



SCS Global Services Evaluation of LJR Forest Products Compliance with the SBP Framework: Public Summary Report

Fourth 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

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1 Overview

CB Name and contact: SCS Global Services, 2000 Powell St. Ste 600 Emeryville, CA 94608

Primary contact for SBP: Maggie Schwartz mschwartz@scsglobalservices.com

Current report completion date: 22/Jan/2021

Report authors: Sebastian Häfele & Ciara McCarthy

Name of the Company: LJR Forest Products

Company contact for SBP: Mr. Lige Moore, LJRpellet@yahoo.com

Certified Supply Base: Selected Counties in Georgia and South Carolina

SBP Certificate Code: SBP-04-22

Date of certificate issue: 29/Dec/2017

Date of certificate expiry: 27/Nov/2021

This report relates to the Fourth Surveillance Audit

2 Scope of the evaluation and SBP certificate

The scope of the evaluation is including SBP Standards 1, 2, 4 and 5 with ID 5E. The scope of the audit covers a remote audit of the mill and interviews of secondary suppliers. The audit was conducted in two parts as per section 6.1. The remote audit was conducted using a zoom meeting to conduct the walkthrough of the facilities. Documents and records were exchanged through email. This way the full scope of the certificate was audited.

The certificate includes the production of wood pellets and transport by truck to the ports of Brunswick and Savannah, Georgia. The scope includes a Supply Base Evaluation for the states of Georgia and South Carolina, and communication of the dynamic batch sustainability data.

3 Specific objective

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

The following critical control points were identified and evaluated:

Processes for procurement and processing, transport and storage - The overall system of procurement, production and sales process include several critical control points. The feedstock is received from several different suppliers and is stored in the warehouse. The material is weighed on the truck scaled and a load slip is issued which includes supplier name, address, origin, type of feedstock and quantity.

Volume accounting method - the volumes are recorded on the inventory spreadsheets and for PEFC certification, PEFC credit table has been developed.

Documentation of transactions - The DTS is used for any SPB related transactions and all transactions are recorded in DTS.

Energy data collection and reporting - The Energy data is recorded on GHG spreadsheet. Auditor reviewed GHG spreadsheet, DTS, PEFC ledger and load slips to ensure material is tracked throughout critical control points.

This audit was conducted according to the requirements of SBP's COVID-19 Normative Requirements dated 29 June 2020. The auditors confirmed that since the last audit:

- There were no significant changes.
- There were no systematic failures.
- No complaints or stakeholder comments were received.

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

None.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

LJR Forest Products supplies wood fiber to its pellet mill located in Swainsboro, Georgia. Material is sourced as pine sawmill residuals from the states of Georgia and South Carolina. The procurement organization consists of a single procurement manager. LJR Forest Products sources 100% of its input material as pine sawmill residuals. Approximately 51% as green chips, 11% as green sawdust and the remaining as dry shavings. The sawmills that supply the LJR Forest Products pellet facility are not CoC certified so all the input material is FSC/PEFC controlled. Outputs are SBP Compliant Biomass and EUTR Compliant Biomass.

5.2 Description of Company's Supply Base

Supply Base within the regional context

LJR Forest Products' wood pellet production plant is located in Swainsboro, Georgia. The facility sources from a largely rural area where forestry and agriculture are prevalent and are the primary sources of income for workers and the local communities. The supply base consists of pine forests in the Piedmont, South Atlantic Coastal Plain and the Mid-Atlantic Coastal Plain Regions.

Feedstock procurement

LJR Forest Products utilizes 100% mill residuals to produce its industrial wood pellets. Softwood mill residual chips, shavings, and sawdust originate from primary solid wood manufacturing facilities. The wood fiber inputs originate predominately from southern Georgia and western South Carolina. No hardwood residuals are utilized, and no hardwood harvesting contributes to LJR's fiber supply. LJR Forest Products' facility does not utilize any construction, demolition or post-consumer derived feedstocks. The company sources Pine sawmill residuals from approximately fourteen (16) suppliers. Secondary feedstock will account for 100% of the total feedstock.

