Sustainable Biomass Program
Annual Review 2024

the promise of good biomass

Welcome to SBP

independent multi-stakeholder

SBP is an independent, multi-stakeholder certification scheme that was originally developed for biomass used in large-scale energy production. Today, we are internationally recognised as a trusted solution for Biomass Producers, Traders, and End-users to demonstrate responsible sourcing practices.

As a leading sourcing standard, we ensure the legality and sustainability of feedstock used in biomass production. Our unique Data Transfer System tracks woody biomass transactions across the supply chain, enabling robust data collection and accurate lifecycle greenhouse gas emissions calculations.

With biomass playing an increasingly vital role in meeting global climate targets, we are committed to strengthening our position as the world's leading biomass certification scheme. Looking ahead, we will continue to explore new opportunities – both within and beyond woody feedstocks, and across sectors beyond energy – to drive sustainable biomass solutions forward.

Contents

02—14
Overview

15—34
Making a difference

35—42
Performance

43—49
Governance

Introduction by the Chair

Progress and impact

As Chair, I am pleased to introduce this year's annual review, reflecting on SBP's progress and the impact we continue to make in advancing sustainable biomass practices.

The past year has underscored the increasing importance of responsible resource management and environmental stewardship. In this context, SBP has reaffirmed its role as a leading certification scheme, ensuring that biomass sourcing and production meet rigorous sustainability, environmental, and social standards.

Looking ahead, we remain committed to evolving our approach, enhancing our impact, and driving innovation in sustainable biomass. By championing best practices, we continue to play a key role in shaping the responsible use of biomass in a changing world.

Delivering on our strategy

Now in its second year, our current three-year strategy continues to build on the solid foundation established in 2023. From the outset, we identified key indicators to track our progress, ensuring a focused and measurable approach. Over the past year, we have made strong progress across many of these areas, further strengthening SBP's role in supporting the sustainable biomass sector.

Volumes of SBP-certified biomass produced, sold, and consumed have increased both year-on-year, and since the start of our current strategy period, demonstrating the growing demand for credible certification. The number of Certificate Holders has also risen, reflecting continued confidence in our scheme. SBP has maintained its recognition among key regulatory authorities and has expanded its reach with new recognition by the government of Japan, reinforcing the value of our certification.

Our share of the European industrial pellet consumption market is high, ensuring we continue to support a sustainable biomass supply chain in the region. We have also seen an increase in the number of non-OECD countries with SBP certification, reflecting the evolving global landscape for sustainable biomass production.

A major focus has been the revision and, in large part, the development of new Regional Risk Assessments (RRAs). These advances will significantly support our ability to identify and mitigate risks associated with biomass sourcing, strengthening the integrity of our certification scheme. The number of countries with SBP-certified Biomass End-users is up, and we have made important strides in diversifying our feedstock scope beyond woody materials – an essential step in broadening SBP's impact.

Each of these achievements is explored in more detail throughout this annual review. Collectively, they represent meaningful progress in delivering on our strategy and ensuring that SBP continues to meet the needs of a rapidly evolving sector.

As we move into the final year of this strategic cycle, our focus remains on continuous improvement, expanding our influence, and reinforcing the sustainability credentials of biomass.

Governance matters

SBP's multi-stakeholder governance arrangements are deeply embedded in our organisation's fabric and continue to strengthen year after year. Our commitment to robust and inclusive governance ensures that SBP remains well-positioned to navigate the evolving landscape of sustainable biomass certification.

To reinforce our governance effectiveness, I have undertaken annual appraisals with the Board collectively and with individual directors, ensuring we continue to assess and refine SBP's governance and management.

This year, we welcomed several new members to our Board and committees as part of our ongoing commitment to refreshing and strengthening our leadership.

Four Board members stepped down, each leaving a lasting impact on SBP. We extend our sincere thanks to Peter-Paul Schouwenberg (representing Biomass End-users), John Keppler and David Wong (representing Biomass Producers), and Arnie Bercov (representing Civil Society) for their invaluable contributions. In their place, we welcomed Michael Schytz (representing Biomass End-users), Diane Nicholls (representing Biomass Producers), and Robin Barr (representing Civil Society). Serving in a personal capacity, they bring a wealth of experience and fresh perspectives to our governance framework.

