Supply Base Report: DSHwood UK Ltd

First Surveillance Audit

www.sbp-cert.org

Completed in accordance with the Supply Base Report Template Version 1.5

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

Version 1.0: published 26 March 2015

Version 1.1 published 22 February 2016

Version 1.2 published 23 June 2016

Version 1.3 published 14 January 2019; re-published 3 April 2020

Version 1.4 published 22 October 2020

Version 1.5 published 11 November 2022

Contents

1 Overview

Producer name: DSHwood UK Ltd

Producer address: Eldo House, Monkton Road, KA9 2PB Prestwick, United Kingdom

SBP Certificate Code: SBP-10-03

Geographic position: 55.508810, -4.603200

Primary contact: Duncan MacKinnon, +44 (0) 7810 382 955,dm@dshwood.com

Company website: www.dshwood.com

Date report finalised: N/A

Close of last CB audit: 12 Jul 2024

Name of CB: Preferred by Nature OÜ

SBP Standard(s) used: SBP Standard 1: Feedstock Compliance Standard, SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction

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

SBP Endorsed Regional Risk Assessment: Not applicable

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**
☐	☒	☐	☐	☐	☐

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary, Secondary

Includes Supply Base evaluation (SBE): Yes

Includes REDII: No

Includes REDII SBE: No

Feedstock origin (countries): United Kingdom

2.2 Description of countries included in the Supply Base

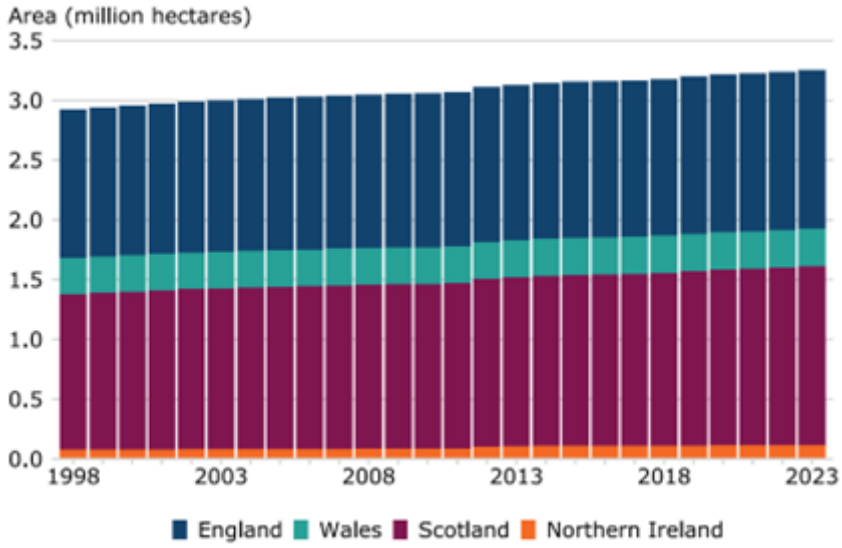
Country: United Kingdom

Area/Region: Untied Kingdom of Great Britain and Northern Ireland.Includes Scotland , Wales Northern Ireland,England and relevant crown territories.

Sub-Scope: N/A

Exclusions: No

Forest cover
The area of woodland in the UK at 31 March 2023 is estimated to be 3.25 million hectares. This represents 13% of the total land area in the UK, 10% in England, 15% in Wales, 19% in Scotland and 9% in Northern Ireland. The area of woodland is estimated to be 1.49 million hectares in Scotland, 1.33 million hectares in England, 0.31 million hectares is in Wales and 0.12 million hectares is in Northern Ireland. The figure below shows woodland area by country since 1998. Woodland area in the UK has risen by around 300 thousand hectares since 1998, an increase of 11% over the period.
There is no nett deforestation with 12.96 thousand ha of newly created woodland reported in the UK in 2022/23.
Area of woodland, 1998-2022
Source: Forestry Commission, Forestry England, Scottish Forestry, Forestry and Land Scotland, Welsh Government, Natural Resources Wales, Forest Service, National Forest Inventory.



Notes:
1. Woodland areas for England, Wales and Scotland shown in this figure are based on data from the National Forest Inventory. The trends shown take account of areas of new planting and identifiable permanent woodland loss. Areas of woodland loss that are not yet identifiable (e.g. conversion of woodland for the restoration of open habitats) are not accounted for. Further information on the National Forest Inventory is available at www.forestresearch.gov.uk/toolsand-resources/national-forest-inventory/ .
2. Figures for 1998 to 2009 for England, Wales and Scotland were revised from those initially published, to produce results that are consistent with the National Forest Inventory and enable comparisons over time.

Ownership

Table 1.1 Area of woodland by ownership & forest type, UK, 31 March 2023

thousand hectares

Forest type & ownership[1,2]	England[3]	Wales[3]	Scotland[3]	Northern Ireland[4]	UK
Conifers					
FE/FLS/NRW/FS	143	89	410	54	697
Private sector woodland	160	50	650	9	869
Total	**303**	**139**	**1,060**	**63**	**1,566**
Broadleaves[5]					
FE/FLS/NRW/FS	70	26	57	8	161
Private sector woodland	952	147	377	47	1,524
Total	**1,023**	**173**	**434**	**55**	**1,685**
Total					
FE/FLS/NRW/FS	214	115	468	62	858
Private sector woodland	1,112	197	1,027	56	2,393
Total	**1,326**	**312**	**1,494**	**118**	**3,251**

Source: forestry commission, forestry England,Scottish Forestry,Forestry and land Scotland,Welsh Government, Natural Resources Wales, Forest Service,National Forest Inventory.
Source: Forestry Statistics 2023, Chapter 1: Woodland Area and Planting, Forest Research,2023. Available at https://www.forestresearch.gov.uk/tools-and-resources/statistics/forestry-statistics/forestry-statistics-2023/1-woodland-area-planting
According to the UK Forestry Standard (UKFS, 2017); approximately two-thirds of the woodland area in the UK is owned by a diverse range of individuals and groups, including farmers, family trusts, charitable trusts,

local groups and companies. Typically, woodlands owned by family interests are a part of mixed estates or farms where there are many thousands of small and scattered woodlands. Based on agricultural censuses, it is estimated that there are around 60 000 farm woodland holdings of which about 50 000 are less than 10 hectares. Unlike parts of mainland Europe, the UK has relatively few holdings where both forestry and agriculture are run as an integrated business. The remaining one-third of woodland area is publicly owned, the majority of it managed by the state forest services in England, Scotland, Wales and Northern Ireland. For more detail see the table on woodland habitat.

Woodland Habitat (2020)

thousand hectares

Habitat type	England	Wales	Scotland	Great Britain
Lowland beech/yew woodland	54	6	1	62
Lowland mixed deciduous woodland	748	79	82	909
Native pine woodlands	0	0	124	124
Non-HAP native pinewood	0	0	38	38
Upland birchwoods (Scotland), birch dominated upland oakwoods (England, Wales)	11	2	120	134
Upland mixed ashwoods	32	7	15	54
Upland oakwoods	44	26	33	103
Wet woodland	78	28	63	169
Wood pasture & parkland	8	0	3	11
Broadleaf habitat NOT classified as priority	19	12	21	53
Non-native coniferous woodland	328	145	819	1,292
Clearfelled and transition	22	6	70	97
Total	**1,344**	**313**	**1,389**	**3,045**

Source: NFI Woodland Ecological Condition (2020)

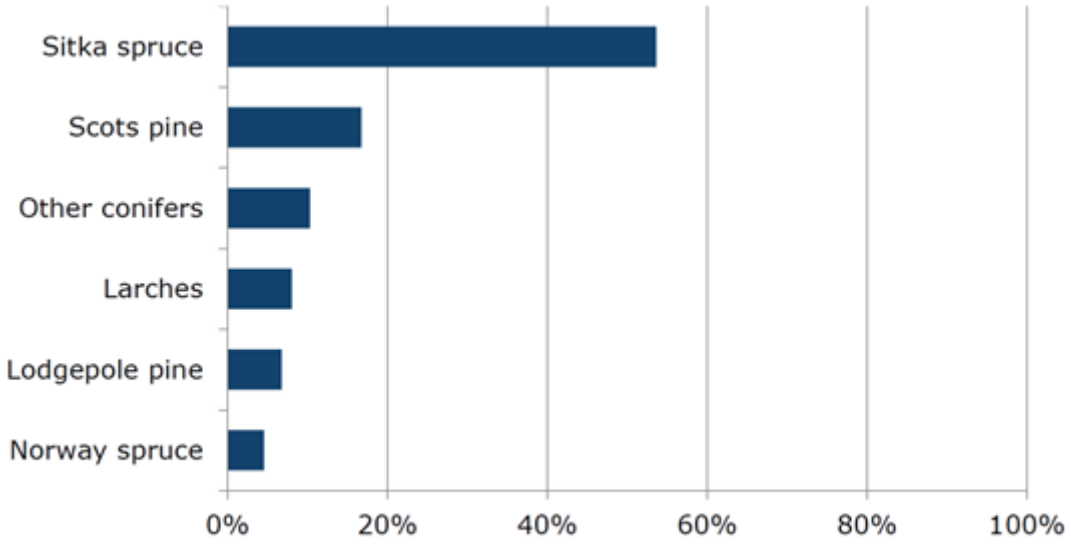
Species

Conifers account for around one half (51%) of the UK woodland area, although this proportion varies from around one quarter (26%) in England to around three quarters (74%) in Scotland.

Conifers:

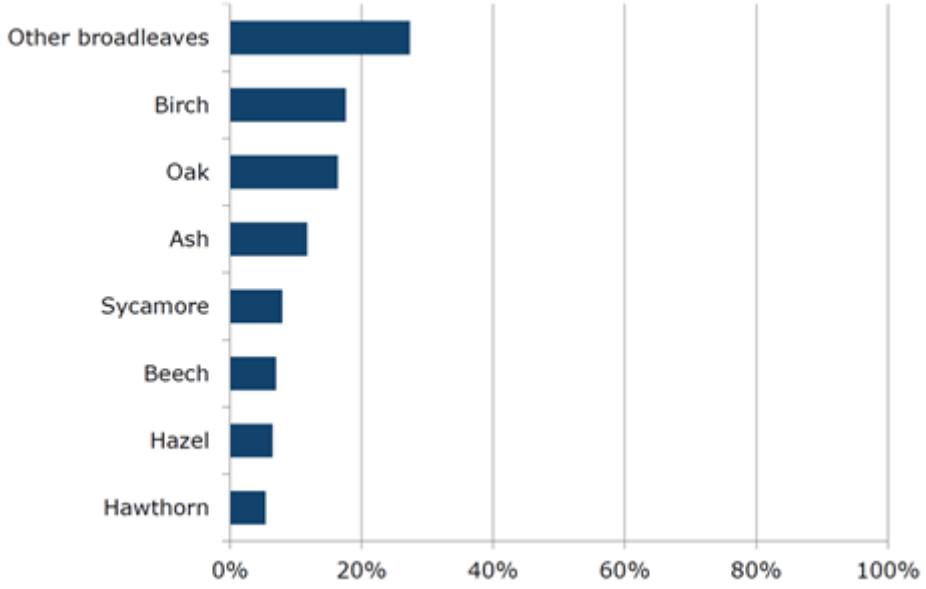
Sitka spruce accounts for around one half (54%) of the conifer area in Great Britain, followed by Scots pine (17%) and larches (8%). Sitka spruce is less dominant in England, accounting for just one quarter (28%) of the conifer area there.

Stocked Woodland By principal conifer species,2022



Source: National Forest Inventory: 25-year forecast of softwood timber availability (Forest Research, 2022).

Broadleaves:
The most commonly occurring broadleaved species in Great Britain are birch (accounting for 18% of broadleaf woodland), oak (16%) and ash (12%). Birch is more dominant in Scotland, accounting for 43% of the broadleaf area there.
Stocked woodland By principal broadleaf species



Forestry in the UK and the Use of the UK Forestry Standard (UKFS)
The UKFS is referenced frequently in the Supply base evaluation (SBE) and this supply base report. Fundemtally it is the reglatory standard for all forestry within the United Kingdom of Great Briatian and Northern Ireland and the relevant Crown territories.
It will be used as the main guiding framework for demonstrating compliance as all UK devolved administrations and Governments contribute to and comply with the standard.
It is the responsibility of the government administration in each of the UK countries to set forestry policy; fundamental to which is the concept of sustainable forest management. Each has a delivery arm responsible for implementation, regulation and monitoring. In England this is Defra (Department for Environment Food and Rural Affairs), whilst in Scotland the Scottish Government, in Wales the Welsh Government and in Northern Ireland the NI assembly.

While the organisational arrangements vary between countries and will continue to evolve, the broad regulatory frameworks are very similar and, in implementing these frameworks, each of the countries has adopted the UKFS as its definition of sustainable forest management and good forestry practice.
The United Kingdom Forestry Standard (UKFS) is the reference standard for sustainable forest management in the UK and reflects the government's approach to Forest Europe and other international agreements relevant to forestry. It outlines the context for forestry, sets out the approach of the UK governments to sustainable forest management, defines standards and requirements, and provides a basis for regulation and monitoring – including national and international reporting.
By meeting the Requirements of the UKFS, forest and woodland owners, managers and practitioners can demonstrate that forestry operations and activities are both legal and sustainable. The main bodies responsible for the regulation and monitoring of the UKFS are the Forestry Commission in England, Scottish Forestry in Scotland, Natural Resources Wales, and the Forest Service in Northern Ireland (the 'forestry authorities').
The key elements of the UKFS are aimed at sustainable forest management and can be found in Chaper 6 of the Standard and are as follows-

- Forests and Biodiversity
- Forests and Climate Change
- Forests and Historic Environment
- Forests and Landscape
- Forests and People
- Forests and Soils
- Forests and Water

These cover the key elements of SBP certification.

