs in connection with developments and expansion of infrastructure in Denmark.

In the forests, the base is thinning in conifers and roundwood from conifer deforestation while the rest is branches and tops from both broadleaves and conifers.

Sources:

Nord-Larsen, Thomas et al, *Skove og Plantager 2014*, Skov og Landskab, 2014

PEFC Denmark, <http://www.pefc.dk/bliv-certificeret/skovcertificering>

FSC Denmark, <https://dk.fsc.org/dk-dk/hvad-er-fsc/fsc-i-danske-tal>

Legal information: <https://www.retsinformation.dk/eli/ft/198812K00030>

Hedges to the benefit of animals and plants: <https://jaegernesmagasin.dk/wp-content/uploads/Levende-hegn-til-gavn-for-dyr-og-planter.pdf>

Red list species: <http://bios.au.dk/videnudveksling/til-myndigheder-og-saerligt-interesserede/redlistframe/artsgrupper/>

2.3 Actions taken to promote certification amongst feedstock supplier

No measures have been launched to further certification at the forests where raw materials are felled as this is outside the company's powers.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 0,63
- b. **Tenure by type (million ha):**0.43 (Privately owned), 0.16 (Public), 0.04 (Community concession)
- c. **Forest by type (million ha):**0.63 (Temperate)
- d. **Forest by management type (million ha):**0.48 (Plantation), 0.10 (Managed natural), 0.05 (Managed natural)
- e. **Certified forest by scheme (million ha):**0.21 (FSC), 0.26 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above

Explanation: Thinnings: In windbreaks, the base mainly consists of the removal of nurse trees and pollarding of shrubs but in order to keep the sheltering effect of the windbreak. The work is carried out using feller bunchers and feller forwarders. In the forest, thinnings are carried out by feller bunching in connection with the running of tracks and thinning of younger standing crop. The subsequent chipping is carried out using an off-road chipper or a truck chipper. Tree tops: Chipping of tops and branches from conifers and broadleaves in connection with the deforestation of middle-aged or old broadleaves and conifers. Tops are often interconnected in stacks and chipped by the roadside. Round timber: Produced as a by-product from the felling of conifers where timber is also produced. The chip utilised timber of a low quality which cannot be used for products of high quality, such as timber. Felled using a harvester, forwarded to a solid road, chipped by the roadside or transported to a storage yard where the chipping is carried out. Clearings: Carried out by manual felling and subsequent forwarding or using a feller forwarder. Wood is often interconnected in stacks and chipped by the roadside. Clearing of tree regeneration in connection with Nature projects carried out in dialogue or in direct collaboration with the specific authorities. Short Rotation Choppie: Manily produced in willow. The work is carried out using a special built cutting maschine, that can cut the tres an collect them in smalle stacks. After a forwarder will collect the material and transport it to road side for chipping.

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: In forest the main economic drive is production of timber.

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

Explanation: The main part of the forest area is protected by law, and the law states that you have to plant or encourage natural regeneration, on areas protected by law (Skovloven)

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: A small amount of the feedstock are produced in areas that has been attacked by bark beetles or has tipped in storms.

Feedstock

Reporting period from: 2020-01-01

Reporting period to: 2020-12-31

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 1-200,000 tonnes
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 0%
 - Not certified to an SBP-approved Forest Management Scheme: 80% - 100%
- d. **List of all the species in primary feedstock, including scientific name:** Picea abies (N/A); Picea sitchensis (N/A); Abies alba (N/A); Abies nordmanniana (N/A); Pinus sylvestris (N/A); Pinus nigra (N/A); Pinus mugo (N/A); Populus spp (N/A); Salix spp (N/A); Pinus contorta (N/A); Fraxinus excelsior (N/A); Fagus sylvatica (N/A); Quercus spp (N/A); Betula spp (N/A); Pseudotsuga menziesii (N/A); Acer pseudoplatanus (N/A); Larix spp (N/A); Abies procera (N/A);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** 30,00
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** 70,00
- h. **Proportion of biomass composed of or derived from saw logs (%):** 0,00
- i. **Specify the local regulations or industry standards that define saw logs:** ?
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 8,62
- k. **Volume of primary feedstock from primary forest:** 23481 tonnes
- l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0%
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 80% - 100%
- m. **Volume of secondary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A
- n. **Volume of tertiary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A

Proportion of feedstock sourced per type of claim during the reporting period

Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	100,00	0,00	0,00	0,00
Secondary	0,00	0,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? Yes

Skovbygaard harvests most of the feedstock outside the forest and in non-certified forests. To be able to document compliance with SBP and to be able to sell the biomass as SBP-compliant biomass, the supply base needs to be evaluated.