Changes also took place in the membership of our Technical Committee and Standards Committee, ensuring ongoing renewal and expertise. We thank those who stood down and welcome the new voices and insights their replacements bring. Anders Hildeman continues in his role as Chair of the Technical Committee, providing stability and leadership.

We express our gratitude to Sune Balle Hansen for his service as Co-Chair of the Standards Committee, representing commercial interests, and warmly welcome Christian Anton Rahbek as his successor. We are also pleased that Scott Jones has extended his term as Co-Chair, representing Civil Society interests.

To all those who have contributed to SBP's governance over the past year, we offer our sincere thanks. Your commitment and expertise have been invaluable in ensuring SBP remains a trusted and effective certification scheme. We look forward to the continued contributions of both new and returning members as we navigate the future of sustainable biomass certification together.

Concluding remarks

Reflecting on the achievements of the past year, we recognise both the progress made and the challenges ahead. Advancing a sustainable bioeconomy demands collaboration, innovation, and a steadfast commitment to continuous improvement. SBP remains fully engaged in this effort, evolving to meet the needs of our stakeholders and the wider biomass sector.

I extend my sincere gratitude to Carsten Huljus and our dedicated Secretariat and service providers, our valued stakeholders, and all those who have contributed to SBP's success. Your collective efforts have been instrumental in strengthening our certification scheme and driving meaningful impact.

Thank you for your continued support and commitment to our shared vision of a sustainable future. I look forward to working together in 2025 to build on our progress and achieve our common goals.

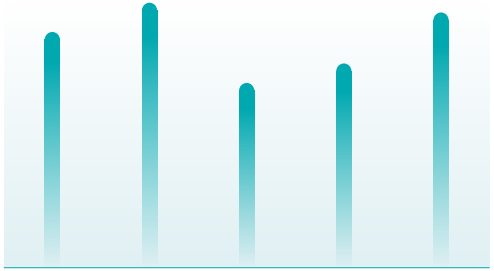
Francis Sullivan
Chair

23 April 2025

Our market footprint

340

Number of Certificate Holders at the end of 2024 (2023: 272)



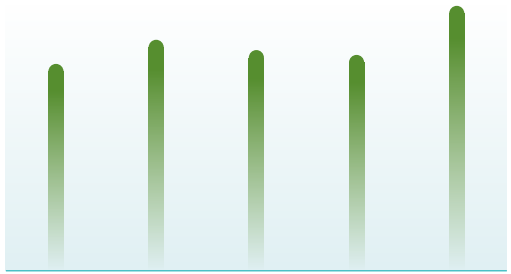
9,524

Number of transactions recorded in the DTS in 2024
(2023: 6,678)

19.15Mt

Total SBP-certified biomass produced and sold in 2024 (2023: 15.60Mt)

of which 14.10Mt (2023: 12.85Mt) pellets and 5.05Mt (2023: 2.75Mt) chips



17.65Mt

Total SBP-compliant biomass produced and sold in 2024 (2023: 15.20Mt)

of which 13.80Mt (2023: 12.45Mt) pellets and 3.85Mt (2023: 2.75Mt) chips

1.50Mt

Total SBP-controlled biomass produced and sold in 2024 (2023: 0.40Mt)

of which 310kt (2023: 380kt) pellets and 1.20Mt (2023: 10kt) chips

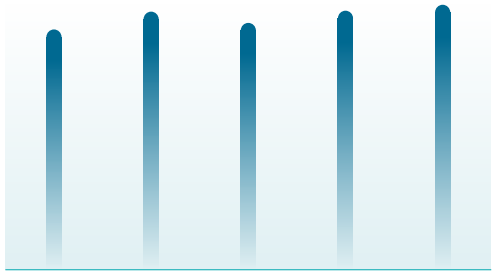
17.65Mt

Total SBP-certified biomass consumed in Europe in 2024[1,2] (2023: 13.55Mt)

of which 12.75Mt (2023: 11.00Mt) pellets and 4.90Mt (2023: 2.55Mt) chips

84.7%

Share of industrial pellet consumption in Europe[2,3] (2023: 82.8%)



