



Control Union Certification B.V. Evaluation of Engie Energy Management SCRL Compliance with the SBP Framework: Public Summary Report

Scope Change 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

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1 Overview

| | |
|---------------------------------|-------------------------------------------------------|
| CB Name and contact: | Control Union Certifications B.V. |
| Primary contact for SBP: | Andrea Ferrazo |
| Current report completion date: | 17/Apr/2020 |
| Report authors: | Mr. D. Stoel (Lead Auditor), Mr A Ferazzo (Certifier) |
| Name of the Company: | Engie Energy Management SCRL |
| Company contact for SBP: | Mr. Toon Bosmans |
| Certified Supply Base: | N/A |
| SBP Certificate Code: | SBP-06-14 |
| Date of certificate issue: | 08/Mar/2018 |
| Date of certificate expiry: | 07/Mar/2023 |

This report relates to the Scope Change Audit

2 Scope of the evaluation and SBP certificate

The scope of this evaluation includes trading of wood pellets and wood chips. Back to back trading, where they can take ownership during the sea voyage with physical storage at Ghent Transport & Storage (Christoffel Columbuslaan 17, 9042 Ghent, Belgium). The scope is matching with the application form and only includes SBP standards 4 and 5.

The SBP biomass is used by their own utilities but is also sold as a back to back trade.

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 and staff involved in SBP trades are competent in working the system.

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

Engie Energy Management SCRL is a biomass trader. The company is located in Belgium and is part of a worldwide energy group. The company specialises in trading of fuels to supply power production stations. Biomass is part of it. The biomass is currently focused on wood pellets. The trade includes supply to Engie owned power stations and sales to others. Delivery takes place normally by ocean or sea going vessels. The company is FSC certified (License Code FSC-C129156, Certificate Code CU-COC-833147, Controlled Wood Code CU-CW-833147).

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

The company holds a valid FSC Chain of Custody certificate (CU-COC-833147, CU-CW-833147 and FSC License Code FSC-C129156) and PEFC Chain of Custody certificate CU-PEFC-847063 and PEFC logo license PEFC/07-31-391. Their CoC procedures are the basis for their SBP CoC system. They trade back to back, where the sustainability characteristics will stay linked to the shipment and are noted in their transfer system registration balance. The outgoing claim will be the same as the incoming claim, 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 their SREG. They will trade back to back with also some physical storage at Ghent Transport & Storage (Christoffel Columbuslaan 17, 9042 Ghent, Belgium). Communication and passing information in the chain will be done with the use of the DTS system.

6 Evaluation process

6.1 Timing of evaluation activities

| Activity | Date | Location | Executed by |
|--------------------------------------------------------------------------------------------|------------------|--------------------|--------------------|
| Preparation | 2-3-2020 | Apeldoorn | Diederik Stoel |
| Stakeholders consultation | Not applicable. | -- | -- |
| Desktop review, determining critical control points | 16-3-2020 | Apeldoorn | Diederik Stoel |
| Remote audit by means of MS Teams 26-03-2020 (timing as per agenda): | | | |
| - Opening meeting - Agreement on scope / changes in the system | 9:30-9:45 | Apeldoorn/Brussels | Diederik Stoel |
| - Checking the documents at hand | 9:45-9:50 | | |
| - Checking the availability of basic certification requirements | 9:50-10:00 | | |
| - Presentation company and processes and procedures | 10:00-10:15 | | |
| - Management system review - Business integrity, social, health and safety requirements | 10:15-10:30 | | |
| - CoC registrations/DTS/ - GHG data registrations | 10:30-11:30 | | |
| - Logo/Trademark use - Complaints procedures | 11:30-12:00 | | |
| - Reporting break | 12:00-13:00 | | |
| - Closing meeting | 13:00-13:30 | | |
| Reporting | 30-3-2020 | Apeldoorn | Diederik Stoel |

6.2 Description of evaluation activities

This was a remote audit due to COVID-19 restrictions and was being undertaken following SBP COVID-19 guidance of 13 March, 2020 and COVID-19 Normative Requirements of 22 April, 2020.

In this remote audit, Control Union used information and communication technology to evaluate all requirements from the annual audit plan to the extent possible. The audit was conducted on the basis of virtual meetings / interviews with relevant people of the certificate holder (by MS Teams), relevant documents and records, and other best available information. Interviews have been taken place with the Manager Logistics and the Biomass Trader.

This remote audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit.

After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists. Procedures for ports included in the scope of Engie were reviewed remotely.

The audit was completed by filling in the audit report and discussing the audit results.

Critical Control points were evaluated and found to be sufficiently managed and a closing meeting performed. Identified CCP and Evaluation CCP:

- Receiving of material in the DTS system
- Collecting sending of SREG information
- Keeping the mass balance (registration) :Correct certification system. Correct GHG.
- Selling of the material in the DTS system

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. The company was well prepared for the audit both in knowledge as in manual and management system. Also the company is involved in the development of the SBP standard. The depth procedures and record keeping are thought to be sufficient for the size and complexity of the company.

7.2 Rigour of Supply Base Evaluation

Not applicable, the company is a biomass trader

7.3 Collection and Communication of Data

The company has in depth procedures for this. The company uses DTS for communication of data. Their addition to GHG while the biomass is in their possession includes only sea transport. For this they use distance figures from Axsmarine from their shipping department..

7.4 Competency of involved personnel

The company consist of a biofuel trading desk which has the main responsibility related to the SBP system. During the audit the auditee showed clear and in depth understanding of SBP, its procedures and the proper execution of those. They are also involved in the technical committee creating and further developing the SBP standards. Training of staff in FSC and SBP was done, additionally for the back office.

7.5 Stakeholder feedback

Not applicable, the company is a biomass trader

7.6 Preconditions

No issues identified.

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, the company is a 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: Observation |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Standard & Requirement: | |
| Description of Non-conformance and Related Evidence: | |
| Timeline for Conformance: | Other |
| 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: | Open |

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 Ferrazzo |
| Date of decision: | 06/May/2020 |
| Other comments: | <i>Click or tap here to enter text.</i> |