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: Primary

SBP-endorsed Regional Risk Assessments used: Denmark

List of countries and regions included in the SBE:

Country: Denmark

Indicator with specified risk in the risk assessment used:

2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.

Specific risk description:

Based on findings in the RRA for Denmark, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass. However, it is also concluded that some source types are inherently low in key biotopes, such as first generation afforestation areas or even-aged stands of conifers.

Country: Denmark

Indicator with specified risk in the risk assessment used:

2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

Specific risk description:

Based on the evidence provided above, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass.

Country: Denmark

Indicator with specified risk in the risk assessment used:

2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas. As

mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped. Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Country: Denmark

Indicator with specified risk in the risk assessment used:

2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

4.2 Justification

Skovbygaard is working according to the procedures of the Contractors' Manual which is laid out to consider the indicators described in the RRA for Denmark, approved by SBP, June 2017.

The Contractors' Manual describes how to identify whether the forest area belong to the scope of specific risk and which measures to reduce the risk should be taken before the feedstock can be called SBP compliant. If Skovbygaard is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

Projects at Skovbygaard are planned, assigned and controlled by Kasper Nielsen and Joachim Nielsen.

4.3 Results of risk assessment and Supplier Verification Programme

Result of Risk Assessment

The RRA for Denmark approved by SBP, June 2017, concludes that the risk is low in relation to all criteria except from the following criteria where a 'specified risk' has been identified: Criteria 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

Individual indicators with a 'specified risk' in the National Risk Assessment

- 2.1.1 Forests and other areas with high conservation values in the Supply Base are identified and mapped.
- 2.1.2 Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.
- 2.2.3 Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
- 2.2.4 Biodiversity is protected (CPET S5b).

Based on the RRA for Denmark approved by SBP, Skovbygaard has concluded that the supply base can be divided into the following sub-scopes which coincide with the scopes listed in the RRA:

- 1. Primary feedstock from FSC or PEFC certified forests
- 2. 2. Primary feedstock from forests with a green management plan
- 3. 3. Primary feedstock from thinnings of conifer stands
- 4. 4. Primary feedstock from thinnings of first generation forest estates
- 5. 5. Primary feedstock from forests without a green management plan or certification
- 6. 6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects.

For each of these scopes, a specified risk has only been assigned to scopes 2 and 5. These are reviewed below with the supplier verification programme and the prepared measures to reduce the risk.

Result of Supplier Verification Programme

Skovbygaard's supplier verification programme includes the following:

For all suppliers (forest owners), Skovbygaard A/S enters into an agreement with the forest agreement about the task where, during the pre-meeting, questions are asked whether the forest is FSC and / or PEFC certified, whether a green management plan and / or a key biotope registration have been prepared for the property.

Skovbygaard A/S physically visits, inspects and reviews the areas of all suppliers in connection with the screening and before felling. This means that it is highly certain that the areas are reviewed and screened correctly. Biomass is only sold as SBP-compliant biomass if it originates from suppliers for which a Low Risk can be established for the four indicators with specified risks through measures to reduce the risk.

Skovbygaard will purchase biomass from other supplier only in special cases and if so, Skovbygaard will handle risk assessment and minimise the risk, if any, as described above.

4.4 Conclusion

When reviewing and revising the procedures of Skovbygaard A/S based on the RRA for Denmark approved by SBP as well as the preparation and implementation of a supplier verification programme (SVP) and measures to reduce the risk, it is estimated that the company ensures that the biomass complies with the SBP certification.

Kasper Nielsen and Joachim Nielsen, who handle job planning, identification of key biotopes and project mapping, have a wide experience in working in the forest and making considerations for nature worth conserving.

The company is aware of the fact that if jobs are carried out in areas with a specified risk, it is necessary to have other qualified persons, such as biologists or foresters, help with the identification of key biotopes. During the startup phase, it is important to integrate regulations and adaptations when the company have become more familiar with the new standards and procedures.