The Scale of Woody Biomass Harvesting in the UK Supply Base

The UK statistics show 9.224 million tonnes of softwood was delivered to UK markets in 2022, of this 1.6 million tonnes i.e. 17% went to biomass markets.

thousand green tonnes

Year	Saw mills	Pulp mills	Wood-based panels	Fencing	Wood fuel[1]	Other[2]	Exports	Total
2013	6,418	465	1,263	332	1,250	191	640	10,559
2014	6,737	465	1,283	317	1,500	176	437	10,914
2015	6,179	435	1,334	288	1,600	164	276	10,276
2016	6,522	423	1,248	277	1,550	178	231	10,430
2017	6,586	442	1,059	283	1,600	170	331	10,471
2018	6,337	486	1,210	255	1,900	174	264	10,626
2019	5,898	464	1,316	262	1,900	183	201	10,225
2020	5,837	383	1,248	258	1,850	188	140	9,904
2021	6,268	399	1,508	247	1,600	176	168	10,366
2022	5,452	403	1,229	232	1,600	176	132	9,224

Source: industry surveys, industry associations.

Peatlands

Any forest on peat of over 50cm have a high carbon stock and are only being cleared to reinstate the peat & carbon storage moreover, the net annual rate of carbon accumulation by UK forests is currently around 18 million tonnes of CO2. Office for National Statistics (ONS) data on the draining and afforestation of peatland show that the practice has decreased significantly citing "a general decrease in the rate of afforestation from 1,086 hectares in 1990 to 83 hectares in 2015 for the UK".
The legal framework for protecting land of high carbon value such as peatland is set out in the UK Forestry Standard (UKFS) which covers the requirements for planting new woodlands, and for regulating tree felling and conversion to non-forest land or plantations as summarised in Indicator 1.3.1. Additional legal

requirements relevant to carbon in woodland were introduced in the UK Climate Change Act (2008) which has prompted development of peatland restoration plans

The IPCC identifies agriculture, forestry and other land use (AFOLU) as a significant net source of GHG emissions, contributing to about 23% of anthropogenic emissions of carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O) combined as CO_2 equivalents in 2007–2016. Forests present a significant global carbon stock accumulated through growth of trees and an increase in soil carbon. Conversion of primary to managed forests, illegal logging and unsustainable forest management result in GHG emissions and can have additional physical effects on the regional climate including those arising from albedo shifts. Conversely, in areas of degraded forests, sustainable forest management can increase carbon stocks and biodiversity. In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre or energy from the forest, will generate the largest sustained mitigation benefit. Carbon storage in long-lived wood products and reductions of emissions from use of wood products to substitute for emissions-intensive materials also contribute to mitigation objectives.

In the UK 1.44 million hectares of woodland in the UK were certified at 31 March 2023 This represented 44% of the total UK woodland area, 61% in Scotland, 56% in Northern Ireland, 47% in Wales and 24% in England. Over 90% of these are is duel certified to FSC & PEFC through UK Woodland Assurance Scheme.

Since 2010 Statutory Plant Health Notices(SPHNs) have been issued for felling of Larch species infected by *Phytophthora ramorum.* The disease has spread through mainly the West side of the UK and is particulary prevalent in Galloway in the south West of Scotland. This is area is now a designated Management Zone with restricted movement and as such SPHNs are no longer required. The Governments have systems in place to control the felling , movement and processing of this material and it is no longer exported.

Scocio-Economic Setting

Key trade data are as follows:

• 6.5 million cubic metres of sawnwood in 2022, a 20% increase from 2021;

• 3.2 million cubic metres of wood-based panels in 2022, a 15% increase from 2021;

• 7.5 million tonnes of wood pellets in 2022, a decrease of 18% from 2021;

• 5 million tonnes of paper in 2022, a 19% increase from 2021.

• The total value of wood product imports in 2022 was £10.7 billion, representing a 25% increase from 2021; of which £5.2 billion was pulp and paper.

· Sawn softwood, sawn hardwood, particleboard, fibreboard, and paper and paperboard were mainly imported from EU countries in 2022.

• Wood pulp imports originated from a range of both EU and non-EU countries in 2022.

• The vast majority of UK imports of plywood and wood pellets came from countries outside the EU in 2022.

• Apparent consumption of wood in the UK was 48.3 million m3 wood raw material equivalent underbark in 2022, representing a 9% decrease from the previous year.

UK exports:

•

• The total value of wood product exports in 2022 was £2.2 billion, a 13% increase from 2021; of which £1.9 billion was pulp and paper.

Employment

• The Annual Business Survey (May 2023) reported average employment in 2021 of 20 thousand in forestry,8 thousand in sawmilling and 5 thousand in panel mills.

• There was estimated to be a total of 7.6 thousand full time equivalent staff employed by primary wood processors in the UK in 2022 a 2% increase from the total for 2021.

• The latest major accident rates for Great Britain, covering 2021-2022, show increases compared to 2020/21 rates for both the forestry and wood products sectors and pulp and paper sector .
• There were 194 establishments in the primary wood processing industries in the UK using UK-grown roundwood in 2022.

Employment in the forestry and wood processing industry ,2017 to 2021

thousands

Standard Industrial Classification (SIC)[2]	2017	2018	2019	2020	2021
Forestry	**[c]**	**16**	**18**	**19**	**20**
Sawmilling	9	10	7	8	8
Panels	5	6	5	5	5
Secondary products	60	73	63	60	59
Total wood products	**74**	**89**	**76**	**73**	**72**
Pulp, paper & paper products[3]	**55**	**62**	**53**	**50**	**50**

Source: Business Register and Employment Survey (Office for National Statistics, May 2022: further estimates provided by ONS).

CITES or IUCN species
Although lacking in extremes—there are no high mountains, no true deserts and no major rivers—the UK is, in fact, remarkably variable biophysically, ecologically and socially, with complex underlying geology, a wide climatic range (from very wet to semi-arid), and large variations in the distribution of the human population, from extensive areas of near-wilderness (in Scotland) to one of the world's largest metropolitan areas (Greater London). In the UK National Ecosystem Assessment, this diversity has been captured in eight Broad Habitat types: mountains, moorlands and heaths, semi-natural grasslands, enclosed farmland,woodlands, freshwaters (open waters, wetlands and floodplains), urban, coastal waters and marine.
IUCN National Committee UK has one of the largest memberships in the Union made up from 44 international organisations, NGOs, and a state member (Department of Environment, Food and Rural Affairs, DEFRA) representing a number of government departments and state agencies (the United Kingdom comprises four countries: England, Wales, Scotland and Northern Ireland, where biodiversity and the natural environment are 'devolved responsibilities').
The UK ratified CITES in August 1976. According to the FSC National Risk Assessment(20-17) there are almost no trees grown for timber in the UK which requires a CITES certificate. A rare exception is the Monkey Puzzle or Chilean Pine (Araucaria Araucana),with a very few small plantations established in the nineteenth and early 20th century .
Of ICUN red list timber species in the UK Common Ash , Fraxinus excelsior is listed as near threatened due to the current spread of Ash Dieback.

2.3 Actions taken to promote certification amongst feedstock supplier

DSHwood UK Ltd encourages suppliers to become certified under the UK woodland Assurance scheme as this will give suppliers duel FSC and PEFC certification and promotes sustainability within the industry. There are issues and challenges in relation to scale but further encouragement is ecomomical with prices being lower for non certified material.
DSHwood UK Ltd have investigating the opportunities to set up a group certification scheme to further encourage certification but have also pointed potential suppliers in the direct of certification consultants.

In general the area of certified woodland is increasing and although the figure is only 44% of the woodland area ,80% of timber felled is certified and in 2022, 65% of timber traded by DSHwood UK Ltd was certified.This % is down from 88% last year due to the increase in cleaning up private sector forests in the North East of Scotland hit by storm Arwen and it's successors.The bulk of DSHwood UK's operations are in Scotland where 61% of the woodland area is certified.

UK Certified Area 31 March 2023

thousand hectares

Country	FE/FLS/NRW/FS	Private sector	Total	Percentage of woodland area (%)
England	214	105	319	24
Wales	115	33	148	47
Scotland	468	437	905	61
Northern Ireland	62	4	66	56
UK	**858**	**579**	**1,438**	**44**

Source: Forest Stewardship Council, Grown in Britain, Programme for the Endorsement of Forest

2.4 Quantification of the Supply Base

Supply Base

a. **Total Supply Base area (million ha)**: 3.25
b. **Tenure by type (million ha):**2.39 (Privately owned), 0.86 (Public)
c. **Forest by type (million ha):**3.25 (Temperate)
d. **Forest by management type (million ha):**2.91 (Plantation), 0.34 (Managed natural)
e. **Certified forest by scheme (million ha):**1.67 (FSC), 1.55 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above
Explanation: DSHwood UK Ltd will clerfell and thin standing timber. Clearfelling is only under taken where felling approval has been granted and restocking is under taken as part of this approval. DSHwood will purchase timber at roadside from 3rd parties that also work under the same regulation. Some timber (chips) will be purchased from sawmill i.e sawmill residues.
Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority
Explanation: According to Forestry Statistics 2023 (Forest Research), in the UK in 2022 10.1 million green tonnes of roundwood (softwood) were delivered to roundwood to wood processors and others of which • Sawmills: 5.5 million green tonnes • Wood-based panels: 1.2 million green tonnes • Integrated pulp and paper mills: 0.4 million green tonnes • Woodfuel: 2.3 million green tonnes other uses, including round fencing, shavings and exports of roundwood: 0.6 million green tonnes. That is 23% of delivered product went to the biomass market. DSHwood UK trades to the full cross section of timber markets in the UK from construction grade sawmills , pallet markets , fencing markets , board mills and biomass as well as a number of export markets including energy , sawmills and paper.

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: Under UK regulation it is a legal requirement and the normal practice is the that areas are restocked.

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 proportion of timber in localised areas is being removed due to storm damage from the 2021 and 2022 winters.

What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): N/A
Explanation:N/A

Feedstock

Reporting period from: 01 Jul 2023

Reporting period to: 30 Jun 2024

a. **Total volume of Feedstock**: 1-200,000 tonnes
b. **Volume of primary feedstoc**k: 1-200,000 tonnes
c. **List percentage of primary feedstock, by the following categories.**
    - Certified to an SBP-approved Forest Management Scheme: 80% - 100%
    - Not certified to an SBP-approved Forest Management Scheme: 1% - 19%
d. **List of all the species in primary feedstock, including scientific name:** Picea sitchensis (Sitka Spruce); Picea abies (Norway Spruce); Pinus contorta (Lodgepole pine); Pinus sylvestris (Scots pine); Picea omorika (Omorika spruce); Larix eurolepis (Hybrid Larch); Pseudotsuga menziesii (Douglas Fir); Tsuga heterophylla (Western Hemlock); Chamaecyparis lawsoniana (Lawson Cypress); Abies grandis (Grand Fir); Abies procera (Noble Fir); Sorbus spp (Rowan); Quercus robur (Oak Pendunculate); Quercus petraea (Oak Sessile); Fagus sylvatica (Beech); Acer pseudoplatanus (Sycamore); Betula pendula (Birch); Salix spp (Willow);
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 (%):
f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):**
g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):**
h. **Proportion of biomass composed of or derived from saw logs (%):** None
i. **Specify the local regulations or industry standards that define saw logs:** The specification in the 2nd column of the Forestry Commission Field Book 9 as Used by the UK regulator Ofgem taking into account species and local mill specifications.
j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 80.00
k. **Volume of primary feedstock from primary forest:** 0 N/A
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: N/A
    - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
m. **Volume of secondary feedstock**: 1-200,000 tonnes
    - Physical form of the feedstock: Chips
n. **Volume of tertiary feedstock**: 0 N/A
    - Physical form of the feedstock:
o. **Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP:** 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	100.00	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

Note: Annex 1 is generated by the system if the SBE is used without Region Risk Assessment(s). Annex 2 is generated if RED II SBE is in the scope.

Is Supply Base Evaluation (SBE) is completed? Yes

No Regional Risk Assessment approved by SBP available.
Is REDII SBE completed? N/A

N/A

4 Supply Base Evaluation

Note: Annex 2 is generated if RED II is in the scope.

