

The origin of wood-based products is important to Skeena Bioenergy and is demonstrated through our credible, independent Chain of Custody (CoC) certification based on international standards.

Skeena Bioenergy prefers suppliers who can demonstrate that fiber originates from sustainably managed forests; by this demand, Skeena Bioenergy aims to discourage unsustainable forest management practices.

## Skeena Bioenergy commits to the following practices regarding our Chain of Custody system:

- 1. We will track and record the volume of raw material from certified forests/suppliers.
- 2. We will track and record the volume of raw material from uncertified suppliers and/or sources.
- 3. We are committed to conducting regular audits of the CoC system.
- 4. Skeena Bioenergy will make all reasonable efforts to evade trading or sourcing from forest activities which/where:
  - a) Do not comply with local, national or international legislation on forest management, including but not limited to:
    - i) forest management practices
    - ii) nature and environmental protection
    - iii) protected and endangered species
    - iv) property, tenure and land-use rights for indigenous peoples
    - v) local communities or other affected stakeholders
    - vi) health, labour and safety issues
    - vii) anti-corruption and the payment of applicable royalties and taxes.
  - b) The capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis is not maintained or harvesting levels exceed a rate that can be sustained in the long term.
  - c) forest management does not contribute to the maintenance, conservation or enhancement of biodiversity on landscape, ecosystem, species or genetic levels.
  - d) ecologically important forest areas are not identified protected, conserved or set aside.
  - e) forest conversions occur, in other than justified circumstances where the conversion:
    - i) is in compliance with national and regional policy and legislation applicable for landuse and forest management, and
    - ii) does not have negative impacts on ecologically important forest areas, culturally and socially significant areas, or other protected areas, and
    - iii) does not destroy areas of significantly high carbon stock, and
    - iv) makes a contribution to long-term conservation, economic and/or social benefits. The spirit of the ILO Declaration on Fundamental Principles and Rights at Work (1998) is not met.
  - f) The spirit of the United Declaration on the Rights of Indigenous Peoples (2007) is not met.
  - g) Conflict timber.
  - h) Genetically modified trees.

All information about the Chain of Custody policy and system is available to all stakeholders and customers upon request.

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