



NEPCon Evaluation of Uranium One Holding N.V. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.org



The promise of good biomass



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

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

© Copyright The Sustainable Biomass Program Limited 2018

Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
3	Specific objective
4	SBP Standards utilised
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
5	Description of Company, Supply Base and Forest Management
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
6	Evaluation process
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
7	Results
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
8	Review of Company's Risk Assessments
9	Review of Company's mitigation measures
10	Non-conformities and observations
11	Certification recommendation

1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus otarabus@nepcon.org, +34 605 638 383

Current report completion date: 10/Sep/2020

Report authors: Nikolai Tochilov

Name of the Company: Uranium One Holding N.V. Address: Baxter Building, Rapenburgerstraat 175N 1011VM, Amsterdam, The Netherlands.

Company contact for SBP: Mikhail Semenov, certification responsible. Phone: +74955445554 add. 440 or 442, Email semenov.m.s@u1g.ru

Certified Supply Base: not applicable for trader

SBP Certificate Code: SBP-07-23

Date of certificate issue: 11/Jul/2019

Date of certificate expiry: 10/Jul/2024

This report relates to the First Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope description: Trading of wood pellets, wood chips and wood briquettes for use in energy production, including transport from Biomass Producers in Russia to different end points all over the world. The certificate scope does not include Supply Base Evaluation.

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.

The scope of the evaluation covered:

- Review of the Biomass Trader's management procedures;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records and calculations;
- Review of the transportation, storage and deliverance processes

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.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Organisation is a trader with physical possession having legal address in Amsterdam, The Netherlands.

Organisation purchases SBP-certified / FSC-certified biomass (wood pellets, briquettes and wood chips) from biomass producers in Russia (ExWorks, FCA harbour, FOB, CIF, DAP – Incoterms), transports and stores the biomass in harbour, loads and delivers the biomass to customers by vessels. Potentially there may be different harbors in Russia used for biomass shipments by Organisation, but at the moment of this audit only Ust-Luga harbor in Leningrad region is used. All activities in Ust-Luga harbour, related to biomass unloading, handling, storage and loading to vessels are executed by contractor (based on outsourcing agreements). The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers.

Biomass is sold to customers on different Incoterms delivery conditions.

5.2 Description of Company's Supply Base

Not applicable for trader.

5.3 Detailed description of Supply Base

Not applicable for trader.

5.4 Chain of Custody system

Organisation is a trader with physical possession having legal address in Amsterdam, The Netherlands. Organisation is owned by Uranium One Group JSC which staff provides administrative services to maintain FSC and SBP certification. Organisation holds valid FSC CoC certificate <https://info.fsc.org/details.php?id=a02f300000gXKesAAG&type=certificate>. The scope of the certificate includes FSC credit and FSC transfer systems of claims for biomass trade. At the moment of this audit, FSC certificate scope includes Ust-Luga harbour in Leningrad region of Russia, where all purchased biomass shall be unloaded, stored, handled and loaded to vessel (in the reporting period this harbour has not been used by Organisation). All activities in harbour are implemented by contractor based on outsourcing agreement. By default, Organisation will be using FSC Credit system of claims (mixing all incoming biomass), in harbour, but in some specific cases the FSC transfer system of claims may be implemented. In such cases Organisation will ensure physical segregation of biomass during its handling, storage and loading to vessel. The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers using transfer system of FSC claims.

Possible FSC input and output claims for transfer system – FSC 100%, FSC Mix Credit, FSC Recycled, FSC Controlled Wood.

Possible FSC input claims for credit system: FSC 100%, FSC Mix Credit, FSC Recycled, FSC Controlled Wood. Possible output claims for credit system: FSC Mix Credit and FSC Controlled Wood.

6 Evaluation process

6.1 Timing of evaluation activities

Audit was conducted on May 28, June 29 and June 30, 2020 (total 9,5 hours). Audit activities included documents review, inspection of harbour and staff interviews.

Activity	Location	Date/time
Opening meeting	Desk-based	28/05/2020
SBP-related documents review and staff interview		11.00-12.30
Onsite visit of contractor in Ust-Luga harbour, interviews with contractor staff and documents review	Ust-Luga, Leningrad region	29/06/2020 12.00-14.00
Onsite visit of potential contractor in harbour in S.Petersburg, interview with contractor staff	S.Petersburg	30/06/2020 10.00-11.00
Review of SBP procedures, SBP training records, SBP trademark use, review of sales and transport documents	NEPCon office in S.Petersburg	30/06/2020
Evaluation of FSC CoC critical control points		12.00-17.00
Staff interview		
Closing meeting	NEPCon office in S.Petersburg	30/06/2020 17.00-17.15

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Nikolai Tochilov, audit team leader	NEPCon International Senior Auditor. In January 2015 he successfully passed SBP auditor training in Tallinn, Estonia. Since that time he has conducted more than 40 SBP assessments and annual audits for biomass producers and traders in Russia, Belarus, Latvia, Portugal, Netherlands, Belgium and Germany.

Assessment started with opening meeting (desk-based). Auditor introduced himself, provided information about audit plan, methodology and aim of the assessment. CB's accreditation related issues and confidentiality issues were covered as well. After that auditor went through all applicable requirements of the standards covering management system, CoC, recordkeeping requirements and emission and energy data (where applicable), and made staff interviews.

Due to Covid-19 limitations, onsite visit of contractor in harbour could not be conducted on May 28, 2020 and was postponed to June 29-30, 2020. During second part of the audit, auditor made onsite inspection of active contractor at sea harbour Ust-Luga in Leningrad region, as well as he visited and interviewed the staff of the other (potential) contractor operating in one of harbours in S.Petersburg.

After that, audit continued at NEPCon office in S.Petersburg, where auditor completed documents review and made staff interviews.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

Impartiality commitment: NEPCon commits to using impartial auditors and our clients are encouraged to inform NEPCon management if violations of this are noted. Please see our Impartiality Policy here: <http://www.nepcon.org/impartiality-policy>

6.3 Process for consultation with stakeholders

No stakeholder consultations conducted prior to, during or after this audit.

7 Results

7.1 Main strengths and weaknesses

Strengths: Robust recordkeeping system. Limited number of staff involved into SBP/FSC certification and good awareness of certification requirements by involved staff.

Weaknesses: no weaknesses identified during this audit.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Collection and Communication of Data

There were no SBP-certified biomass sales yet, therefore Organisation submitted an example of SREG which they will be using in the future supplies, when required. Considering that biomass will be most likely purchased on FCA Russian harbour delivery conditions of Incoterms, energy may potentially be used (and reported) only during biomass sea transportation to the other harbour. Organisation staff explained auditor how they will be collecting and justifying the relevant energy use data (nominal capacity of the vessel, fuel type and consumption, distance to destination port).

7.4 Competency of involved personnel

Both Organisation and contractor staff involved into SBP/FSC certification, showed good understanding of all applicable SBP requirements). Basically, only two staff members are involved into SBP certification: SBP responsible/chief of business development department (updating of SBP procedures; management system review and monitoring; control of FSC CoC critical control points; development of SREG documents, DDS) and chief of commerce and trading department (invoices, DTS, SBP trademark use).

7.5 Stakeholder feedback

No feedback received from stakeholders prior, during or after this assessment.

7.6 Preconditions

None.

8 Review of Company's Risk Assessments

Not applicable.

9 Review of Company's mitigation measures

Not applicable.

10 Non-conformities and observations

No NCRs identified during this audit.

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):	Ondrej Tarabus
Date of decision:	10/Sep/2020
Other comments:	N/A