3.85Mt

Total RED-compliant biomass produced and sold in 2024 (2023: 0.30Mt)

of which 1.95Mt (2023: 0.30Mt) pellets and 1.90Mt (2023: 0.00Mt) chips

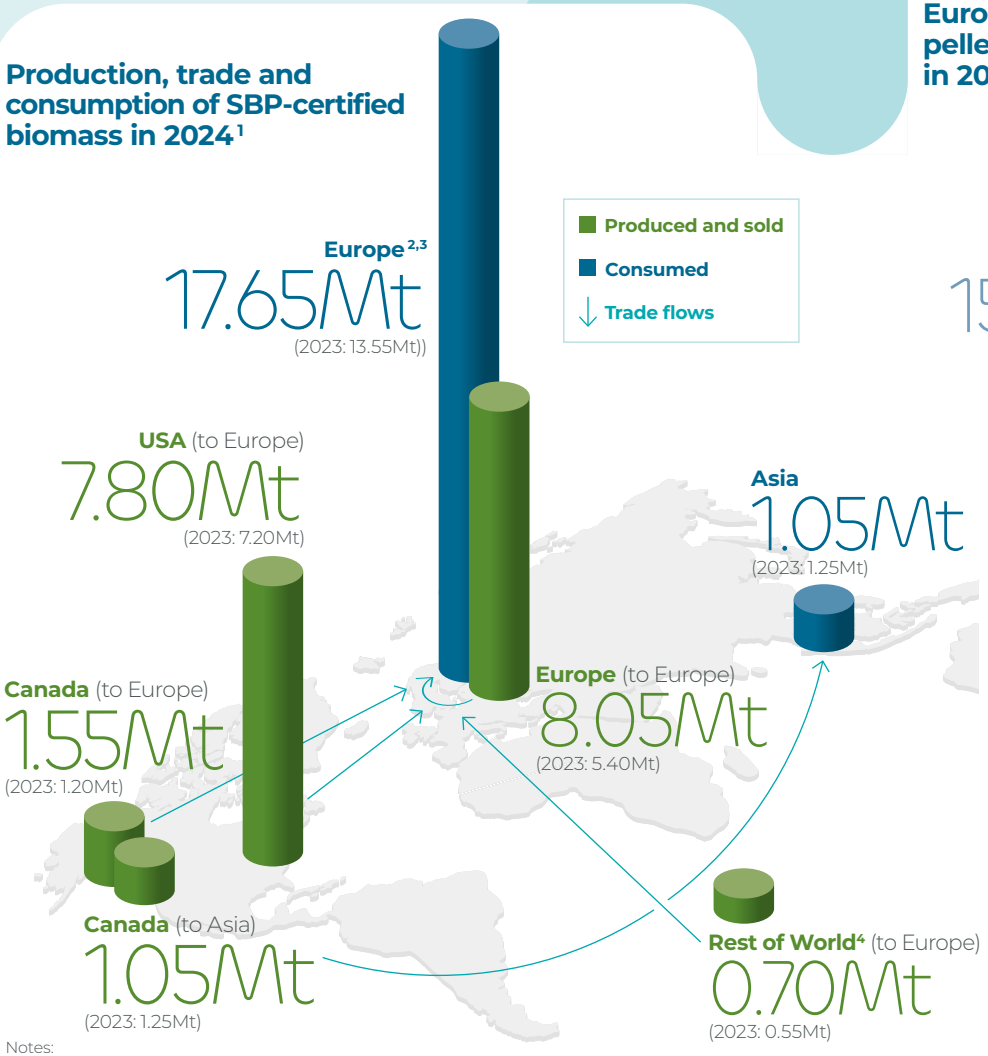
Notes:

Figures are derived from Data Transfer System (DTS) data. Tonnages are rounded to the nearest 0.05Mt.