4.1 Scope

Feedstock types included in SBE: Secondary, Primary

SBP-endorsed Regional Risk Assessments used: Not applicable

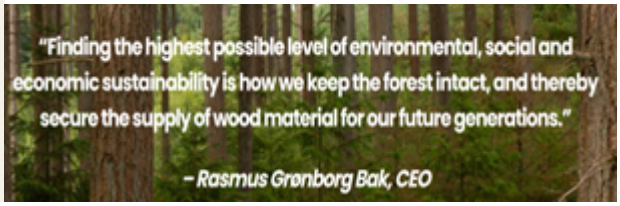
List of countries and regions included in the SBE:

4.2 Justification

For the purpose of biomass sustainability DSHwood regard the United Kingdom of Great Britain & Northern Ireland & the Crown territories as being a region. The legislation within England, Wales ,Scotland, N. Ireland & I.O.M all have similar legislation in regard to land ownership, harvesting rights, biodiversity, water, air, and soil protection, tree felling licencing & replanting /regeneration requirements i.e. the forest operations adhere to the UK Forestry Standard. They also have similar legislation to basic labour rights, health & safety of forest workers, waste handling and disease control.
This review and analysis was completed comparing existence , effectiveness and applicability of statutes, regulations,established forestry best practices, DSHwood procedures and recognised research from credible sources to determine compliance and risk rating for SBP Standard 1.

4.3 Results of risk assessment and Supplier Verification Programme

Context of DSHwood UK Ltd
DSHwood UK Ltd is a subsidiary of DSHwood A/S which in turn is a trading arm of the Danish Forest Associstion. The DSHwood culture is represented below with sustainability at the heart of the business.



Sustainability being further defined by social, environmental and economic sustainability.

DSHwood UK Ltd relevant policies and implementing documentation Policies

- Disciplinary Policy & Procedure
- Greivance policy
- Health & Safety policy
- Equal Opportunities & Dignity at Work Policy
- DSHwood Group Environment & Sustainable Business Policy

Other implementing documents

- Timber harvesting record of agreement
- Self billing agreement
- Tool box talks
- Harvesting Contract Work book
- ICF timber agreement
- Site monitoring diary
- Precommencement Meeting records
- DSHwood Chain of custody procedure
- Costsheets

Background

DSHwood UK is purchasing timber from it's supply base which it considers to be the whole of the UK.
The current supplies are purchased in the Northeast of Scotland and are mainly feeding export operations through the port of Aberdeen (although not exclusively). The raw material is either purchased as standing timber and harvested by DSHwood UK or small round wood (SRW) at roadside from 3rd parties or SRW delivered to quayside or to a chipping depot.
This raw material is either sold on as SRW or as wood chips for biomass heat and or power plants.
In the absence of a SBP regional risk assessment a supply base evaluation has been carried out on the UK, based on DSHwood UK's operations to demonstrate that the raw material is legal and sustainable.
This uses a risk base approach that covers FSC/PEFC certified and controlled wood timber.
This evaluation considers the DSHwood UK supplies to be of low risk.
To fully understand the outcome of the evaluation this should be read in the context of DSHwood having FSC and PEFC chain of custody and with reference to the FSC National Risk Assessment for GB V1 2018 ,DSHwood A/S Supply Base Report, 4th Surveillance Audit pages 21 to 37 and the DSHwood Supply Base Report to avoid unnecessary in-depth repetition.

4.4 Conclusion

All of the indicators assessed came out as 'low risk' based on the evidence looked at of existing legislation, good forestry practice, and diligent procurement processes that guide the UK forest industry and landowners on the sustainable managment of forests.
The FSC National Risk Assessment found that all applicable indicators assessed against the FSC National Risk Assessment Framework were also assessed as 'low risk'. In addition the Corruption Perceptions Index and the Worldwide Governance Indicators show a very low level of perceived public sector corruption and a high ranking for regulatory quality in the UK.
Forest inventories are steadily increasing according to Forestry Statistics 2022, and no evidence was found to suggest that feedstock harvesting diminishes the capability of the forest to act as a carbon sink over the long term. In the Supply Base local communities benefit from the economic impact resulting from DSHwood's operations.
In conclusion, with diligent procurement processes the raw material supply and resulting production of woody biomass feedstocks meets the requirements of SBP.

5 Supply Base Evaluation process

General Description of the Supply Base Evaluation Process

This Supply Base Report has been developed specifically for uncertified feedstock sourced from Great Britain. Fundamentally, the UK Forestry Standard (UKFS) has been used as the guiding framework for demonstrating compliance with SBP requirements in most cases. The context in which this can be justified has been set out below.

The broad regulatory frameworks of the UK Government and devolved administrations are very similar and, in implementing these frameworks, each of the countries has adopted the UKFS as its definition of sustainable forest management and good forestry practice. By meeting the requirements of the UKFS, forest and woodland owners, managers and practitioners can demonstrate that forestry operations and activities are both legal and sustainable.

In developing the SBE, in addition to the UKFS ,the FSC National Risk Assessment 2018 which has been updated on an on going basis and is currently being fully revised and the UK Woodland Assurance Standard used for FSC and PEFC certification were referenced.

The DSHwood UK Regional Supply Base Checklist and Risk assessment fro Category B timber as required under the UK Timber Standard for Heat and electricity was also referenced.

The SBE was performed ‘in house’ By D.Mackinnon the UK company Business and Sustainability manager with over 40 year in the UK Forest and timber Industry , over 20 years in the energy wood and biomass sector and a chartered forester.

6 Stakeholder consultation

The draft documents with an accompanying email was emailed directly to over 20 stakeholders including regulators, NGOs,education establishments, member organisations and suppliers allowing 30 days to reply. The document and email statement was also be posted on linkedin and on the company website simultaneously.
DSHwood UK sent out an email invitation to comment to 22 identified stakeholders including forestry Educational establishements , NGOs , Forestry membership organisations and UK regulators on the 20th January 2023.The consultation was further adevertised on the DSHwood UK and DSHwood Denmark linkedin pages with a hyperlink to the Supply Base Evalulation and Report on the DSHwood website.These were not posted till the following week.
Due to the delay in posting online the consultation ran till Tuesday 28th February .
The email and posts were worded as follows-
Dear Stakeholder

DSHwood UK Ltd is currently working towards achieving additional certification under the Sustainable Biomass Programme (SBP).
SBP provides a system of assurance that the woody biomass we supply is sourced from legal and sustainable sources.
Additionally with SBP, DSHwood UK will be able to access new markets allowing us to build a more robust supply chain, securing rural employment, and ensuring timber arising from plant health issues and devasting winter storms can be managed more efficiently.
Expansion of biomass markets will benefit growers and the wider public alike by ensuring hazards that are created by these events are removed before creating additional risk to the general public.
The expansion of markets through the holding of the SBP certification ensures that timber that would otherwise have little or no value can be sold to offset replanting costs and continues the sustainability of the UK forests.
Attached is a copy of our draft Supply Base Evaluation Report SBER , if you have any comments or feedback can you please send them through to dm@dshwood.com within 5 weeks of the date of this email. These will be assessed and if appropriate will be take into account in the final draft of the SBER.
No comments were received via linkedin or from the website and from the mails ,with the exception of 13 automatic replys acknowledging receipt of the email , only 4 replies were received.

6.1 Response to stakeholder comments

7 Mitigation measures

7.1 Mitigation measures

7.2 Monitoring and outcomes

N/A

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? No

9 Review of report

9.1 Peer review

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9.2 Public or additional reviews

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10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	**Gavin Brown**	**Managing Director**	**25 May 2024**
	Name	**Title**	**Date**
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.			

Annex 1: Detailed findings for Supply Base Evaluation indicators

	Indicator
1.1.1	The BP Supply Base is defined and mapped.
Finding	For the purpose of sustainability DSHwood regard the United Kingdom of Great Britain & Northern Ireland & the Crown territories as being a region. The legislation within England, Wales, Scotland, N. Ireland & I.O.M all have similar legislation regarding land ownership, harvesting rights, biodiversity, water, air, and soil protection, tree felling licencing & replanting /regeneration requirements i.e., the forest operations adhere to the UK Forestry Standard. They also have similar legislation to basic labour rights, health & safety of forest workers, waste handling and disease control. The above definition matches the requirements of the UK legislation to define a Regional Supply Base Checklist and Risk Assessment. This is the definition required to meet the sustainability elements of the Renewable Obligation Orders and the Renewable Heat Incentive Regulations of the UK. In the UK this is defined by the timber-standard-for-heat-electricity. This standard complies with the REDII, and feedstock will only be from Legal and sustainable sources as per the Standard. The supply base will be from anywhere within the region defined above. The timber will be purchased standing from either State-owned forests or privately owned forest within the supply base region. DSH will then harvest and transport as appropriate to the customer or the timber will be purchased at roadside or 'delivered in' from a 3rd party. At all times appropriate 'due diligence' will be carried out. Risk Assessment On basis of high level of regulation in the UK and the regional supply base checklist carried out for internal UK biomasss supplies DSHwood assess risk to be low
Means of Verification	• Map is available • Scope is defined & justified
Evidence Reviewed	• timber-standard-for-heat-electricity. • Renewable Obligation Order 2015 • N Ireland RO order • Renewable Obligations Order(Scotland) 2009 • Renewable Heat Incentive Regulations 2018

	
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.1.2	Feedstock can be traced back to the defined Supply Base.
Finding	In addition to material received with a certified claim, DSHwood uses a combination of delivery notes, contracts, and & SBIs to ensure that the incoming raw material can be traced back to the Supply Base. This is reinforced by the fact all soft wood round wood timber movements require a UK Plant Passport to allow traceability back to source. Additionally, the company includes requirements in its supply contracts & specification that its suppliers ensure that material is from within the UK, or the source and Chain of custody is clearly identified. Felling of wood can also be covered by Planning Permission and in the event of pests and diseases by a Statutory Plant Health notice. Sampling is done on a 6 monthly basis for CoC check and records and files are saved for a minimum of 5 years.
Means of Verification	Delivery notes and Plant passports are independently audited by FSC external auditors and UK Forestry Commission Plant Health re documents with traceability back to source Public Forest register for felling licence. FSC CoC certificates Navision system
Evidence Reviewed	Delivery Notes Sales documents CoC procedure • https://biomass-suppliers-list.service.gov.uk/documents-and-guidance • England: https://www.gov.uk/guidance/tree-felling-licence-when-you-need-to-apply Scotland: https://forestry.gov.scot/support-regulations/felling-permissions • Wales: https://naturalresources.wales/permits-and-permissions/tree-felling-and-other-

	regulations/tree-felling-licences/?lang=en • Northern Ireland: https://www.daera-ni.gov.uk/publications/applying-felling-licence FSC Public search Navision System
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.1.3	The feedstock input profile is described and categorised by the mix of inputs.
Finding	In the UK the main unit of measurement is by the metric tonne. Sales of standing timber from the public sector will have some sort of estimated timber volume m3 but the unit of sale will be tonnage over a public weighbridge. All weight tickets are referenced to a delivery note traceable to the source and these must be returned with the delivery note to the supplier. The public sector also issues PIN numbers for every load uplifted and there are random checks on lorry movements .The private sector also sells by the tonne but in most cases, there will be no premeasurement and no PIN number systems. Other systems may be in use to monitor uplift e.g., CCTV. The feedstock is predominantly Small Round Wood from standing timber sales with an element of 3rd party SRW purchased at roadside or delivered to quay side by other companies under their CoC.public forest estate . This will be- Origin- Final harvest from plantations Feedstock – low grade stemwood/salvage trees or potentially Origin- Processsing resiude Feedstock sawmill & wood industry residues - Chips
Means of Verification	• FSC CoC audits • FC plant passport audit • Random internal CoC checks • Public sector uplift checks
Evidence Reviewed	• https://esales.forestry.scot/sales-information/ Access to public sector e sales information and conditions. https://planthealthportal.defra.gov.uk/trade/plant-passports/registration-and-plant-passports/ System for Registered Authorised Professional Operator. DSHwood UK

	number is FC103362 • COC training
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.1.4	Payments for harvest rights and feedstock, including duties, relevant royalties and taxes related to timber harvesting shall be complete and up-to-date.
Finding	As described in 1.2.1 the payment method is usually over the weighbridge and by the tonne. DSHwood and most companies operate a Self-Billing System where they generate the relevant invoices for Supplier and Customers, The payment for timber is covered by this system and payments to the suppliers can easily be checked against each individual contract. This is the payment to the forest owner (public or private) for any roadside or standing timber. The only relevant tax due is Value Added Tax which is added automatically in most current software system at the appropriate level at the appropriate time. As part of supplier /customer set up the VAT number is asked for and checked online. There are no royalties or similar paid in the UK forest industry. The FSC National RA for GB has determined this as a Low risk.
Means of Verification	. • Financial audits on an annual basis with company accounts uploaded to company's house • Check of VAT number • FSC national RA
Evidence Reviewed	• HMRC VAT • Companies house
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator

1.2.1	The BP has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base.
Finding	Public sector ownership can be checked online through the relevant map viewers. This will also give information on private sector applications for grants, felling licences and forest plans which will all be linked to the ownership through the various rural development funding packages. Although only 44% of the woodlands in the UK are certified at time of felling over 80% of the timber traded is certified. The timber is certified through the UK Woodland Assurance Scheme that dual certifies to FSC and PEFC standards. Part of this certification process is the checking of legal ownerships. There are no available statistic on errors of contractors working on the wrong landownership which would indicate that it either never happens or the cases are so few that the instances are negligible. The ownership can be checked through the various UK land registers. This indicator focuses on the legality of land use and is distinct from indicator #1.3.1 which covers legality of harvesting. The FSC UK National Risk assessment determines that there is a Low Risk of a breach of 'land tenure and management rights' in the UK.
Means of Verification	. If the area is certified and has a felling plan, grants or felling licence it will be deemed that the legal owner is correct as it will have been checked by at least 2x 3rd parties however, if required further evidence could be asked for.
Evidence Reviewed	. • NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search This will give further links to the N. Irish land register and the Scottish Sassine and land register. • Coc procedure • IACS Registration
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.3.1	The BP has implemented appropriate control systems and procedures to ensure that feedstock is legally harvested and supplied and is in compliance with EUTR legality requirements.
Finding	All commercial timber in the UK must be felled with a felling licence/permission or other felling approval such as a Statutory Plant Health Notice as previously stated. Timber removed for infrastructure projects must comply with planning legislation which

	includes statutory and public consultation processes. DSHwood record the felling licence/permission & planning authorisations references and any UKTR forms as part of their due diligence system. To date there has been no prosecutions under the UKTR although there have been investigations. The number of illegal felling incidenct is believed to be less than 0.1 % of UK timber is marketed illegally* furthermore the FSC Controlled Wood risk assessment back this up and scores this as 1- a low risk.(CPET (here 2013) Forestry Facts & Figures 2021 - Forest Research) All timber sales must also comply with the UKTR (The Timber and Timber Products Placing on the Market Regulations) the UK Equivalent of the EUTR. Felling licence/permission are enforced by the devolved forestry regulators, the UKTR is enforced by the Office for Products Safety and Standards (previously the National Measurement Office). There are comprehensive controls of tree felling and enforcement in Great Britain and there is a low corruption perception index. This makes it straightforward for the operator to demonstrate legality and compliance with the UKTR. As further reassurance, 44% of the UK forest area is certified to FSC and/or PEFC schemes including 100% of the public forest estate and 23% of other forest/woodland mainly larger-scale forestry holdings or group schemes. In addition, PEFC UK has developed a new Trees Outside Forests sandard which it anticipates introducing in 2023 and will provide an additional assurance tool.. The FSC National RA for GB has determined this as a Low risk.
Means of Verification	• Existing legislation • Level of enforcement • Reference to sources of information in guidance notes • Due diligence • FSC RA
Evidence Reviewed	• England: https://www.gov.uk/guidance/tree-felling-licence-when-you-need-to- apply • Scotland: https://forestry.gov.scot/support-regulations/felling-permissions Wales: https://naturalresources.wales/permits-and-permissions/tree-felling- and-other-regulations/tree-felling-licences/?lang=en • Northern Ireland: -https://www.daera-ni.gov.uk/articles/felling-licences • UKTR • IACS registration • FSC National RA
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.5.1	The BP has implemented appropriate control systems and procedures to verify that feedstock is supplied in compliance with the requirements of CITES.

Finding	There are almost no tree species grown for timber in the UK which requires a CITES certificate. A very rare exception is the Monkey puzzle (Araucaria Araucana) with a very few small plantations in the nineteenth and early twentieth century. DSHwood do not harvest or trade Monkey Puzzle timber. DSHwood maintain a list of the common and most frequent species traded in and from the UK none of which fall under CITES. Previous CITES statistics (2016) taken from the FSC national risk assessment show no incidences of CITES timber incidents originating in the UK and states 'In summary the probability of CITES timber originating in the UK is small, but CITES timber is a priority issue for the National Wildlife Crime unit and there is evidence that reports of breaches of regulations are investigated. The FSC national RA has dertmined this as a Low risk.
Means of Verification	• List of species purchased by the biomass producer • Records of species on delivery notes and sales details • Sales details
Evidence Reviewed	• FSC UK risk Assessment • DSHwood UK Species list Appendix D • Sales Details
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
1.6.1	The BP has implemented appropriate control systems and procedures to ensure that feedstock is not sourced from areas where there are violations of traditional or civil rights.
Finding	Again only 44% of the woodlands in the UK are certified at time of felling over 80% of the timber is certified. The timber is certified through the UK Woodland Assurance Scheme that dual certifies to FSC and PEFC standards. Part of the compliance with the UKWAS is that there are no violation civil or traditional rights. For clarity under UK or international definitions there are no indigenous peoples within the UK. All forests and forest operations in the UK must comply with UK Forestry Standard (UKFS) which covers a number of topics including this. Legal, customary, and traditional tenure and use rights are protected through the UK legal system which is actively enforced. Traditional tenure and use rights of local communities related to the forest are identified, documented, and respected in forests certified by international certification schemes and those managed under an approved UKFS Management Plan. The FSC National RA as dertmined this as a Low risk.
Means of	• Traditional and civil rights are identified. • Procedures are in place to ensure rights are not violated

Verification	• Checking the legality of the felling and certification status. • Sales Details
Evidence Reviewed	• FSC UK Risk Assessment • UK Forestry Standard • Sales Details
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.1.1	Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified.
Finding	Firstly for a control system and identification of areas of high conservation value (HCV) to be mapped it needs to be understood what is applicable within a UK context.The simplest way is to use the FCS National High Conservation Value Framework of the UK (Feb 2019). This also draws on the Common Guidance for the Management & Monitoring of High Conserervation Values (by Brown & Senior ,2014). Within the UK context this defines the HCV's as follows- • HCV 1 – Species diversity. Sites designated as biological Sites of Special Scientific Interest (SSSIs, in England, Scotland and Wales) and Areas of Special Scientific Interest (ASSIs, in Northern Ireland) are taken as proxies for this HCV. • • HCV 2 – Landscape-level ecosystems and mosaics. Intact forest landscapes and other large landscape-level ecosystems and mosaics are not considered to be present in the UK's highly modified landscape. • • HCV 3 – Ecosystems and habitats. SSSIs, ASSIs, and priority habitats identified by statutory nature conservation bodies are taken as proxies for this HCV. In addition, all ancient woodland sites (sites which have been under continuous woodland cover since before AD 1600 in England, Wales and Northern Ireland or since before AD 1750 in Scotland) are considered to be of high conservation value. • HCV 4 – Critical ecosystem services. In the UK context, ecosystem services in critical situations are likely to be limited to areas and features of critical importance for watershed management or erosion control. These may include forests upstream of public water supplies (where regulation of water quality and quantity is critical) or • areas liable to flooding (where regulation of water quantity is critical), or forests on steep slopes above settlements or infrastructure where management of slope stability is critical to avoid risks to human safety or serious economic impacts. • • HCV 5 – Community needs. There are no recognised indigenous peoples in the UK. There are very few circumstances under which local communities are dependent on forests for their basic necessities, with the notable exception of private water supplies (public water supplies are considered under HCV 4). • • HCV 6 – Cultural values. Sites or landscapes designated as Scheduled Monuments, Listed Buildings, Conservation Areas, Areas of Outstanding Natural Beauty (in England, Northern Ireland and Wales), National Scenic Areas (in Scotland), National Parks (currently only in England, Scotland and Wales) or World Heritage Sites, including

	Cultural Landscapes, are all potentially important proxies for this HCV. This links the the 6 main HCVs to definite UK definitions and legislation . Of the 4 that are valid in the UK these have been defined and mapped (links below) by the relevant UK regulators and fall under various different parts of legislation for protection. The UK forestry Standard includes these HCVs under the above definitions e.g.SSSIs,ASNW , and they are also included in the UKWAS certification scheme. All felling licence and forest plans at the time of application will be cross checked with the relevant maps and designation and highlighted at the time. The DSHwood will check the felling permssions , forest plans are in place and valid and if a designation is highlighted will check on the relevant Government map site and follow any advice given. There is some consistent UK level reporting, for example UK Biodiversity Indicators (UK Joint Nature Conservation Committee) ,and condition reports for World Heritage Sites Other reporting is less consistent between England, Northern Ireland, Scotland and Wales. However, because these sources consistently show that forest management poses a relatively small threat to HCVs and highlight no areas of concerns in terms of specific HCVs or countries, they have been judged to be sufficient by FSC. As such the risk of felling on or damaging an area of HCV is LOW
Means of Verification	• Operational / Regulator online Maps • Regional, publicly available data from a credible third party • The existence of a strong legal framework in the UK. • Public forest registry: • Sales information/local knowledge features identified, documented and mapped • Condition of HCVs is established by reference to the appropriate statutory bodies and/or through assessment on the ground • Ancient woodland inventories • Historical maps • Workers are aware of such sites and of plans for their management • Condition statements from statutory bodies • Condition surveys • Management planning documentation • Licences and consents from the relevant statutory bodies • Approval of management plans by the relevant statutory bodies • Planning documentation shows how areas will be safeguarded • For all potentially damaging operations, awareness is demonstrated of how areas will be protected and/or safeguarded • Ongoing communication and/or consultation with statutory bodies and other relevant authorities and organisations as necessary • Field observation • Monitoring records • Discussion with the owner/manager•
Evidence Reviewed	• Biodiversity requirements of UKFS https://www.forestresearch.gov.uk/research/the-uk-forestry- standard-summary-checklist/ https://www.gov.uk/guidance/environmental-impact- assessments-for-woodland-overview • https://ukwas.org.uk/wp-content/uploads/2020/11/UKWAS-IP-Annex-2.2-UK-National-HCV-Framework.pdf • UK Forestry Standard • NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search • https://jncc.gov.uk/our-work/uk-biodiversity-indicators-2022/ • https://nbnatlas.org/

Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	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.
Finding	As we have defined the HCVs in a UK context and that fact that they are mapped by the regulator and protected by legislation in the UK the forest managers will comply to protect these areas. Again they will fall under the UK Forestry Standard and if certified UKWAS. DSHwood will check the felling licence/Forest plans to make sure they are valid and therefore comply with the UKFS . As such if they comply with the standard they will comly with the relvant legislation. HCV1- The UK is fortunate to have an extensive network of biological Sites of Special Scientific Interest (SSSIs, in England, Scotland and Wales) and Areas of Special Scientific Interest (ASSIs, in Northern Ireland). A similar rationale underlies both SSSIs and ASSIs, and a similar approach is taken to their selection. The SSSIs of Great Britain are the fundamental units of our network of protected areas for nature conservation in terrestrial and coastal environments. The most important areas for habitat and species conservation, at both national and international levels, lie within them, and all are considered to be of national importance for nature conservation. They make the major contribution towards the establishment of an ecologically coherent national network of protected areas and are where the interest is most highly concentrated or of the highest quality. Each SSSI represents a significant component of the biodiversity resource of Great Britain, and its protection is an important part of Great Britain's biodiversity conservation activity. 'They provide statutory protection under UK law for the network of terrestrial and freshwater Natura 2000 sites classified under the European Birds and Habitats Directives, and for sites designated under the Ramsar Convention. They help to deliver and underpin the UK's contribution to the Convention on Biological Diversity (especially the 20 Aichi targets) as expressed through the Global Strategy for Plant Conservation, the EU Biodiversity Strategy, UK post-2010 Biodiversity Framework, and the biodiversity strategies of the four countries of the UK.' Most importantly in the context of HCV 1, 'The purpose of biological SSSIs is to safeguard the diversity and geographic range of habitats and species throughout Great Britain, within which the viable populations of all our threatened native species will be represented'. Example Scotland- Detailed information on SSSI condition provided by Scottish Natural Heritage is available at https://www.environment.gov.scot/data/data-analysis/protected-nature-sites/. In October 2018, of 3,710 SSSI features in Scotland, 81 % were in

	favourable or recovering condition; the remainder were unfavourable (18 %), not assessed (1 %) or to be denotified (0.16 %). Forestry operations were identified as pressures affecting 117 features, or 3.2 % of the total. However, 68 of these features were in 'favourable maintained' or 'favourable recovered' condition and a further six were in 'unfavourable recovering' condition, suggesting that the pressure from forestry operations was not sufficient to have a negative effect on condition. Forestry operations were identified as pressures affecting only 41 features in 'favourable declining', 'unfavourable no change', 'unfavourable declining' or 'partially destroyed' condition, 3.6 % of those features or only 1.1 % of the total number of SSSI features in Scotland. For comparison, invasive species and overgrazing were the most significant pressures, affecting 817 and 575 features respectively, or 22 % and 15 % of the total. Forest management may help to relieve both of these pressures, by controlling invasive species and excluding or controlling herbivores. Lack of management affected 107 of the total number of features (2.9 %), fewer than forestry operations, but 59 of the features in 'favourable declining', 'unfavourable no change', 'unfavourable declining' or 'partially destroyed' condition (5.2 % of those features or 1.6 % of the total), more than forestry operations; in other words, neglect apparently contributes to the unfavourable condition of more SSSI features than does forest management. This is consistent with the UK level findings in the State of Nature 2016 Report . SSSIs are notified and protected under the Wildlife and Countryside Act 1981 in England and Wales, and under the Nature Conservation (Scotland) Act 2004 in Scotland. ASSIs are declared and protected under the Environment Order (Northern Ireland) 2002. In all cases these sites are subject to legal protections which mean that some operations may only be carried out with the consent of the relevant statutory conservation body. All forestry operations requiring a felling licence (i.e. excluding the felling of very small trees, or the felling of very small volumes in a given calendar quarter, or the felling of trees in orchards, gardens or churchyards, or the felling of trees under other legislation, such as planning regulations; see the Forestry Act 1967 and the Forestry Act (Northern Ireland) 2010) and all operations in receipt of grants must follow the requirements and guidelines of the UK Forestry Standard including those concerning biodiversity (UKFS section 6.1). These include protections for legally protected sites. Felling licence requirements apply in SSSIs, ASSIs and other areas with statutory nature conservation designations. Far from identifying forest management as a threat, an overview of factors affecting population trends in terrestrial and freshwater species in the UK in the State of Nature 2016 report finds that decreasing forest management has a negative effect. For HCV 1 areas (Biological SSSIs, ASSIs and other areas with statutory nature conservation designations) in circumstances where forest management activities require a felling licence or in an approved forest plan there is a low risk from harvesting or forest management operations. HCV 2 The UK has no intact forest landscapes, as defined and mapped by the IFL Mapping Team (http://www.intactforests.org/world.map.html). Other large landscape-level ecosystems and mosaics are not present in the UK's highly modified landscape, with the possible exception of extensive areas of native pinewoods and associated open habitats in the Scottish Highlands. However, these areas have been significantly modified by human activity, and it is questionable whether they contain 'viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance'. On balance, the landscape-level ecosystems covered by HCV 2 are not currently considered to be present in the UK. Importantly, the most significant pinewood areas, such as Abernethy and Glen Affric, are effectively protected under HCV 1 thanks to statutory designations. HCV 2 is not present in the UK and is therefore there is a Low risk of impact on them. HCV 3 Many Sites and Areas of Special Scientific Interest are relevant to HCV 3, with rarity at

