



Control Union Certifications B.V. Evaluation of Sumitomo Corporation Woodchip & Biomass Dept. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.4

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

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1 Overview

| | |
|---------------------------------|--|
| CB Name and contact: | Control Union Certifications B.V. |
| Primary contact for SBP: | Andrea Ferrazzo |
| Current report completion date: | 18/Aug/2020 |
| Report authors: | Ing. Koen Jongste (auditor), Andrea Ferrazzo (certifier) |
| Name of the Company: | Sumitomo Corporation Woodchip & Biomass Dept., 3-2 Otemachi 2-Chome, 100-8601, Chiyoda-ku, Tokyo, Japan |
| Company contact for SBP: | Mr Toshiaki Izumi |
| Certified Supply Base: | <i>not applicable</i> |
| SBP Certificate Code: | SBP-06-34 |
| Date of certificate issue: | 10/Sep/2019 |
| Date of certificate expiry: | 09/Sep/2024 |

This report relates to the First Surveillance Audit

2 Scope of the evaluation and SBP certificate

The scope of this evaluation includes trading of wood pellets and wood chips. The scope is matching with the application form and only includes SBP standards 4 and 5. No discrepancies were found.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

Not applicable: trader

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Sumitomo Corporation Woodchip & Biomass Dept is an international trading company engaged in the sourcing of pulp grade and biomass wood chips and wood pellets for delivery to customers worldwide. The Sumitomo Corporation was founded in 24-12-1919. They trade wood chips under PEFC and FSC for many years. Sumitomo Corporation Woodchip & Biomass Dept acts as a back to back trader, buying and selling wood pellets and wood chips in vessels. They will not store or mix the material and be using the transfer system. People involved in the process like trading, registration, execution and invoicing were included in the audit and confirmed to have received relevant training. During the poast year several SBP shipments were done using the DTS system and in compliance with the rukes as laid down by SBP. They also have experience in trading PEFC and FSC wood chips.

5.2 Description of Company's Supply Base

Not applicable, The company is a Biomass Trader

5.3 Detailed description of Supply Base

Not applicable, The company is a Biomass Trader

5.4 Chain of Custody system

Sumitomo Corporation Woodchip & Biomass Dept holds a valid FSC Chain of Custody (COC) and PEFC certificates. For SBP they use their FSC CoC (SGSHK-COC-350002, License Code FSC-C126143, Controlled Wood Code SGSHK-CW-350002 with brokers/traders without physical possession for wood pellets and wood chips under the scope) as the basis for their SBP CoC system. They trade back to back. The sustainability characteristics will stay linked to the shipment and are noted in their transfer system registration balance. The outgoing sustainability declaration is the same as the incoming declaration, having the same sustainability characteristics (or without SBP claim in case the buyer is not SBP certified and part of DTS). The GHG for handling and shipping while the material is in their possession will be noted in the SREG. Communication and passing information in the chain is done with the use of the DTS system.

6 Evaluation process

6.1 Timing of evaluation activities

Preparation 12-08-2020 by ing Koen Jongste (lead auditor), remote audit 18-08-2020 and 19-08-2020 by ing Koen Jongste (lead auditor), evidence review and reporting 20-08-2020 ing Koen Jongste (lead auditor)

6.2 Description of evaluation activities

Preparation audit and review of last year's audit report, main audit Office audit using MS Teams for in depth review of procedures, documents and templates, check of suppliers documentation, checking knowledge level, Interview, documents, records, communication with SBP, DTS registrations and Reporting and review

6.3 Process for consultation with stakeholders

Not applicable, The company is a Biomass Trader

7 Results

7.1 Main strengths and weaknesses

The audit was conducted in an open and positive environment. Company was prepared for the audit both in knowledge as in manual and management system. No issues were found that could be raised as noncompliance to the requirement of the standard. The depth procedures and record keeping are thought to be sufficient for the size and complexity of the company. SBP material was traded using DTS system.

7.2 Rigour of Supply Base Evaluation

Not applicable, The company is a Biomass Trade

7.3 Collection and Communication of Data

Interview and verification showed understanding of the DTS system. The company is FOB/FOB trades but can do FOB/CIF trades including vessel transport in the future. Documents and calculations were shown.

7.4 Competency of involved personnel

During the audit the auditee showed understanding of SBP, its procedures and the proper execution of those. Considering the size of the company, there were no clear risks detected related to the competency of involved personnel. Internal SBP training has been received by the staff.

7.5 Stakeholder feedback

Not applicable, the company is a Biomass Trader so no stakeholder consultation is executed by the C

7.6 Preconditions

There were no non-conformities detected during this audit and therefore also no pre-conditions for certification

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

Not applicable, biomass trader

9 Review of Company's mitigation measures

Not applicable, The company is a Biomass Trader

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

| NC number <i>Enter number</i> | NC Grading: <i>Choose grading.</i> |
|---|---|
| Standard & Requirement: | <i>Click to enter SBP standard and requirement reference</i> |
| Description of Non-conformance and Related Evidence: | |
| <i>Click or tap here to enter NC description.</i> | |
| Timeline for Conformance: | <i>Choose NC timeline.</i> |
| Evidence Provided by Company to close NC: | <i>Click or tap here to enter description provided by Company to close the NC.</i> |
| Findings for Evaluation of Evidence: | <i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i> |
| NC Status: | <i>Choose status.</i> |

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:

| | |
|--|---|
| Certification decision: | Certification approved |
| Certification decision by (name of the person): | Andrea Ferrazo |
| Date of decision: | 27/Aug/2020 |
| Other comments: | <i>Click or tap here to enter text.</i> |