[1] Purchased by European End-users, including non SBP-certified.
[2] Europe refers to Belgium, Denmark, Finland, France (and French territories), Netherlands, Poland, Sweden, United Kingdom and Other EU27.
[3] Hawkins Wright, 2024 industrial pellet demand estimates for combined heat and power, and dedicated power.

Our market footprint (continued)

Production, trade and consumption of SBP-certified biomass in 2024[1]



Notes:

Figures are derived from Data Transfer System (DTS) data. Tonnages are rounded to the nearest 0.05Mt.

[1] Trade flow volumes are those produced and sold by Biomass Producers and exclude any additional trade activity.
[2] Consumed by European End-users.
[3] Europe refers to Belgium, Denmark, Finland, France (and French territories), Netherlands, Poland, Sweden, United Kingdom and Other EU27.
[4] Rest of World refers to Africa, South America and Oceania.
[5] Hawkins Wright, 2024 industrial pellet demand estimates for combined heat and power, and dedicated power.

Europe industrial pellet consumption in 2024[3,5]

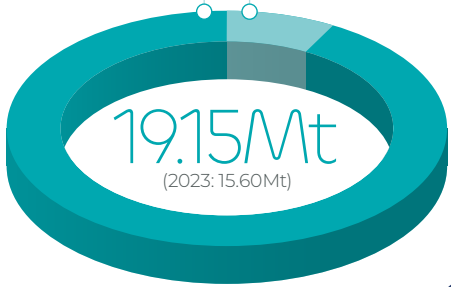
SBP-certified
12.75Mt
(2023: 11.00Mt)

Total
15.05Mt
(2023: 13.30Mt)

Production of SBP-certified biomass by claim type

SBP-compliant
92.0%
(2023: 97.0%)
Pellets: 13.80Mt
(2023: 12.45Mt)
Chips: 3.85Mt
(2023: 2.75Mt)

SBP-controlled
8.0%
(2023: 3.0%)
Pellets: 310kt
(2023: 380kt)
Chips: 1.2Mt
(2023: 10kt)



Statement by the Chief Executive Officer

Busy and productive

With the second year of our three-year strategy behind us, we reflect on a busy and productive year for SBP.

The year was defined by the consolidation of our position as the biomass certification scheme of choice. We also saw growth in Certificate Holder numbers and SBP-certified biomass volumes produced, sold and consumed. At the same time, our forward-looking ambition translated strategic aims into tangible action.

With SBP Standards v2.0 now in force, we have worked closely with our stakeholders to ensure a smooth transition. At the same time, we have taken proactive steps to define our contribution to pressing global challenges, particularly in the evolving landscape of carbon and sustainability governance.

Our journey is shaped by a rapidly shifting regulatory and market environment, and importantly stakeholder expectations.

As we look ahead, our focus remains on continuous improvement, innovation, and adding value beyond certification. The foundation we have laid in 2024 positions us well to seize new opportunities, strengthen our impact, and advance sustainability in the bioeconomy.

Recognising contributions

I extend my sincere gratitude to the Board directors and Committee members who stepped down from their roles during 2024, many after completing full terms and providing unwavering support to SBP. Their expertise and dedication have been instrumental in shaping our work, particularly through key milestones such as the review and revision of our Standards and our expanding efforts beyond certification.

At the same time, we have strengthened our Secretariat with the appointment of Alex Orban as Standards Manager, and Chris O'Brien as our first Carbon Project Manager. Alex brings valuable expertise to support the implementation and future development of our Standards and Regional Risk Assessments, while Chris will lead our efforts in defining SBP's role in the carbon space.

As we welcome new leadership across our governance and Secretariat, I am confident that their fresh perspectives and commitment will further strengthen our work. I look forward to collaborating with them as we navigate the opportunities and challenges ahead.

Headline numbers

I am pleased to report that 2024 continued the trend witnessed in the previous year with a 25% increase in our Certificate Holder numbers, ending the year with 340. Equally encouraging, our pipeline of applicants as at the end of December was healthy at 45 in number.