Forest management practices

The states of Georgia and South Carolina have large and well-funded State Forestry Commissions and agencies that administer a number of programs including: timber theft prevention, landowner outreach and extension, forest inventory and analysis, forest fire and pest prevention, smoke management, health and safety, conservation easement, BMP implementation and monitoring, forest resource and wildlife assessments and action plans, and other forest sustainability programs. Both natural regeneration and artificial regeneration are used.

Land use and ownership status

The majority of Georgia forests are privately owned by individuals and corporations accounting for roughly 62 % and 28% respectively, with public lands accounting for just 10 percent.

In South Carolina, 88% of South Carolina's forests are privately owned with 63% of private forests being family-owned. The average "family forest" is 80 acres. 56% of these owners live on the land. The forest industries own 137,400 acres, down 93% since 2001 and continuing to decline. Public agencies manage 12% of South Carolina's forests

Socio-economic conditions

A variety of benefits are provided to Georgia from its healthy, sustainable forests. Of primary importance is the \$28.7 billion economic impact the forest industry has on the state. The industry is the state's second largest employer, with compensation exceeding \$6.5 billion and payments to landowners of about \$14.5 million. It generates an estimated \$539 million per year in revenues for the state budget. Forest-based recreation contributes to the state's economic growth and tourism industry. Georgia leads the nation in nonresident hunters, and resident sportsmen spend more than \$1.8 billion annually. Anglers spend \$569 million each year.

South Carolina: Forestry is number one among manufacturing industries in jobs (84,000+) and labor income. The total economic impact of South Carolina's forest industry is \$21 billion annually. The state exports \$1.27 billion in forest products each year. Timber is the state's number one harvested crop at \$759 million annually

Forest compositions

Mature upland and bottomland hardwood forests with well-developed canopy, mid-story, shrub layer and ground cover, and open, frequently burned pine woods with diverse ground cover.

Georgia's forests are a diverse mix of hardwood and softwood tree species typical of the South. Hardwood forests account for 53 percent of the forested area versus 45 percent for softwood types. Loblolly-shortleaf is the most prevalent softwood group, consisting of 30 percent of all forest land. Oak-hickory is the most prevalent hardwood forest-type group, consisting of 26 percent of all forest land, followed by hardwood forest-type group, consisting of 26 percent of all forest land, followed by oak-gum-cypress and the mixed oak-pine forest-type group. Pine plantations account for 62 percent of all softwood forests.

The most common forest types of South Carolina are White-red-jack pine, Longleaf-slash pine, Loblolly-shortleaf pine, Other eastern softwoods, Oak-pine, Oak-hickory, Oak-gum-cypress, Elm-ash-cottonwood. South Carolina has 13 million acres of forestland -- 67% of the state's total land area. Forest types range from Bottomland forests in which tupelo, blackgum, sweetgum, oaks, or southern cypress, singly or in combination, constitute a plurality of the stocking to upland forests such as Oak-hickory and Oak-pine.

Rofile of adjacent lands

There are 24.7 million acres of forest in Georgia. Sixty-five percent of the State is forested, while 32 percent is nonforest, and 3 percent is classified as surface water. Among nonforest land, agricultural land is most prevalent. Ten percent of Georgia's surface area is cropland, with another 5 percent being pasture, and 2 additional percent split among miscellaneous agricultural types. Roughly 3 percent of Georgia is developed due to rights of way, with another 11 percent otherwise developed. The remaining 1 percent of Georgia's surface area is wetland or beach.

Besides forest land, the main land cover types in South Carolina are developed lands, croplands, pastures with respectively 13 %, 10 % and 6 %. Water and federal lands take up ca 4 % to 5 % of total surface area of the state.