5 Supply Base Evaluation process

The RRA for Denmark approved by SBP, June 2017, has been completed by NEPCon at the initiative of Dansk Energi, Dansk Fjernvarme, Skovdyrkerforeningen, Danish Forest Association, DM&E and HedeDanmark.

As it appears from the RRA for Denmark, a low risk has been identified for all indicators, apart from the following indicators where a 'specified risk' has been identified: 2.1.1, 2.1.2, 2.2.3, 2.2.4

In order to minimise the risk of these 4 indicators with a specified risk in processing biomass, Skovbygaard has prepared a set of working procedures with the implementation of control measures to reduce the risk which comply with the due diligence requirements of the standards. The working procedures, including the measures to reduce the risk, are detailed in the company's Contractors' Manual.

Skovbygaard has used both internal and external resources for the work with SBE. SBE has been prepared with SBE's staff who has a wide experience in biomass production.

Machine operators at Skovbygaard have a high level of skills with many years' work with production of feedstock.

Skovbygaard has used an external consultant from DM&E who has approx. 10 years' experience in forest certification and forest management, for the work of adapting work processes and gathering additional data.

6 Stakeholder consultation

The consultation phase ran for a period of 30 days from 09.02.2018 to 09.03.2018. The Danish version of SBR, including the control measures to reduce the risk, was sent by email to the following stakeholders:

Danmarks Naturfredningsforening (Danish Society for Nature Conservation)	Nora Skjernaa Hansen	nsh@dn.dk
FSC Danmark	Sofie Tind Nielsen	sofie@fsc.dk
Verdens Skove	Jakob Ryding	jr@verdensskove.org
WWF (World Wildlife Foundation)	Bo Normander	b.normander@wwf.dk
Copenhagen University	Vivian Kvist Johansen	vkj@ign.ku.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
Dansk Energi	Kristine van het Erve Grunnet	keg@danskenergi.dk
Dansk Fjernvarme	Kate Wieck-Hansen	kwh@danskjernvarme.dk
Dansk Skovforening (Danish Forest Association)	Marie-Louise Bretner	mlb@skovforeningen.dk
Energistyrelsen (Danish Energy Agency)	Lars Martin Jensen	lmj@ens.dk
Ørsted	Peter K Kristensen	pekkr@dongenergy.dk
Friluftsrådet (National Federation of Outdoor Recreation)	Thorbjørn Eriksen	toe@friluftsradet.dk
BAT Kartellet	Gunde Odgaard	gunde.odgaard@batkartellet.dk
The Danish Nature Agency	Niels Bølling	niboe@nst.dk
NOVOPAN A/S	Jette Wulff	j.wulff@kronospan-dk.dk
Troldekt A/S	Orla Jepsen	oje@troldekt.dk
Rold Skov Savværk A/S	Henrik Thorlacius-Ussing	htu@lindborg.dk

6.1 Response to stakeholder comments

Description:	All
Comment:	No comments
Response:	No response

7 Mitigation measures

7.1 Mitigation measures

Country:	Denmark
Specified risk indicator:	2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.
Specific risk description:	Based on findings in the RRA for Denmark, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass. However, it is also concluded that some source types are inherently low in key biotopes, such as first generation afforestation areas or even-aged stands of conifers.
Mitigation measure:	Skovbygaard A/S is working according to the procedures of the Contractor's Manual, which is laid out to consider the indicators described in the National Risk Assessment. The Contractor's Manual describes how to identify a specific risk and which measures to reduce the risk should be taken before the feedstock can be called SBP compliant. If Skovbygaard A/S is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

The staff carrying out screenings and planning the jobs are familiar with applicable nature and environment legislation. Skovbygaard plans supply activities in the supply base to minimise the negative effect on ecosystems, biodiversity and areas worth preserving.

Areas where wood chip is harvested must be examined before startup by a physical review and must be mapped according to the procedure below. All procedures are explained in the Contractors' Manual.

A map will be prepared for each wood chip project. The map shows identified areas with a high conservation value (HCV). If a map has been prepared in connection with the certification of a green management plan, such maps must be used in the planning process in order to ensure HCV areas.