	both national and European levels an important factor in determining which habitats to protect . 'A critical part of the selection process is to evaluate and understand the relative rarity of habitats in the landscape, regardless of quality. Habitats that are rarer are given higher priority, simply because options and opportunities for conserving them are more limited and if all such habitats are lost, so too are the species and processes associated with them. Hence, the rarity of a habitat has an important effect on an assessment and can make selection against uniform preferential standard according to geographical variations in the extent of the habitat. The Habitats Directive (92/43/EEC) Annex I identifies a number of threatened habitats at a European scale, the conservation of which requires site designation. The continuing loss and increasing scarcity of near- and semi-natural habitats over much of lowland Britain has led to the view that, for some habitats, all remaining examples above a certain quality should be protected. The scarcer the habitat, the stronger is the case that the qualifying standards should be more flexible.' As such, as with HCV 1, SSSIs and ASSIs are important proxies for HCV 3. Furthermore, priority habitats are identified by the statutory nature conservation bodies in England, Northern Ireland, Scotland and Wales as part of the UK response to the Convention on Biological Diversity. Priority habitats are those considered to be the most threatened at the country level (http://jncc.defra.gov.uk/page-5705), and as such are also important proxies for HCV 3. There are many potential threats to the habitats within designated sites. As part of the designation process, operations which might potentially damage the special interest of a site or area will have been identified, and permission must be sought from the relevant statutory nature conservation body before carrying out such an operation. Threats to the existence of designated sites and ancient woodland sites themselves usually take the form of major infrastructure projects or other built developments. Remnant features in ASNW and PAWS may be threatened by a lack of management, for example the shading of ground flora by unthinned plantations, or by unsympathetic management, for example the disruption of characteristic soil profiles by cultivation or herbicide application. All habitats are potentially threatened by wider issues such as changes in drainage or invasive species. The UK Forestry Standard explicitly reiterates legal requirements in relation to protected sites: 'Appropriate protection and conservation must be afforded where sites, habitats and species are subject to the legal provisions of EU Directives and UK and country legislation' Despite these legal protections, damage to ASNW, SSSIs and ASSIs can and does still occur. However, information on ASNW, SSSI condition and threats from England and Scotland suggests that forest management accounts for only a very small proportion of that damage . Biodiversity indicators for Northern Ireland show that the area of ASSIs has increased and that ASSI condition has improved slightly forest management is not identified as one of the key factors causing losses of biodiversity and, far from identifying forest management as a threat, the UK level summary in the State of Nature 2016 report finds that decreasing forest management has a negative effect on the quality of woodland habitats. On the basis that detailed information from England and Scotland is consistent with UK level information in State of Nature 2016, and therefore likely to be representative, the DSHwood concludes that forest management activities, as regulated by felling licensing and associated UKFS requirements, do not pose a significant threat to SSSIs and ASSIs in the UK and as such there is a Low Risk to damage being caused. HCV 4 In the UK context, ecosystem services in critical situations are likely to be limited to areas and features of critical importance for watershed management or erosion control. These may include forests upstream of public water supplies (where regulation of water quality and quantity is critical) or areas liable to flooding (where regulation of water

	quantity is critical),or forests on steep slopes above settlements or infrastructure where management of slope stability is critical to avoid risks to human safety or serious economic impacts.In the UK context, statutory environment protection bodies or national geological surveys (British Geological Survey or Geological Survey of Northern Ireland) will be best placed to determine what constitutes a critical situation.Critically important water catchments may potentially occur anywhere but are most likely to be found in the uplands of UK. Critically important sites for erosion control are most likely to occur in the uplands due to topography, but forests may have similar protective functions in very different locations, for example stabilising sand dunes.Threats to water catchments or vulnerable soils or slopes may include sudden changes in forest cover, point or diffuse pollution, and any forest operations causing soil disturbance,such as ground preparation or the construction of tracks or roads. All forestry operations require a felling licence or a Long Term Forest Plan and as such must comply with the UK Forest Standard including those concerning soil and water. These provide comprehensive protection against contamination, compaction ,disturbance and erosion of soil , against diffuse pollution and contamination of water with pesticides , fuels and oils . These areas are heavily regulated in all parts of the UK by the 4 envorinment agencies. A number of sources recognise the potential negative impactsof forest management on water quality, but also the mitigating effects of regulatory controls .For example, the report Woodland for Water: Woodland measures for meeting Water Framework Directive objectives , commissioned by the Environment Agency and Forestry Commission England but also supported by Natural England, the Scottish Environmental Protection Agency, Scottish Natural Heritage and the Countryside Council for Wales, states that: 'Woodland can pose a risk of diffuse water pollution, especially when involving more intensive management practices on sensitive soils… Most pollution incidents resulting from forestry are associated with harvesting operations, usually linked to poor practice in timber extraction. Ground damage due to machinery can lead to soil erosion and increased sediment delivery to watercourses. Clear felling also presents a risk of both phosphate and nitrate contamination of watercourses… These pollution risks are addressed by good practice measures under the Forests & Water Guidelines.' There is a high level of compliance with legal environmental requirements. The case study on Kielder Forest in the UK National Ecosystem Assessment Technical Report shows that even a large, intensively managed plantation can have modest positive effects on regulating water quality in a reservoir catchment. A search of water quality incidents recorded by the Drinking Water Inspectorate (in England & Wales) , the the Drinking Water Inspectorate for Nothern Ireland and the Drinking Water Quality Regulator for Scotland has not revealed any public health issues attributed to forest management. The Woodland Trust report Woodland actions for biodiversity and their role in water management provides a useful summary of UK and other temperate zone research on the effects of forest management on water quantity. While recognising that felling increases peak flows for several years until new trees become established, even when best practices are followed, the report does note that UK studies on the effects of upland conifer forests on flood frequency, intensity and risk 'found no significant effect at the headwater or large catchment scale'. Due to the level of regulation and the reports that provide evidence that in a UK sacle there is a Low risk of damage from forest operations on areas of HCV 4. HCV 5 In a UK context there are no indigenous peoples and there is also very few circumstances where local communities are dependant on forest for their basic necessities. As such in the absence of customary rights this could be seen as Low Risk

	and in general it does not apply. However, it is worth mentioning that there are individual houses and occasional small villages and businesses that draw their water from the forest environment. This is covered under HCV 4 and it is still a Low Risk that any damage may be caused by forest operations. HCV 6 In a UK context these would be sites or landscapes of global or national importance are designated as Scheduled Monuments, Listed Buildings,Conservation Areas, Areas of Outstanding Natural Beauty (in England, Northern Ireland and Wales), National Scenic Areas(in Scotland), National Parks (currently only in England, Scotland and Wales) or World Heritage Sites, including Cultural Landscapes.There are also a number of non-statutory registers of sites or landscapes of national significance, such as Landscapes of Historic Interest, Parks and Gardens of Special Historic Interest and Historic Battlefields in Wales. Again all these sites and designations are covered by legislation and by the UKFS. The impact of forest management on Scheduled monuments -The UK Forestry Standard explicitly reiterates legal requirements to protect Scheduled Monuments: 'Scheduled Monuments must not be damaged, and consent must be obtained from the relevant historic environment authority for any works that have the potential to damage the monument'. Historic England maintains a Heritage at Risk Register (https://historicengland.org.uk/images-books/publications/har-2015-registers/). For England as a whole, 2,701 of the total number of 19,850 Scheduled Monuments are on the Register. Forestry is identified as the 'principal vulnerability' for only 31 of these Scheduled Monuments, 0.2 % of the total number or 1.1 % of those at risk. By comparison, unrestricted plant, scrub and tree growth is the greatest risk to 27 % of entries on the Register: 'Unmanaged woodland, tree, scrub and bracken growth remains one of the most widespread causes of longterm damage to both urban and rural archaeological sites - even if the effects are not as visible or as immediately destructive as other processes. In most cases simple, low cost but regular maintenance is the key. The delivery of this will always be reliant upon the help and goodwill of landowners.' Historic England see the a lack of mangment as far more damaging than forest management. Cadw in Wales and Enquiries made with the Historic Environment Division in Northern Ireland and Historic Environment Scotland have not revealed any concerns in relation to forest management, and no other evidence has been found of forest management threats to Scheduled Monuments. National Parks and Areas of Outstanding Natural Beauty/National Scenic Areas The UK Forestry Standard requires that, 'In designated areas, for example national parks, particular account should be taken of landscape and other sensitivities in the design of forests and forest infrastructure' Searches of the Campaign for National Parks website reveal no issues relating to forest management; the website focusses on protecting National Parks from the impacts of fracking,pylons and roads. In a 2013 collection of case studies , the Campaign to Protect Rural England deals almost exclusively with bullt development threats to National Parks , Areas of Outstanding National Beauty and locally valued landscapes. Searches of the Campaign for the Protection of Rural Wales website reveals no issues relating to forest management; the website lists the risks to National Parks as 'open cast mining', reservoirs and holiday villages' and does not specify risk from forest management activities to Areas of Outstanding Natural Beauty. No evidence has been found of forest management threats to Areas of Outstanding natural Beauty in northern Ireland or National Scenic Areas in Scotland.

	Due to the high level of compliance with UK legislation and the above finding the risk to HCV 6 sites by forest management in the UK is Low.
Means of Verification	• Guidance provided by biomass producers to suppliers/forest operators, regarding threats to the identified forests and areas of high conservation values, and verification of conformance through field inspections • UK best management practices • Codes of Practice as per UKFS • Records of biomass producer's field inspections/monitoring records • Public forest registry/maps • https://www.nature.scot/doc/state-nature-scotland-report-2019
Evidence Reviewed	• https://assets.publishing.service.gov.uk/government/uploads file/687147/The_UK_Forestry_Standard.pdf • 6.1 Forest & Biodiversity • 6.7 Forest & Water • 6.6 Forest & Soils • NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search • Pre comm records • State of Nature 2019 • http://www.dwi.gov.uk/press-media/incidents-and-prosections/index.htm • https://daera-ni.gov.uk/publications/drinking-water-quality-northern-ireland • http://dwqr.scot/regulator-activity/water-quality-incidents • UNESCO http://whc.unesco.org/en/statesparties/gb • Historic England https://historicengland.org.uk/images-books/publications/har-2015-registers/ • https://www.cnp.org.uk/ https://www.cnp.org.uk/better-protected • https://www.cpre.org.uk/ • https://cprw.org.uk/ https://cprw.org.uk/our-work/landscape-and-countryside • https://www.woodlandtrust.org.uk/
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.1.3	The BP has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.
Finding	The bulk of UK forest are plantation forests dating from 1919 onwards, from the inception of the Forestry Commission. No large-scale forests are currently due for felling from 2008 and there is limited old growth/primary forest to convert to plantation. No material is sourced form forests being converted to non-forest land. This is checked before

	purchase through felling licence checks. Most commercial forests in GB are 20th Century plantations of fast growing non-native coniferous trees and were predominantly established on non-forested land. A much smaller proportion derives from semi-natural woodland which was 'enriched' by planting of more commercially productive species, often non-native conifers. Conversion to 'production plantation forest' of semi-natural woodland, particularly ancient semi-natural woodland, is unlikely to have received forestry authority approval since 2008. Since the 1970s, forestry policies have given increasing emphasis to environmental benefits with a particular focus on native species, managing and restoring ancient semi-natural woodland, restoring plantations on ancient woodland sites to a more natural condition, and creating new native woodlands It is unlikely that any such conversions resulted in the use of 'short rotations' so in line with the guidance set out in SBP Standard 1, they are unlikely to fall within the scope of this indicator. There is a low risk that feedstock is sourced from forests converted to production plantation forest or non-forest lands after January 2008 and is backed up by the FSC National RA.. N.B. The FSC/PEFC endorsed UKWAS has a similar provision in relation to conversion to non-forest land: areas converted from ancient semi-natural or other semi-natural woodland to plantation or non-forested land after 1994 do not normally qualify for certification DSHwood does not purchase from development site.
Means of Verification	• Historical maps and consultation with stakeholders • Regional, publicly available data from the Governments • The existence of a strong legal framework in the region
Evidence Reviewed	• NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search • https://forest-data.unece.org/Countries/GB#1 • https://fra-data.fao.org
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.1	The BP has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.
Finding	All supplying forest areas fall within the UKFS where the landowner will have to provide the relevant information to allow assessment. Prior to harvesting DSHwood or the appropriate buyer will further assess the site based on the information provided to risk assess the site for environmental, ecological and

	health and safety risk. From this, a risk assessment will be produced to mitigate any issues. This will comply with all relevant legislation, codes of practice & guidance. This is then monitored on an ongoing basis. In most cases EIA will be carried out by the landowner or agent. However on some sites such as in conservation areas DSHwood will manage permissions and applications for any additional harvesting infrastructure or facilities such as lorry turning areas and track extensions, ensuring that necessary EIA's are in place.
Means of Verification	• Regional Best Management Practices • Supply contracts • Assessment of potential impacts at operational level • Assessment of measures to minimize impacts • Monitoring results • Publicly available information on protecting the values identified • Level of enforcement • Regional, publicly available data • The existence of a strong legal framework in the region • Public forest registry
Evidence Reviewed	• Risk assessments • Monitoring forms/diaries • NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search • UK Forestry Standard
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.12	Genetically modified trees shall not be used.
Finding	UK legislation does not allow the use of GM modified trees and therefore there is no commercial use of GM modified trees.None can be harvested or supplied by DSHwood UK.
Means of Verification	• Reference sources, interviews and records show that GMOs are not used • Public reports • Legislation
Evidence Reviewed	• England • Genetically Modified Organisms (Deliberate • Release) Regulations 2002 • Northern Ireland • The Genetically Modified Organisms • (Contained Use) Regulations (Northern