Link to the company's Supply Base Report:

The company does not have a website, the reader is referred to the SBP website for a copy of the current SBR of the company:

<https://sbp-cert.org/certificate-holders/ljr-forest-products-sbp-04-22>

5.3 Detailed description of Supply Base

Supply Base

- a. Total Supply Base area (ha): 10,007,260 ha Georgia, 5,250,458 ha South Carolina
- b. Tenure by type (ha): 8,930,272 ha Private Land – Georgia, 1,076,988 ha Public Agencies – Georgia, 4,604,628 ha Private Land – South Carolina, 645,830 ha Public Agencies – South Carolina
- c. Forest by type (ha): 4,488,804 ha Temperate Pine Forests – Georgia, 1,105,434 ha Temperate Oak-Pine – Georgia, 2,516,234 ha Temperate Pine Forests – S Carolina, 593,837 ha Temperate Oak-Pine – S Carolina
Forest by management type (ha): 3,127,355 ha Planted Forest – Georgia, 6,879,904 ha Managed Natural Forest – Georgia, 1,345,347 ha Planted Forest – South Carolina, 3,905,111 ha Managed Natural Forest – S Carolina
- d. Certified forest by scheme (ha): SFI Georgia 957,162 ha
South Carolina 455,989 ha
FSC Georgia 70,376 ha
South Carolina 64,1773 ha
ATFS Georgia 1,208,350 ha
South Carolina 539,282 ha

Feedstock

- e. Total volume of Feedstock: tonnes or m³ – 200,000 – 400,000 tonnes
- f. Volume of primary feedstock: tonnes or m³ -0 metric tons
- g. List percentage of primary feedstock (g), by the following categories. - percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*. Subdivide by SBP-approved Forest Management Schemes:
 - Certified to an SBP-approved Forest Management Scheme
 - 0%--No Certified Forest Content is reported
 - Not certified to an SBP-approved Forest Management Scheme
 - 100%--No Certified Forest Content is reported
- h. List all species in primary feedstock, including scientific name
 - Loblolly pine Pinus taeda
 - Longleaf pine Pinus palustris
 - Slash pine Pinus elliottii
 - Sand pine Pinus clausa

The reader is referred to the company's supply base report on the SBP website for a more detailed quantitative description:

<https://sbp-cert.org/certificate-holders/ljr-forest-products-sbp-04-22>

5.4 Chain of Custody system

LJR Forest Products is independently certified to the FSC/PEFC Chain of Custody and Controlled Wood Standards. LJR Forest Products sources all indirect and secondary inputs from suppliers that are within scope of the FSC/PEFC Chain of Custody and Controlled Wood/Due Diligence Standards. The COC certificate is single site. Pellets are manufactured at the facility and trucked to ports in Brunswick and Savannah, Ga. Ownership of the pellets transfers to another entity when the trucks are unloaded at the port. Volume accounting is accomplished through a software which tracks incoming feedstock from the scaling process to sales of pellets. The company has a credit account which is well maintained and correctly tracks incoming and outgoing volumes. Conversion factors are based on actual production data and are taken into account in the credit table.

6 Evaluation process

6.1 Timing of evaluation activities

The audit was conducted by Sebastian Häfele and Ciara McCarthy as lead auditors in a two-phase project. The first phase was conducted as remote audit via a zoom videocall and WhatsApp videocall. All pertinent documentation was exchanged through email and sharing of screens in zoom. Interviews were conducted using the two videocall softwares. This phase of the audit covered SBP standards 2, 4 and 5 including ID 5E. Total audit time was approximately 40h.

