



Supply Base Report: Kata CJSC

Main (Initial) Audit

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Completed in accordance with the Supply Base 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 22 February 2016

Version 1.2 published 23 June 2016

Version 1.3 published 14 January 2019; re-published 3 April 2020

Version 1.4 published 22 October 2020

Contents

| | |
|---|---|
| 1 | Overview |
| 2 | Description of the Supply Base |
| 2.1 | General description |
| 2.2 | Description of countries included in the Supply Base |
| 2.3 | Actions taken to promote certification amongst feedstock supplier |
| 2.4 | Quantification of the Supply Base |
| 3 | Requirement for a Supply Base Evaluation |
| 4 | Supply Base Evaluation |
| 4.1 | Scope |
| 4.2 | Justification |
| 4.3 | Results of risk assessment and Supplier Verification Programme |
| 4.4 | Conclusion |
| 5 | Supply Base Evaluation process |
| 6 | Stakeholder consultation |
| 6.1 | Response to stakeholder comments |
| 7 | Mitigation measures |
| 7.1 | Mitigation measures |
| 7.2 | Monitoring and outcomes |
| 8 | Detailed findings for indicators |
| 9 | Review of report |
| 9.1 | Peer review |
| 9.2 | Public or additional reviews |
| 10 | Approval of report |
| Annex 1: Detailed findings for Supply Base Evaluation indicators | |

1 Overview

Producer name: Kata CJSC

Producer address: Prompleshchadka Ust-Ilimskogo LPK Ust-Ilimsk-15, Russia

SBP Certificate Code: SBP-09-10

Geographic position: 58.022164, 102.812209

Primary contact: Alena Gorkunowa, +79642821304,gorkunowa@mail.ru

Company website: <http://www.katawood.com/>

Date report finalised: 15 Feb 2021

Close of last CB audit: 28 May 2021

Name of CB: Forest Certification LLC

SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction, Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: N/A

Weblink to SBR on Company website: <http://www.katawood.com/21.pdf>

| Indicate how the current evaluation fits within the cycle of Supply Base Evaluations | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Main (Initial) Evaluation | First Surveillance | Second Surveillance | Third Surveillance | Fourth Surveillance | Re-assessment |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

2 Description of the Supply Base

2.1 General description

Feedstock types: Secondary

Includes Supply Base evaluation (SBE): No

Feedstock origin (countries): Russia

2.2 Description of countries included in the Supply Base

Country: Russia

Area/Region: Irkutsk Oblast

Exclusions: No

The territory of resource base of «Kata», CJSC is 1 municipal district of Irkutsk oblast, that is the FSC-certified by the forest management Ust-Ilimsky district. «Kata», CJSC does not plan to use raw materials from third party suppliers. And the resource for pellets production comes only from own logging units.

At the territory of resources base areas of high conservation value forests (HCVF) of different types are separated. There are no indigenous small ethnic communities in areas and forestries included in resources base of «Kata», CJSC.

«Kata», CJSC in its business activity does not use plants included in CITES and IUCN.

«Kata», CJSC has 6 leased forest plots to harvest timber. Time of the lease is 49 years. The total area is 319528,8 hectares, with an annual cut 661.2 thousands cubic meters. At this all area of forest plots is certified by FSC forestry management system (FC-FM/COC-001522). On average, 3-4 bonitet prevails on the leased forest plots. To do forest cuts at the forest plots, «Kata», CJSC uses rational approach for organization of clear-cuttings. Each year the quantity of small-scale cuttings increases. After these cuttings, reforestation works are performed by all possible means.

Based on the analysis, in order to follow the requirements of the Russian National Standard FSC, «Kata», CJSC has worked out the plan of transition from large-scale clear-cutting with area more than 30 hectares to small-scale cuttings for the period of 2020-2025 years. Also the company actively makes selective and improvement cuttings at all forest plots in accordance with the forest exploitation plan.