	• Ireland) 2015 • The Genetically Modified Organisms • (Deliberate Release) Regulations (Northern • Ireland) 2003 • Scotland • The Genetically Modified Organisms • (Deliberate Release) (Scotland) Regulations • 2002 • Wales • The Genetically Modified Organisms • (Deliberate Release) (Wales) Regulations • 2002 • https://www.forestresearch.gov.uk/research/tree-improvement/
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.2	The BP has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b)
Finding	All supplying forest areas fall within the UKFS where the landowner will have to provide the relevant information to allow assessment. Prior to harvesting DSHwood or the appropriate buyer will further assess the site soils based on the information provided to risk assess the site for environmental, ecological and health and safety risk. From this a risk assessment will be produced to mitigate any issues. This will comply with all relevant legislation, codes of practice & guidance. The harvesting method will be adapted to protect the soils. This is then monitored on an ongoing basis. UKWAS Requirements The quality of forest soil should be protected or enhanced in terms of its physical, chemical and biological properties. • Forest soil fertility levels should be maintained to safeguard the soil's character and productive potential. • Forest operations should be planned and managed to avoid damage to soil structure and function; should damage occur, reinstatement measures should be undertaken and adverse effects mitigated. • The environment adjacent to forests should not be subject to adverse effects due to water run-off, contamination or erosion arising from forest management practices. This has been determined as a Low risk on the FSC National RA
Means of Verification	• Country Best Management Practices • Supply contracts • Records of biomass producer's field inspections • Assessment at an operational level of measures designed to minimize impacts on the values identified

	• Monitoring records • Publicly available information on the protection of soil • Level of enforcement
Evidence Reviewed	• UK Forestry Standard especially section 6.6 Forests and soils • UK soil maps- www.magic.gov.uk England • www.landis.or.uk/soilscapes/ England & Wales • www.macaulay.ac.uk Scotland • UK Forest research- soils • Protecting the Environment during harvesting • DSH monitoring
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	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).
Finding	Important eco systems and habitats are identified by a range of categories e.g., the highest category is a biological Site of Special Scientific Interest (SSSI). All the categories are considered during application for Felling licence or forest plans. Easily found on the various Government land use websites. As with all UK forestry this is covered within the UK forestry Standard. Standing sales information will contain any relevant information within the hazards and constraints with any mitigation and protection measure required. There are no truly natural habitats in the UK's highly modified landscape. The UK Forestry Standard states that 'the conservation, enhancement and restoration of semi-natural habitats is a clear aim of the UKFS and in the forestry strategies of England, Wales, Scotland and Northern Ireland'. UKFS Biodiversity Guidelines have been developed as part of the UK's implementation of the UN Convention on Biodiversity UNBCD). Statutory nature conservation sites (UKWAS 4.1) (HCV 1, HCV3): These are sites nationally or internationally designated for their conservation importance • Sites of Special Scientific Interest • National Nature Reserves • Special Areas of Conservation • Special Protection Areas • Ramsar sites. See more detail in section 2.1.2 Pre-commencement procedures require that checks are made as to any designations relating to the worksite or the immediate area, where these exist DSHwood to work with the landowner to establish the objectives of management and the appropriate hierarchy of controls to ensure that the condition of ecosystems or habitats is protected.

Means of Verification	• Guidance provided by biomass producers to forest contractors, regarding threats to the identified forests and areas of high conservation values, and verification of conformance through field inspections • UK Government digital map service • Government Guidance provided to suppliers/forest operators, regarding threats to the identified forests and areas of high conservation values, and verification of conformance through field inspections • Best Management Practices- UKFS • Codes of Practice • Monitoring records • Pre comm records
Evidence Reviewed	• UK Forestry Standard • Protecting the Environment during harvesting DSH monitoring • NRW maps Wales • Scottish Forestry Map viewer • UK map viewer Info • UK land search
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.4	The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Finding	Important areas of biodiversity are identified by a range of categories e.g., the highest category is a biological Site of Special Scientific Interest (SSSI). All the categories are considered during application for Felling licence or forest plans. Easily found on the various Government land use websites. As with all UK forestry this is covered within the UK forestry Standard. Standing sales information will contain any relevant information within the hazards and constraints with any mitigation and protection measure required. UKFS requirements for forests and biodiversity include 61 • Under the habitat regulations, an appropriate assessment is required when management activity has potential to result in adverse effects • Opportunities for enhancing biodiversity should be considered in forest management plans • Where existing forests fall short of UKFS requirements, improvements should be made when suitable management opportunities arise • The implications of woodland creation and management for biodiversity in the wider environment should be considered, including the roles of forest habitats and open habitats in ecological connectivity • Particular consideration should be given to conserving, enhancing or restoring priority

	habitats and species identified in the statutory lists of priority species and habitats. UKFS guidelines for forests and biodiversity include: • Identifying areas for minimal silvicultural intervention and consider encouraging or replicating ecological processes • Maintaining or establishing a diverse composition within the forest management unit including 10% of open ground for conservation or enhancement of biodiversity • Managing a minimum of 15% of the forest management unit for conservation and enhancement of biodiversity. The FSC UK National Risk assessment assigns a Low Risk that laws and regulations applicable to environmental requirements are not met.
Means of Verification	• Country Best Management Practices. • Supply contracts. • Assessment of potential impacts at operational level and of measures to minimize impacts. • Monitoring results. • Publicly available information on the protection of the values identified. • Level of enforcement • Regional, publicly available data from a credible third party • Public forest registry • Pre comm and site monitoring
Evidence Reviewed	• UK Forestry Standard especially 6.1 Forest and biodiversity • Protecting the Environment during harvesting DSH monitoring • NRW maps Wales • Scottish Forestry Map viewer
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.5	The BP has implemented appropriate control systems and procedures for verifying that the process of residue removal minimises harm to ecosystems.
Finding	DSHwood are not removing harvesting residues from site. However if we were to do so in the future the Managers will assess sites for suitability before brash removal using the UK Forest research guidance on site selection for brash removal and UK forest research on whole tree harvesting. They are effectively risk assessing the site against 3 factors 1. Soil erosion and damage 2. Removal of nutrients 3. Removal of base cat ions All other aspects of the ecosystems, habitats, hazards and constraints will be assessed as per a normal harvesting site before a decision is taken on brash removal.Therefore the control systems and procedures are in place. This will include- • Minimise compaction, rutting and erosion during forest operations by selecting the most appropriate working method for site conditions; monitor operations and modify,

	postpone or stop procedures if degradation starts to occur. • Maintain adequate brash mats throughout extraction operations. • On sites vulnerable to compaction and erosion, consider the weather and aim to carry out operations during dry periods; plan ahead for changes in the weather that could affect site conditions. • Keep streams and buffer areas clear of brash as far as practicable; avoid felling trees into watercourses and remove them or any other accidental blockages that may occur. • Install culverts or log bridges to avoid crossing and blocking drains; restore the site and drains as extraction progresses. The technical note on Protecting the Environment during mechanised harvesting operations will also be considered.
Means of Verification	• UK Best Management Practices • Supply contracts • Records of biomass producer's field inspections • Assessment at an operational level of measures designed to minimise impacts on the values identified • Monitoring records
Evidence Reviewed	• https://www.forestresearch.gov.uk/publications/guidance-on-site-selection-for-brash-removal/ • https://www.forestresearch.gov.uk/publications/whole-tree-harvesting-a-guide-to-good-practice/ • Protecting the Environment during harvesting
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.6	The BP has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).
Finding	Diffuse pollution and water pollution are heavily regulated in the UK with the devolved administrations and agency operating closely with the Forest industries. The industry works to defined buffer zones etc. through compliance with the UKFS guidelines on forests and Water with the supporting Practice guide on Managing Forest operations to protect the water environment. All sites are assessed for the diffuse pollution risk and if required water protection plans are put in place in advance with spill kits etc. available on site. This will be monitored on an ongoing basis. Most operators and managers have an element of training in diffuse pollution and useful information will be carried in the machine cabs. For example, In Scotland SEPA have produced the Forestry & Water Scotland Know the rules booklet with an accompanying cab sticker with buffer zones. In England the Forestry Commission, Forest Research have produced an Operator cab card for Managing Forest operations to protect the water environment. The following UKFS requirements should be considered-

	• Where existing forests do not meet the UKFS Requirements for Forests and Water, priorities for improvement should be identified and implemented at the earliest practical opportunity. • Forest management should contribute towards achieving the objectives of River Basin Management Plans and ensure that forestry pressures on the aquatic environment are addressed. • Woodland creation and management should aim to help protect or restore the quality of the freshwater environment by reducing the impact of more intensive land management activities and environmental change. • Early consultation with appropriate organisations should be carried out to determine site sensitivity and inform forest management plans and operations: • Water regulatory authority – for water status, location of Nitrate Vulnerable Zones, River Basin Management Plan objectives, risk factors, use of fords and, in England and Wales, for fisheries. • Local fishery bodies – for fisheries, including identifying key spawning streams and spawning times, and for advice on replacing culverts. • Water companies – for location of Drinking Water Protected Areas and public water supplies, and for information on the vulnerability of water treatment works. • Local authorities – for the location of private water supplies. • Conservation agencies – for the location of designated sites and presence of protected and priority species and habitats. • Watercourses and water bodies should be identified and appropriate buffer areas established and maintained to protect aquatic and riparian zones from adjacent activities. • Forest drainage should be planned and, where necessary, existing drains should be realigned to ensure that water is discharged slowly into buffer areas and not directly into watercourses. • Forest operations should be conducted to prevent watercourses being polluted with sediment or discoloured; inspections should be carried out during forestry works and any incidents involving contamination of the water environment reported to the water regulatory authority without delay – remedial action should be taken immediately if pollution starts to occur. • Fertiliser and pesticide applications should match the needs of the stand and should be planned with careful attention given to buffer and storage areas, weather and ground conditions, and the risk to water supplies; contingency plans should be in place in case of a spillage. • Where extensive fertiliser applications are being planned within the same catchment, phasing should be considered to ensure nutrient losses do not exceed environmental quality standards. • A minimum of oil and fuel should be stored on site and appropriate precautions should be taken
Means of Verification	• UK/country Best Management Practices • Supply contracts • Records of biomass producer’s field inspections • Assessment at an operational level of measures designed to minimize impacts on the values identified • Monitoring records • Inquiry from Environmental Inspectorate • Publicly available information on the protection of soil • Level of enforcement • FSC UK National RA
Evidence Reviewed	• https://www.confor.org.uk/media/246145/forest-and-water-guidelines.pdf • https://www.confor.org.uk/resources/forestry-water-scotland/ • Legislation re SEPA, EA, NRW

Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.7	The BP has implemented appropriate control systems and procedures for verifying that air quality is not adversely affected by forest management activities.
Finding	Air quality is heavily regulated in the UK with the devolved administrations and agency operating closely with the Forest industry. Environmental impact assessments may be considered at the time of woodland creation, but the main impact could be from exhaust fumes from vehicles and machinery.Most machinery working for DSHwood is under 4 years old and is Euro emissions compliant. However, it is in the nature of forests to positively affect the air quality by reducing the air temperature and removing pollutants. Affects vary between different forest and forest management types but are in general positive. There is a presumption against the removal of woodland and the loss of forest cover in the UK, and it is normally the case that felling approval is granted subject to restocking. Consequently, the framework of the UKFS supports long term positive impacts of forests on air quality. This will fall under all the current UK air quality and emissions regulations and the EU regulations that were transferred into UK law after Brexit and is not seen as a risk as most of the forest machinery is manufactured in the EU and complies with the relevant directives. A strong legal framework and enforcement regime together with comprehensive good practice guidance in the UKFS and a low corruption perception index provides a strong foundation for identifying and managing risk. The FSC National Risk Assessment concludes that cases where law/regulations for environmental requirements are violated they are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.
Means of Verification	• Country Best Management Practices • Supply contracts • Records of biomass producer's field inspections • Assessment at an operational level of measures designed to minimise impacts on the values identified • Monitoring records • Level of enforcement • Regional, publicly available data from a credible third party • The existence of a strong legal framework in the countries • FSC National RA
Evidence Reviewed	• The Environmental Permitting (England and Wales) Regulations 2007 • Environmental Regulation (Enforcement Measures) (Scotland) Order 2015 • Environment Act 1995
Risk Rating	Low Risk

Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.8	The BP has implemented appropriate control systems and procedures for verifying that there is controlled and appropriate use of chemicals, and that Integrated pest management (IPM) is implemented wherever possible in forest management activities (CPET S5c).
Finding	DSHwood do not use chemicals other than urea for stump treatment and are not involved in forest management however in the UK the use of chemicals in all industries is heavily regulated. The number of chemicals used in the forest industry is limited. In the context that 82% of timber harvested is certified under UKWAS then this timber will fall under forest plans that will have an integrated pest management plan. All timber under UKFS will also have an IPM plan. Only a limited number of pesticides approved under UK legislation, UKFS and the FSC are used in the forest industry and all chemicals will have a COSHH assessment. Chemicals approved for use in UK FSC certified woodlands Glyphosate – roundup / Clopyralid - shield Adjuvants - mixture B, arma, toil, validate and others / MCPA – agroxone (Farm woodland only) Acetamiprid – Gazelle SG / Propaquizifop – falcon Cycloxydim - laser / Propyzamide – kerb The Control of Pesticides Regulations 1986 (and the Control of Pesticides Regulations (Northern Ireland) 1987 provide details of pesticides subject to control and prescribe approvals required for supply, storage, and use, including aerial application. Users are required to take all reasonable precautions to protect the health of humans, animals, and plants, safeguard the environment and, in particular, avoid the pollution of water.
Means of Verification	• Existing legislation • Level of enforcement • UK Best Management Practices • Supply contracts (Urea) • Records of biomass producer's field inspections • Assessment at an operational level of measures designed to minimize impacts on the values identified • Monitoring records • UKWAS & UKFS
Evidence Reviewed	• UK Forestry Standard • https://ukwas.org.uk/ • Control of substances hazardous to Health -COSHH • The Control of Pesticides Regulations 1986 • The Plant Protection Products (Basic Conditions) Regulations 1997
Risk Rating	Low Risk

Comment or Mitigation Measure	Not Applicable

	Indicator
2.2.9	The BP has implemented appropriate control systems and procedures for verifying that methods of waste disposal minimise negative impacts on forest ecosystems (CPET S5d).
Finding	Waste management regulations in the UK apply to any waste generated during normal forest operations e.g., empty oil drum, grease cartridges, hydraulic pipes. All waste is gathered by the contractors in the forest and then disposed of by the contractor. As such the contractor will be required to be registered as a waste carrier and dispose of the waste in a legal manor to a registered site. Waste includes: • Redundant fencing • Redundant tree shelters and tree bags • Plastic waste • Surplus chemicals • Chemical containers • Fuels and lubricants • Fuel and lubricant containers • Wooden packaging • Old equipment/parts • General refuse. UKFS good forestry practice requirements include: Manufactured waste should be managed in a way that minimises its impact on the environment. (NEW (GFP) GPR7) UKFS guidelines include: • (S) GL3: Place any waste or recovered oil in an impermeable container and remove from the site for disposal at a suitable licensed site. • (S) GL4: Where it is necessary to store fuel oils on site temporarily, use double-skinned or bunded, securely lockable tanks and place them well away from watercourses. The FSC National Risk Assessment concludes that cases where law/regulations for environmental requirements are violated they are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities. A strong legal framework and enforcement regime together with comprehensive good practice guidance in the UKFS and a low corruption perception index provides a strong foundation for identifying and managing risk and justifies the rating.
Means of Verification	• UK Best Management Practices • Supply contracts • Operational Assessment of potential impacts and of measures to minimise impact • Monitoring results Monitored on site by the forest works manager (FWM) • Checked at UKWAS audits • Waste Carriers licence
Evidence Reviewed	• https://www.gov.uk/government/publications/environment-agency-enforcement-and-sanctions-policy/environment-agency-enforcement-and-sanctions-policy • Northern Ireland Environment Agency (NIEA) https://www.daera-ni.gov.uk/articles/pollution-response-northern-ireland • Scottish Environmental Protection Agency https://www.sepa.org.uk/regulations/enforcement/ • Natural Resources Wales (NRW) https://naturalresources.wales/about-us/what-we-do/how-we-regulate-you/regulatory-responsibilities/?lang=en
Risk Rating	Low Risk

Comment or Mitigation Measure	Not Applicable

	Indicator
2.3.1	Analysis shows that feedstock harvesting does not exceed the long-term production capacity of the forest, avoids significant negative impacts on forest productivity and ensures long-term economic viability. Harvest levels are justified by inventory and growth data.
Finding	Forest Research annual statistics and the Forest Inventory show that the current felling rates are below the actual annual increment. As part of UKFS and UKWAS all areas require to be replanted and as part of the forest plans the yield calculations and inventory must be demonstrated. For example, at a national level in 2021 a total of 11.2 million tonnes was harvested with the estimated annual increment at 13.15 million tonnes i.e., almost 2million tonnes under the annual increment
Means of Verification	• Harvesting records, inventory and growth data and yield calculations. • Part of UKWAS & felling licence /forest plan applications • UK based annual statistics
Evidence Reviewed	• https://cdn.forestresearch.gov.uk/2022/09/FRFS022.pdf • https://cdn.forestresearch.gov.uk/2022/09/Ch2_Timber_2022.pdf
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.3.2	Adequate training is provided for all personnel, including employees and contractors (CPET S6d).
Finding	Adequate training is provided for all personnel, including employees and contractors (CPET S6d). Internal management employees all have a forestry or land-based qualification. Individual additional training requirements are identified by PDP and discussion with senior managers and where appropriate additional training is provided. The accident rate in UK Forestry although still higher than the likes of construction has been falling steadily over the last few years as can be seen I the following table Source:Forest Research Forestry Statistics 2022

	All contractors must have the appropriate certificates of competence for the operation they are engaged in. E.g., a City of Guilds or NPTC training and certificate for the appropriate Chainsaw modules or First Aid course. These are checked at the start of every contract for every operator that will be on site. HSE now require operators and managers to compile ongoing PCPD records for all supervision and timber harvesting operations.Managers now hold these records.
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Field inspections • Monitoring records Training plans, training records, and records of qualifications
Evidence Reviewed	• Certificates of competence • Employee records.
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.3.3	Analysis shows that feedstock harvesting and biomass production positively contribute to the local economy, including employment.
Finding	The Forest Research Statistics for 2022 carry data on overall employment in the industry. The main forest harvesting, and haulage operations are rurally based and as such the bulk of employees live locally to where they work. They are a major contributor to the local rural economies. Employment • The Annual Business Survey (May 2021) reported average employment in 2019 of 18 thousand in forestry,7 thousand in sawmilling and 5 thousand in panel mills. • There was estimated to be a total of 7.1 thousand full time equivalent staff employed by primary wood processors in the UK in 2020 a 3% decrease from the total for 2019. • There were 200 establishments in the primary wood processing industries in the UK using UK-grown roundwood in 2020. UKWAS standard encourages the use of local labour where possible. Local contractors and operator are the first point of contact for the company.
Means of Verification	• Analysis of contribution • List of contractors
Evidence Reviewed	• Forest Statistics https://www.forestresearch.gov.uk/tools-and-resources/statistics/forestry-statistics/ • Contractor list
Risk Rating	Low Risk

Comment or Mitigation Measure	Not Applicable

	Indicator
2.4.1	The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).
Finding	The UKFS and UKWAS encourage the 3rd party use of forest. At the contract planning level all 3rd party use will be risk assessed and operations risk assessed to allow safe continuation of other uses. The FSC UK National Risk Assessment assigns a Low Risk that FSC's requirements are not met for management and harvesting planning, harvesting permits, timber harvesting regulations, protected sites and species, environmental requirements, CITES, HCVs, conversion of natural forest to plantations, use of GMOs, and legislation requiring due diligence/due care procedures.
Means of Verification	• Overall evaluation of potential impacts of operations on forest ecosystem health and vitality • Assessment of potential impacts at operational level and of measures to minimise impacts • Regional Best Management Practices • Supply contracts • Monitoring results•
Evidence Reviewed	• UKFS • UKWAS • Internal risk assessment • FSC National RA
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.4.2	The BP has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).
Finding	All forest plans for the regulator and for UKWAS cover fires pest and diseases. Within the company's procedures this is covered by the Emergency Response card in

	relation to Fire. Operators are aware of the current pest and diseases and will report any issues on findings as will the internal staff. Any higher risks will be covered in the supply contract and will be risk assessed at the start of the contract. UKFS states • Statutory orders made under the Plant Health Acts to prevent the introduction and spread of forest pests and diseases must be complied with • Suspected pests and diseases must be reported to the forestry authority if they are notifiable, access must be given to Plant Health Inspectors and their instructions must be followed. • Managers should be aware of the risks posed by pests and diseases, be vigilant in checking • The condition of their forests and take responsible measures to combat threats to tree health. • Information should be reported to the forestry authority that might assist in preventing the introduction or spread of forest pests and diseases. • Suspected pests and diseases should be investigated, reported to the forestry authority • Biosecurity control measures recommended by the forestry authority carried out.
Means of Verification	• Management Practices • Supply contracts • Assessment of potential impacts at operational level and of measures to minimise impacts • Monitoring results • Plant Health updates.
Evidence Reviewed	• UKFS • Management Plans • Risk assessment • Plant Health Information supplied by the vendor.
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.4.3	The BP has implemented appropriate control systems and procedures for verifying that there is adequate protection of the forest from unauthorised activities, such as illegal logging, mining and encroachment (CPET S7c).
Finding	Due to the heavily regulated nature of the forest industry within the UK it would be extremely unlikely that there would be illegal logging or mining. See indicator 1.3.1 for more detail The UK Forest authorities remotely cross check felling and other activities through live satellite imagery at least on a 6 monthly basis. Any unauthorised activity would be investigated by the relevant authority.

Means of Verification	• Maps • Records of BP's field inspections • Monitoring records • Publicly available information
Evidence Reviewed	• All these types of activity are punishable by various types of legislation through the devolved parts of the UK • Illegal logging has already been covered.
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.5.1	The BP has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest, are identified, documented and respected (CPET S9).
Finding	A UK Government White Paper in 2007 concluded that there are no 'indigenous, tribal or semi-tribal people' in the UK. This is recorded in the Parliament Hansard records. No other source has disputed this claim i.e., UN or Amnesty International etc. In some forest there are legal rights of access to draw water from watercourses. These rights are protected under different types of legislation and will be well documented in forest plans and maps. Any legal 3rd party rights will be considered during the risk assessment of the felling operations. Also covered under indicators 1.6.1 and 1.2.1
Means of Verification	• Customary and traditional tenure and use rights are identified and documented • Agreements exist regarding these rights • Sales documents & hazard and constraints maps • Risk assessment • FSC National RA
Evidence Reviewed	• http://www.survivalinternational.org/ • http://www.hrw.org/ • http://amnesty.org/ • http://www.iwgia.org/regions http://www.ohchr.org/en/issues/ipeoples/srindigenouspeoples/pages/sripeoplesindex.aspx • FSC National RA
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.5.2	The BP has implemented appropriate control systems and procedures for verifying that production of feedstock does not endanger food, water supply or subsistence means of communities, where the use of this specific feedstock or water is essential for the fulfillment of basic needs.
Finding	This indicator may not be relevant for the UK however,all production is from forest that have a legal felling permission of some sort. These forests would not be granted a permission if they endangered food and water supplies. No woodland creation scheme would be approved if it impacted on the food or water supply overall or for any community. These elements are checked at UKWAS audits and fall under the UKFS. Any private water supplies will be identified prior to felling and are covered under indicators 1.6.1 and 2.2.6
Means of Verification	• Forest plans, felling licences and UKWAS plans are out for public consultation and local communities and other stakeholders indicate that subsistence needs are not endangered; agreements exist on resource rights where this impact the needs of communities
Evidence Reviewed	Legal felling permissions are in place
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.6.1	The BP has implemented appropriate control systems and procedures for verifying that appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.
Finding	Current legislation is the formal process for resolving any dispute to tenure rights, forest practice and working conditions. Sales contracts will supply the legal framework for any disputes. Internal grievance procedure is in place for employees and there is no bar on collective bargaining within the company or for our contractors. Land tenure and use Company and propertylaw is well established in the UK : companies are registered at Companies House and legal ownership of land is recorded by the statutory land registries. Disputes over land registration are resolved through tribunals. Decisions are published and records show that there are very few disputes in any given year, and only a very small proportion relate to forest land.