| | | |
|--------------------------------|--|---|
| Site Name or Location: | Swainsboro, GA | |
| Date and Time of Audit: | June 9, 2020, 8:00 AM EDT / 2:00 PM CEST | |
| Audit Activity | Items to Review / Actions | Approx. Start Time [EXAMPLE PROVIDED BELOW, EDIT AS NEEDED] |
| Opening meeting | Introductions, auditor review of audit scope, audit plan and intro/update to SBP, and SCS standards and protocols. Client description of organization, Any open non-conformities from last audit | 8:00 Am |
| SBP – ST 2 | Review procedures, supply base report, determination of origin documentation, Scalehouse observations and collection of scale ticket data. Verification of volume accounting for SBP and underlying COC system | 8:30 AM-2:00PM |
| ST 4 | Verification of COC system, OSHA measures, transactions in DTS, etc. | 2:00 – 3:30pm |
| Day 1 Closing Meeting | Review of Day 1, Discussion of Day 2 key events. | 3:30 PM |
| End | | 4:00 PM |

| | | |
|---------------------------------|---|---|
| Site Name or Location: | Swainsboro, GA | |
| Date and Time of Audit: | June 12, 2020, 8:00 AM EDT / 2:00 PM CEST | |
| Audit Activity | Items to Review / Actions | Approx. Start Time [EXAMPLE PROVIDED BELOW, EDIT AS NEEDED] |
| Opening briefing day 2 | Introduction to day 2 | 8:00 AM EDT |
| ST 5 review | Review of SAR and associated energy data | 8:20 AM |
| Virtual walkthrough of facility | Use of Information Communication Technology (ICT) to review physical inputs and outputs, material receipt, processing, storage, credit & percentage account, sale, and overall control and OSHA measures | 1:00 PM |
| Staff interviews | Use of ICT to conduct interviews with appropriate number and diversity of staff to assess knowledge of CoC procedures related to their position: <ul style="list-style-type: none"> • Purchasing • Invoicing • Administration of use of FSC trademarks | During walkthrough |
| Closing meeting preparation | Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting. | 3:00 PM |
| Closing meeting | Virtually convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next steps. | 3:30 PM |
| End | | 4:00 PM |

6.2 Description of evaluation activities

SCS Global Services initiated the SBP audit process with a planning call to confirm the scope of the audit, determine whether any changes had occurred in the Company's policies and procedures and set the audit dates. SCS Global Services then prepared a detailed audit plan and conducted the SBP Surveillance Audit of conformance to the SBP Standards with focus on the SBE/SBR and chain of custody requirements.

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable SBP requirements. The plan provided for the assembly and review of audit

evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices and management systems.

During the audit samples of the written documentation assembled to provide objective evidence of SBP Conformance were reviewed. SCS Global Services also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria.

The possible findings of the audit included Full Conformance, Major Non-conformance, Minor Non-conformance and Opportunities for Improvement.

6.3 Process for consultation with stakeholders

SCS relies on its Master Stakeholder List, which contains stakeholders that are identified by type, e.g. ENGO, Government/regulatory, Educational/Academic, Industry, Indigenous/Aboriginal/Tribal, etc.... This list is categorized by country and state/province at the very least, and for any consultation is filtered to omit any stakeholders that are not geographically relevant to the certificate holder/applicant's supply base. A stakeholder notification is sent out to all identified stakeholders after the BP's stakeholder consultation period has ended. Stakeholder comments that are received outside of regular stakeholder consultation periods are fully taken into account. For this audit, SCS did not conduct a stakeholder consultation and neither did any comments come to the attention of SCS or the auditors.

7 Results

7.1 Main strengths and weaknesses

LJR Forest Products is certified to the FSC/PEFC Chain of Custody Standards and the FSC Controlled Wood and PEFC Controlled Sourcing Standards. Accordingly, it has developed and refined its procedures to enable it to track fiber from the district or origin and throughout the supply system and manufacturing process. Due to certification to the referenced standards, LJR Forest products has already implemented mitigation measures. Strengths include the ability to track residual material back to the source manufacturing facility. LJR's defined supply basin extends well beyond the normally accepted haul radii for its residual supplier mills to ensure the district of origin of the fiber is within the supply basin. LJR Forest products has exhibited a strong corporate commitment to source fiber sustainably. Reference nonconformances below for detailed description of weaknesses.