- All working areas will be screened through DM&E's map portal and reviewed by the management before start-up based on the checklist in the Contractors' Manual.
- Each wood chip project is given a unique case number and address which also appear on the job description, weighing forms and basis of settlement. Ensure traceability.
- Each wood chip project has a Checklist with relevant information. Ensure excellent communication between the various parties in the work

process and note down all relevant data which the machine operator needs.

The map and checklist are delivered to the machine operator who is trained in the company's work procedure and the meaning of the elements on the map.

To be able to identify HCV areas during work, all machine operators working with wood chip production in the forest have been trained in "Maskinfærdsel på Naturnære arealer" (Machine traffic in nature areas)

Country: Denmark

Specified risk indicator: 2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

Specific risk description: Based on the evidence provided above, it is concluded that there is a specific risk that at least locally important Key Biotopes in forests have not yet been identified and mapped, and may therefore be at risk from threats due to sourcing of biomass.

Mitigation measure: Skovbygaard A/S is working according to the procedures of the Contractor's Manual, which is laid out to consider the indicators described in the National Risk Assessment. The Contractor's Manual describes how to identify a specific risk and which measures to reduce the risk should be taken before the feedstock can be called SBP compliant. If Skovbygaard A/S is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

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Country:	Denmark
Specified risk indicator:	2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
Specific risk description:	Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas. As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped. Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.
Mitigation measure:	Skovbygaard A/S is working according to the procedures of the Contractor's Manual, which is laid out to consider the indicators described in the National Risk Assessment. The Contractor's Manual describes how to identify a specific risk and which measures to reduce the risk should be taken before the feedstock can be called SBP compliant. If Skovbygaard A/S is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

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Country:	Denmark
Specified risk indicator:	2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Specific risk description:	As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.
Mitigation measure:	Skovbygaard A/S is working according to the procedures of the Contractor's Manual, which is laid out to consider the indicators described in the National Risk Assessment. The Contractor's Manual describes how to identify a specific risk and which measures to reduce the risk should be taken before the feedstock can be called SBP compliant. If Skovbygaard A/S is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

The staff carrying out screenings and planning the jobs are familiar with applicable nature and environment legislation. Skovbygaard plans supply activities in the supply base to minimise the negative effect on ecosystems, biodiversity and areas worth preserving.

Areas where wood chip is harvested must be examined before startup by a physical review and must be mapped according to the procedure below. All procedures are explained in the Contractors' Manual.

A map will be prepared for each wood chip project. The map shows identified areas with a high conservation value (HCV). If a map has been prepared in connection with the certification of a green management plan,

such maps must be used in the planning process in order to ensure HCV areas.

- All working areas will be screened through DM&E's map portal and reviewed by the management before start-up based on the checklist in the Contractors' Manual.
- Each wood chip project is given a unique case number and address which also appear on the job description, weighing forms and basis of settlement. Ensure traceability.
- Each wood chip project has a Checklist with relevant information. Ensure excellent communication between the various parties in the work process and note down all relevant data which the machine operator needs.

The map and checklist are delivered to the machine operator who is trained in the company's work procedure and the meaning of the elements on the map.

To be able to identify HCV areas during work, all machine operators working with wood chip production in the forest have been trained in "Maskinfærdsel på Naturnære arealer" (Machine traffic in nature areas)

7.2 Monitoring and outcomes

Increased focus will apply during the first 12 months of jobs with the highest risk of felling activities harming HCV areas. In old forest areas, they will consist mainly of broadleaves.

Last year, only a few jobs have been completed in this type of forest while the majority of jobs were completed in low-risk areas. The effect of this measure will be assessed at the next internal audit.

For the control measures to reduce the risk completed and SVP with the procedures of screening and visual visits to all supply areas described and integrated, a low risk has been achieved for the indicators with a specified risk:

2.1.1 Forests with high conservation values, HNV has been mapped and identified

- 2.1.2 Potential threats to forests and other areas with high conservation values from forest management activities have been identified and addressed
- 2.2.3 Protection of key biotopes and habitats
- 2.2.4 Safeguarding biodiversity

Which is thereby reduced to pose a low risk.

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? Yes

9 Review of report

9.1 Peer review

No Peer review

9.2 Public or additional reviews

No public or additional reviews

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Kasper Nielsen	Company owner	2021-04-26
	Name	Title	Date
<p>The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.</p>			
Report approved by:	Kasper Nielsen	Company Owner	2021-04-26
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A