All raw materials for pellets production and combustion in heat generators come for pellets production site as wastes (wood industry residues) from timber sawing plant and wood-working plant that produce main product of the plant, i.e details of construction from timber.

Raw material for pellets production and combustion in heat generator is divided into the following groups of products:

100% SBP-compliant secondary feedstock (FSC 100% claimed) – supplies from the own lease base.

Species mix of raw materials: Abies sibirica, Larix sibirica; Picea obovata; Pinus sibirica; Pinus sylvestis.

2.3 Actions taken to promote certification amongst feedstock supplier

To produce SBP-compliant wood pellets we use raw-material obtained from the own FSC certified leased base.

The fundamental factor of the company's work and work of its suppliers is voluntary forestry management, correspondence to all requirements of the national standard FSC.

«Kata», CJSC does not buy round timber as well as saw dust and sawmills residues from uncertified and uncontrolled suppliers.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 0,32
- b. **Tenure by type (million ha):**0.32 (Public)
- c. **Forest by type (million ha):**0.32 (Boreal)
- d. **Forest by management type (million ha):**0.32 (Managed natural)
- e. **Certified forest by scheme (million ha):**0.32 (FSC), 0.32 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Clearcutting

Explanation: N/A

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: N/A

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: N/A

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? No

Explanation: N/A

Feedstock

Reporting period from: 01 Feb 2020

Reporting period to: 31 Jan 2021

- a. Total volume of Feedstock:** 1-200,000 m3
- b. Volume of primary feedstock:** 0 N/A
- c. List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: N/A
 - Not certified to an SBP-approved Forest Management Scheme: N/A
- d. List of all the species in primary feedstock, including scientific name:** N/A
- e. Is any of the feedstock used likely to have come from protected or threatened species?** N/A
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** N/A
- g. Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** N/A
- h. Proportion of biomass composed of or derived from saw logs (%):** N/A
- i. Specify the local regulations or industry standards that define saw logs:** N/A
- j. Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** N/A
- k. Volume of primary feedstock from primary forest:** N/A N/A
- l. List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. Volume of secondary feedstock:** 1-200,000 m3
 - Physical form of the feedstock: Chips, Sawdust, Other (specify)
- n. Volume of tertiary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A

| Proportion of feedstock sourced per type of claim during the reporting period | | | | |
|---|---|--------|--------|-------|
| Feedstock type | Sourced by using Supply Base Evaluation (SBE) % | FSC % | PEFC % | SFI % |
| Primary | 0,00 | 0,00 | 0,00 | 0,00 |
| Secondary | 0,00 | 100,00 | 0,00 | 0,00 |
| Tertiary | 0,00 | 0,00 | 0,00 | 0,00 |
| Other | 0,00 | 0,00 | 0,00 | 0,00 |

| | | | | |
|--|--|--|--|--|
| | | | | |
|--|--|--|--|--|

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? No

N/A

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: N/A

SBP-endorsed Regional Risk Assessments used: N/A

List of countries and regions included in the SBE:

N/A

4.2 Justification

N/A

4.3 Results of risk assessment and Supplier Verification Programme

N/A

4.4 Conclusion

N/A

5 Supply Base Evaluation process

N/A

6 Stakeholder consultation

N/A

6.1 Response to stakeholder comments

N/A

7 Mitigation measures

7.1 Mitigation measures

N/A

7.2 Monitoring and outcomes

N/A

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

9 Review of report

9.1 Peer review

N/A

9.2 Public or additional reviews

N/A

10 Approval of report

| Approval of Supply Base Report by senior management | | | |
|--|---------------------------------|--------------------------|-------------|
| Report Prepared by: | Gorkunova Alyona Nikolaevna | certification specialist | 15 Feb 2021 |
| | Name | Title | Date |
| | | | |
| The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report. | | | |
| Report approved by: | Gorshkov Alexander Anatolyevich | General director | 15 Feb 2021 |
| | Name | Title | Date |

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A