7.2 Rigour of Supply Base Evaluation

LJR forest products has conducted a rigorous Supply Base Evaluation. Risk was designated low for all core indicators as existing mitigation measures are in place. Due to its previous certifications, LJR Forest Products had already built mitigation measures into its procedures and fiber sourcing programs. In addition, LJR Forest Products has chosen to define the geographical scope of the SBE to extend well beyond the normally accepted haul radii for its residual supplier mills to ensure the district of origin of the fiber is within the supply basin.

7.3 Collection and Communication of Data

LJR Forest Products energy data is complete and accurate and overall the company is well capable of gathering and organizing the required information. Spreadsheets with data are well organized and allow for the verifications of formulas and algorithms used. The SAR for pellet producers is completed by the organization and company is well aware of data collection and reporting requirements.

7.4 Competency of involved personnel

LJR Forest products retained R.S. Berg & Associates, Inc. to prepare the SBP Program and Procedures, including conducting the Supply Base Evaluation & Risk Assessment. LJR Forest products management and control systems for SBP are the same as those used to meet the FSC/PEFC Chain of Custody and FSC Controlled Wood requirements, which have been in place since 2015. Key personnel tasked with implementing LJR Forest Products management and control systems relating to SBP compliance are well trained and competent. Their knowledge of SBP requirements is strong and staff keeps up to date on the most recent developments in SBP standards.

7.5 Stakeholder feedback

No stakeholder consultation was conducted by SCS and no comments came to the attention of SCS or the auditors.

7.6 Preconditions

No preconditions to continued certification were 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.

Refer to SBE risk ratings below. SCS assessed risk for the Indicators by evaluating MOV and evidence included in the SBE, and interviews with relevant staff and a sample of suppliers.

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----------|
| | Producer | CB |
| 1.1.1 | Low | Low |
| 1.1.2 | Low | Low |
| 1.1.3 | Low | Low |
| 1.2.1 | Low | Low |
| 1.3.1 | Low | Low |
| 1.4.1 | Low | Low |
| 1.5.1 | Low | Low |
| 1.6.1 | Low | Low |
| 2.1.1 | Specified | Specified |
| 2.1.2 | Specified | Specified |
| 2.1.3 | Specified | Specified |
| 2.2.1 | Low | Low |
| 2.2.2 | Low | Low |
| 2.2.3 | Specified | Specified |
| 2.2.4 | Specified | Specified |
| 2.2.5 | Low | Low |
| 2.2.6 | Low | Low |
| 2.2.7 | Low | Low |
| 2.2.8 | Low | Low |
| 2.2.9 | Low | Low |
| 2.3.1 | Low | Low |
| 2.3.2 | Low | Low |

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----|
| | Producer | CB |
| 2.3.3 | Low | Low |
| 2.4.1 | Low | Low |
| 2.4.2 | Low | Low |
| 2.4.3 | Low | Low |
| 2.5.1 | Low | Low |
| 2.5.2 | Low | Low |
| 2.6.1 | Low | Low |
| 2.7.1 | Low | Low |
| 2.7.2 | Low | Low |
| 2.7.3 | Low | Low |
| 2.7.4 | Low | Low |
| 2.7.5 | Low | Low |
| 2.8.1 | Low | Low |
| 2.9.1 | Low | Low |
| 2.9.2 | Low | Low |
| 2.10.1 | Low | Low |

Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----|
| | Producer | CB |
| 1.1.1 | Low | Low |
| 1.1.2 | Low | Low |
| 1.1.3 | Low | Low |
| 1.2.1 | Low | Low |
| 1.3.1 | Low | Low |
| 1.4.1 | Low | Low |
| 1.5.1 | Low | Low |
| 1.6.1 | Low | Low |
| 2.1.1 | Low | Low |
| 2.1.2 | Low | Low |
| 2.1.3 | Low | Low |
| 2.2.1 | Low | Low |
| 2.2.2 | Low | Low |
| 2.2.3 | Low | Low |
| 2.2.4 | Low | Low |
| 2.2.5 | Low | Low |
| 2.2.6 | Low | Low |
| 2.2.7 | Low | Low |
| 2.2.8 | Low | Low |
| 2.2.9 | Low | Low |
| 2.3.1 | Low | Low |
| 2.3.2 | Low | Low |

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----|
| | Producer | CB |
| 2.3.3 | Low | Low |
| 2.4.1 | Low | Low |
| 2.4.2 | Low | Low |
| 2.4.3 | Low | Low |
| 2.5.1 | Low | Low |
| 2.5.2 | Low | Low |
| 2.6.1 | Low | Low |
| 2.7.1 | Low | Low |
| 2.7.2 | Low | Low |
| 2.7.3 | Low | Low |
| 2.7.4 | Low | Low |
| 2.7.5 | Low | Low |
| 2.8.1 | Low | Low |
| 2.9.1 | Low | Low |
| 2.9.2 | Low | Low |
| 2.10.1 | Low | Low |

9 Review of Company's mitigation measures

Due to the exiting FSC Controlled Wood and PEFC Controlled Material certifications, the Company had already implemented mitigation measures to bring all indicators to low risk. These exiting mitigation measures include the use of a Wood Purchase Agreement that all suppliers must sign and the supplier audit program. The Agreement has a clause that prohibits the supplier from obtaining fiber from land with high biodiversity value, high carbon stock or peat land where those values could be significantly threatened.

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 2020.1 | NC Grading: Major |
|--|-------------------------------------|
| Standard & Requirement: | IN-2C 4.1, IN-2C 5.2, SBP ST 2 18.4 |
| Description of Non-conformance and Related Evidence: | |
| <p>SBR has several required items missing or they are incomplete:</p> <ol style="list-style-type: none"> 1. Section 1: <ol style="list-style-type: none"> a. Date report finalized is not indicated b. Closing date of the last CB audit is not indicated. c. SBP Standards used is not indicated 2. Section 2.1: <ol style="list-style-type: none"> a. scale of harvesting compared to other forest-based industries in the region b. land use is incomplete c. ownership status d. socio-economic conditions e. forest composition is incomplete f. forestry management practices or land management practices g. presence of any IUCN species h. overview of the proportions of SBP feedstock product groups i. number of suppliers for each SBP feedstock product group j. species mix k. It is stated that a map of the procurement area is included in the Supply Base Evaluation (SBE), but it isn't included in the SBE 3. Section 4.1: the scope of the SBE does not list the type of feedstock for which the SBE was conducted 4. SVP is not applicable: section 4.4 and 8 do not apply, but are completed. Since the BP did not identify unspecified risk in the supply base at the initial risk assessment, the SVP is not applicable. 5. Section 9: Mitigation measures are not described 6. Section 12: The "Report Prepared by:" section is incomplete 7. Section 13.1: no indication is given if there were or not significant changes to the supply base 8. Section 13.3: no update was provided, but the risk designations for some indicators have changed. | |

| | |
|---|---|
| 9. Sections 13.4 and 13.5: a bandwidth of feedstock input is given, but no compelling justification. As per the SBR template “ <i>A justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.</i> ” | |
| Timeline for Conformance: | 3 months from the report finalisation |
| 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 |

| | |
|---|---|
| NC number 2020.2 | NC Grading: Minor |
| Standard & Requirement: | SBT ST 2, 12.4 |
| Description of Non-conformance and Related Evidence: | |
| A summary of the justification for the selection of the evaluation team is appointed but not recorded. A summary of this justification has not been presented in the public summary report. | |
| Timeline for Conformance: | By the next surveillance audit, but no later than 12 months from report finalisation date |
| 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 |