	In the first instance, resolution of disputes over land use rights should be sought through discussion between the company and the other parties to the dispute; the parties might choose to use independent arbitration. If no resolution is achieved the matter can be pursued in the courts. Forest management practices Concerns about forest management practices can be raised directly with the company in the first instance. Should that not resolve the concern, a complaint can be made to the relevant forestry authority, statutory nature conservation and countryside agency, statutory environmental protection agency, historic environment agency, local authority, or other relevant public body. The agency will assess the concern raised and if considered necessary advise the landowner / manager to take corrective action or take enforcement action. Work conditions The company operates a Grievance Policy and Procedure for occasions when an employee is dissatisfied with some aspect of their employment. This may be to do with working conditions, working practices, pay and benefits, treatment by other colleagues or health and safety issues. Employees are encouraged to seek resolution through informal discussion in the first instance. Mediation using an independent mediator is also an option. If the issues cannot be resolved informally the company's formal procedure can be used. The Corruption Perceptions Index and Worldwide Governance Indicators show a very low level of perceived public sector corruption and a high ranking for regulatory quality in the UK. Good practice is to develop dispute and grievance resolution procedures so that wherever possible matters can be resolved amicably without recourse to law.
Means of Verification	• Existing legislation • Level of enforcement • Management Practices • Supply contracts • Records of biomass producer's field inspections • Monitoring records
Evidence Reviewed	• Sales contracts • Grievance procedure
Risk Rating	Unspecified Risk at RA
Comment or Mitigation Measure	Not Applicable

	Indicator
2.7.1	The BP has implemented appropriate control systems and procedures for verifying that Freedom of Association and the effective recognition of the right to collective bargaining are respected.

Finding	There is no internal bar to collective bargaining and there is a UK company grievance procedure in place. The majority of the forestry contractors in the UK are self-employed, and those that they contract to carry out work are usually self-employed sub-contractors rather than employees. It is the contractor who determines the level of wages and working conditions for their employees therefore while this has implications for the scope for contractors and sub-contractors to organise and bargain collectively, legal protections in terms of discrimination, child labour and forced labour described would still apply. UK legislation supports Article 1 of the ILO convention -Protection against anti-union discrimination. The FSC UK National Risk Assessment assigns a Low Risk that labour rights including rights as specified in the ILO Fundamental Principles and Rights at Work are not respected. The NRA concludes that there is no evidence of violation of the right to organise and freedom of association in the forest sector. Indeed, the forest sector has been exempted from gangmasters licensing requirements because it is seen as Low Risk.
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Assessment at an operational level of measures designed to minimise impacts on the values identified • Monitoring records
Evidence Reviewed	• Grievance procedure. • http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3186111:NO
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.7.2	The BP has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using any form of compulsory labour.
Finding	The UK forestry labour force is extremely highly skilled, and all operators require to be trained for the appropriate operation. This would be extremely difficult to achieve with forced labour. While recognising that forced labour does occur in the UK the Global slavery index 2018 shows that the prevalence of modern slavery in the UK is relatively low with the UK ranking 3rd in the world. There have been no known high profile cases repoted in the UK media involving Forestry. The forestry sector is seen as 'low risk' within the UK by the Government and as such Forestry was granted an exemption in 2013 to the Gangmasters Licensing Regulations

Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Monitoring records
Evidence Reviewed	• Discussion with Staff • Discussion with operators
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.7.3	The BP has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour.
Finding	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour. There has been no evidence found of child labour being used in the UK or the UK forest industry. The UK appears as a low risk on the ILO Child labour Country dashboard and also within the findings of the Office of the UN High Commissioner for Human rights committee on Rights of the Child. Official statistics do show that a proportion of the potential victims of forced labour reported to and investigated by the regulatory authorities are children , but there is no evidence to challenge the general conclusions that modern slavery and human trafficking legislation is enforced, and that the forest sector is low risk. The devolved administrations in the UK have existing legislation that prevents the use of child labour. It is legal in the UK to leave school at 16 and in some cases there may be workers between the ages of 16 to 18 years working planting trees although not common. This should be seen within the context of UK legislation and in Scotland it is legal for 16 year olds to marry without their parents consent.. DSHwood check photographic certificates of competence for all operators which provides their date of birth and national insurance number. The FSC UK National Risk Assessment assigns a Low Risk that labour rights including rights as specified in the ILO Fundamental Principles and Rights at Work are not respected. The NRA concludes that there is no evidence confirming significant child labour in the UK and no evidence was found of cases of child labour in the forest sector.
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Assessment at an operational level

Evidence Reviewed	• http://www.ilo.org/ipec/Regionsandcountries/lang—en/index.htm • http://www.globalmarch.org/ • http://www.ohchr.org/EN/HRBodies/CRC/Pages/CRCIndex.aspx
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.7.4	The BP has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using labour which is discriminated against in respect of employment and occupation.
Finding	The devolved administrations in the UK have existing legislation that prevents discrimination of any kind within employment and occupation. This covers race, religion, disability and gender. DSHwood complies with all relevant legislation.DSHwood agrees with the FSC National Risk assessment and has seen no evidence within the forestry sector that any of rhese rights are breached either within the company or with the contractors that they use. Legislation is continually updated to plug any gaps that are found. The FSC UK National Risk Assessment assigns a Low Risk that labour rights including rights as specified in the ILO Fundamental Principles and Rights at Work are not respected. The NRA concludes that no evidence was found for discrimination in the forest sector specifically.
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Monitoring records • Company policies indicate that the requirements are met • FSC National RA
Evidence Reviewed	• Monitoring and checks of our contractors and 3rd party suppliers. • http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3191611:NO • http://www.ilo.org/declaration/lang--en/index.htm • Company policies • FSC National RA
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.7.5	The BP has implemented appropriate control systems and procedures for verifying that feedstock is supplied using labour where the pay and employment conditions are fair and meet, or exceed, minimum requirements.
Finding	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is supplied using labour where the pay and employment conditions are fair and meet, or exceed, minimum requirements. UK legislation provides a stipulated minimum wage and a recommended living wage. Legislation also protects employees' rights and conditions through various Acts and regulations which are enforced.There has been no known high profile media cases of any breaches of legislation within the forestry sector. The majority of the forestry contractors in the UK are self-employed, and those that they contract to carry out work are usually self-employed sub-contractors rather than employees. It is the contractor who determines the level of wages and working conditions for their employees therefore while this has implications for the scope for contractors and sub-contractors to organise and bargain collectively, legal protections in terms of discrimination, child labour and forced labour described would still apply. The UK is signed up to the 8 fundamental ILO conventions. The FSC UK National Risk Assessment assigns a Low Risk that labour rights including rights as specified in the ILO Fundamental Principles and Rights at Work are not respected. The NRA concludes that there is no evidence of significant gender wage discrimination in the forest sector. No evidence was found for other discrimination in the forest sector specifically. The UK has a permanent seat in the ILO governing body and, since the ILO's formation in 1919, has ratified 87 ILO conventions and 2 protocols including the eight core conventions covering human rights in the workplace. The Declaration on Fundamental Principles and Rights at Work affirms the obligations and commitments that are inherent in membership of the ILO, namely: • Freedom of association and the effective recognition of the right to collective bargaining. • The elimination of all forms of forced or compulsory labour. • The effective abolition of child labour. • The elimination of discrimination in respect of employment and occupation. • A safe and healthy working environment. DSHwood complies with relevant legislation and has a Grievance Policy to follow if employees are not happy with their conditions.
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Monitoring records
Evidence Reviewed	• http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102651 • https://www.gov.uk/national-minimum-wage • Internal policies

Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.8.1	The BP has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).
Finding	Health & Safety is a key part of all operations in the UK forest industry and is heavily regulated through various Acts of Parliament and Regulations the main one being the Health & Safety at Work Act 1974. DSHwood is a member of the UK Forest Industry Safety Accord (FISA) that works hand in hand with the regulator, Health & Safety Executive (HSE) to improve health & safety in the UK Forest Industry. The statistics on the declining accident rates within the Forest Industry can be seen in indicator 2.3.2 but a comparison to Agriculture can be seen below which further demonstrate the trend . All operations are risk assessed and all operators have their certificate of competence checked before the start of each contract. DSHwood regularly contribute to the FISA working groups to improve health & safety and all operations are monitored on an ongoing basis. The FSC UK National Risk Assessment assigns a Low Risk that health and safety regulations are consistently violated. The UK has a permanent seat in the ILO governing body and, since the ILO's formation in 1919, has ratified 87 ILO conventions and 2 protocols including the eight core conventions covering human rights in the workplace. The Declaration on Fundamental Principles and Rights at Work affirms the obligations and commitments that are inherent in membership of the ILO, namely: • Freedom of association and the effective recognition of the right to collective bargaining. • The elimination of all forms of forced or compulsory labour. • The effective abolition of child labour. • The elimination of discrimination in respect of employment and occupation. • A safe and healthy work environment
Means of Verification	• Existing legislation • Level of enforcement • Supply contracts • Records of biomass producer's field inspections • Monitoring records • Feedback from HSE • FISA
Evidence	• Site diaries/ site monitoring forms • Contracts/workbooks

Reviewed	• https://ukfisa.com/ • https://www.legislation.gov.uk/ukpga/1974/37/contents • Health and safety policy
Risk Rating	Low Risk
Comment or Mitigation Measure	Not Applicable

	Indicator
2.9.1	Feedstock is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.
Finding	Within the UK the total carbon stocks is estimated to have increased, from around 3.2 billion tonnes of carbon equivalent in 1990 to 4 billion tonnes of carbon equivalent in 2020, of which 2.8 billion tonnes of carbon equivalent are in soils and 0.9 billion tonnes of carbon dioxide equivalent are in living woody biomass. As such the definition of high carbon stock is forests that are growing on soils with a peat depth of 50 cm or over. As such trees are no longer permitted to be planted on peat soils of this depth. Any forest on peat of over 50cm have a high carbon stock and are only being cleared to reinstate the peat & carbon storage moreover, the net annual rate of carbon accumulation by UK forests is currently around 18 million tonnes of CO2. Office for National Statistics (ONS) data on the draining and afforestation of peatland show that the practice has decreased significantly citing “a general decrease in the rate of afforestation from 1,086 hectares in 1990 to 83 hectares in 2015 for the UK”. The legal framework for protecting land of high carbon value such as peatland is set out in the UK Forestry Standard (UKFS) which covers the requirements for planting new woodlands, and for regulating tree felling and conversion to non-forest land or plantations as summarised in Indicator 1.3.1. Additional legal requirements relevant to carbon in woodland were introduced in the UK Climate Change Act (2008) which has prompted development of peatland restoration plans. DSHwood are not purchasing timber form these areas. The evidence demonstrates that across the UK there has been a presumption against drainage of peatland for afforestation since at least 2000 so protection for peatlands has been in place since before 2008 and ONS data show a substantial decline in loss of peatland to afforestation. In combination with peatland restoration projects being undertaken there is considered to be a Low Risk of the Indicator not being met.
Means of Verification	• Maps, procedures, and records • Regional, publicly available data • The existence of a strong legal framework in the region • Forest Research Information
Evidence Reviewed	https://cdn.forestresearch.gov.uk/2022/09/Ch4_Carbon_2022.pdf
Risk Rating	Low Risk

Comment or Mitigation Measure	Not Applicable

	Indicator
2.9.2	Analysis demonstrates that feedstock harvesting does not diminish the capability of the forest to act as an effective sink or store of carbon over the long term.
Finding	The bulk of biomass supplies will come from Scotland with 51% of the total UK forest carbon stock (2 billion tonnes of CO2 Equiv) also being in Scotland and with an annual UK accumulation of a further 18 million tonnes of CO2 it would be extremely unlikely that the scale of DSH operations could impact on the UK forests being an effective carbon stock. The UK government's Biomass Policy Statement (2021) commits to publishing a biomass strategy in 2022. The statement says: 'As part of the Biomass Strategy, we will review the amount of forestry residues that could be available from the UK and globally as a source of sustainable biomass. We will also consider where environmental and social aspects of the sustainability criteria could be strengthened in line with the most up to date scientific evidence. Future availability of this feedstock from domestic sources will depend on a variety of factors, including the future landscape of the UK's woodlands and how these are managed in line with the individual tree policies across England and the devolved administrations'. Achieving conformance with this indicator requires that after tree harvesting the following characteristics are retained: • The dynamics of carbon cycling • The capacity of living biomass to sequester and store biomass • The capacity of the soil to act as a carbon store. Due to the current age structure of the UK woodlands, it should be noted that by 2040 the annual accumulation will drop to 10 million tonnes CO2 by 2040. The area of woodland in GB continues to increase as does the carbon stored in soils and living woody biomass. It is considered that the regulation of GB forestry based on the UKFS requirements and guidelines provides a strong legal framework and enforcement regime to ensure good practice in relation to forest and carbon management. No evidence was found to suggest that feedstock harvesting diminishes the capability of the forest to act as a carbon sink over the long term. This indicator is considered as Low Risk.
Means of Verification	• Results of analysis • Regional, publicly available data • The existence of a strong legal framework in the region • Forest Research
Evidence Reviewed	https://cdn.forestresearch.gov.uk/2022/09/Ch4_Carbon_2022.pdf
Risk Rating	Low Risk
Comment or Mitigation	Not Applicable

Measure	

Annex 2: Detailed findings for REDII

Section 1. RED II Supply Base Evaluation

N/A

Section 2. RED II detailed findings for secondary and tertiary feedstock

10.1 Verification and monitoring of suppliers

N/A

10.2 Feedstock inspection and classification upon receipt

N/A

10.3 Supplier audit for secondary and tertiary feedstock

N/A