| | |
|--|--------------------------|
| NC number 2020.3 | NC Grading: Minor |
| Standard & Requirement: | ID 5E, 6.4.6 |
| Description of Non-conformance and Related Evidence: | |
| For feedstock groups chips and shavings, less than 90% of the feedstock based on volume are within the range of 1.5 times the average weighted distance and no exception has been noted in the SAR. The weightes maximum cannot be determined per se, thus an exception needs to be recorded in the SAR. | |

| | |
|--|---|
| Timeline for Conformance: | By the next surveillance audit, but no later than 12 months from report finalisation date |
| 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 |

| | |
|--|--|
| NC number 2020.4 | NC Grading: Minor |
| Standard & Requirement: | SBP ST 5, 6.2; ID 5E, 6.4.6 |
| Description of Non-conformance and Related Evidence: | |
| <p>The BP has not reported all required information in the SAR or not recorded them correctly which do not represent a systemic failure of recording and reporting energy data, but need to be corrected before SAR can be approved.:</p> <ol style="list-style-type: none"> 1. Section 3.2: total pellet production and electricity use are reported, but not kWh per metric tonne pellets 2. Section 3.5: <ol style="list-style-type: none"> a. Feedstock ID group from table 2.1 is missing for the use of biomass as dryer fuel which is diverted from feedstock b. Total consumption value is missing 3. Appendix 2: <ol style="list-style-type: none"> a. <i>Feedstock delivery – Unloading and Feedstock Storage</i>: it is not indicated for which feedstock group this is applicable 4. The distance for one supplier varied from what was reported (62 miles) and what the auditor verified on google maps (71 miles) 5. Section 3.4: For gasoline, the amount for May was recorded as 55 gallons but the invoice shows 60 gallons, so the amount recorded in the SAR is incorrect 6. Section 4.3: Regional map demonstrating biomass producer and location of SDIs | |
| Timeline for Conformance: | By the next surveillance audit, but no later than 12 months from report finalisation date |
| Evidence Provided by Company to close NC: | A revised SAR was submitted |
| Findings for Evaluation of Evidence: | <ol style="list-style-type: none"> 1. Section 3.2: resolved: missing information was added 2. Section 3.5: <ol style="list-style-type: none"> a. still missing |

| | |
|-------------------|---|
| | <ul style="list-style-type: none"> b. resolved: missing information was added <ul style="list-style-type: none"> 3. Appendix 2: <ul style="list-style-type: none"> a. resolved: missing information was added 4. The distance for one supplier varied from what was reported (62 miles) and what the auditor verified on google maps (71 miles) – not clear if changes were made, underlying data is missing 5. Section 3.4: value has not changed 6. Section 4.3: map still missing <p>Section 4.3 map was added, section 3.4 value was corrected, distance has been corrected, section 3.5: information added.</p> |
| NC Status: | Closed |

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| NC number 2020.5 | NC Grading: Minor |
| Standard & Requirement: | Instruction Note - 4B 1.2 |
| Description of Non-conformance and Related Evidence: | |
| The company could not produce a copy of the signed and countersigned SBP Certification Trademark License Agreement at the time of the audit. | |
| Timeline for Conformance: | By the next surveillance audit, but no later than 12 months from report finalisation date |
| 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 |

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| NC number 2020.6 | NC Grading: Observation |
| Standard & Requirement: | STD 4, 6.3.2 |
| Description of Non-conformance and Related Evidence: | |
| While the company has made effective arrangements to prevent corruption by adhering to legality that prevents or sanctions corruption and thus meets the intent of the clause, corruption prevention is not explicitly mentioned in the policies and procedures. | |
| Timeline for Conformance: | Other |

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| 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:

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|--|---|
| Certification decision: | Certification approved |
| Certification decision by (name of the person): | Theodore Brauer |
| Date of decision: | 04/Feb/2021 |
| Other comments: | <i>Click or tap here to enter text.</i> |