Our geographic reach increased to 35 countries in total, with the loss of Poland, Turkey and United Arab Emirates offset by the addition of Australia, Chile, China, Colombia, Indonesia, Ireland and Luxembourg.

The volume of SBP-certified biomass produced and sold in the marketplace reached a record 19.15 million tonnes in 2024, up 3.55 million tonnes (some 28%) year-on-year. The amount of SBP-certified biomass consumed[1] in Europe was also an all-time high at 17.65 million tonnes, an increase of 4.10 million tonnes (some 30%) compared to the previous year.

Notably, the volume of SBP-certified wood chips saw a significant year-on-year increase, with five million tonnes produced and sold in 2024 – an 82% rise – and five million tonnes consumed[1] in Europe – a 93% increase.

Key priorities for 2024

Stakeholder engagement

In 2024, we made a good start in strengthening our engagement with stakeholders, guided by a comprehensive stakeholder engagement plan approved by the Board. A key deliverable was the launch of our Regional Forums, a critical initiative in fostering dialogue and collaboration. The first Asia Forum took place in 2024, with a second in February 2025. Plans for the Americas and Europe Forums are also advancing, reinforcing the message that our stakeholder engagement concept is being delivered effectively.

Identifying key stakeholders across all groups, from Civil Society to commercial entities, has been crucial to achieving a balanced and inclusive dialogue. To facilitate this, we collaborated closely with local partners to ensure broad and meaningful participation.

Our engagement with The Forests Dialogue and sponsorship of the 2025 Bioenergy from Forests (BEF) initiative further demonstrate our commitment to open and constructive discussion.

Public consultations played a strong role in our stakeholder engagement efforts, with the Regional Risk Assessments (RRAs) providing an excellent opportunity to engage with and hear directly from stakeholders. Additionally, throughout the year, we conducted various training sessions, workshops and webinars, which complemented our outreach activities. Our presence at major sector conferences remained high, allowing us to engage with key industry players, participate in panel discussions, and expand our network.

Fine-tuning v2.0 implementation

A primary focus of 2024 was supporting our Certificate Holders in transitioning to SBP's revised Standards (v2.0). This support took various forms, including workshops, auditor training, and ongoing clarifications through interpretations and other supporting documentation.

A key achievement was extending our recognition among key regulatory authorities to our revised Standards (v2.0), with positive outcomes from both Ofgem, the energy regulator of Great Britain, and the Government of Japan during the year.

RRAs continue to play a fundamental role in v2.0 implementation. By dedicating adequate resources and support, significant progress was made in revising existing RRAs and developing new ones, with an ultimate goal of having 16 RRAs in place. Ensuring that these assessments are sufficiently advanced is critical in enabling Certificate Holders to use them effectively within the v2.0 certification framework.

To aid implementation and accessibility, key documents have been translated into French, Japanese, and Vietnamese, ensuring broader understanding and adoption among stakeholders in diverse geographies.

Market development

In 2024, we continued expanding the scope of products certified under SBP, promoting woody biomass beyond pellets and chips to include emerging materials such as biocarbon and biochar.

Note:

[1] Purchased by European End-users and recorded in the SBP Data Transfer System (including non-certified customers purchasing certified biomass). Includes UK and French territories.

Statement by the Chief Executive Officer (continued)

This expansion naturally extends our reach beyond the energy sector to energy-intensive industries, such as cement, iron and steel, as well as bio-based materials. Encouragingly, growing interest in SBP certification has been shown by both producers and end-users of these materials.

Progress has also been made in assessing the feasibility of incorporating agricultural feedstocks into the SBP certification scheme. Following a 2023 survey of Certificate Holders to gauge demand for agricultural biomass certification, we worked with a specialist to analyse necessary adaptations to our scheme. This included evaluating compliance requirements under RED and considering updates to our Standards framework, particularly through a new Instruction Document linked to Standard 1 and adaptations to Standards 2, 3, 4, 5, and 6. This work remains ongoing.

On carbon removals, we examined the potential role of SBP in this important area. While we recognise our strength in certifying forest-to-end-user supply chains, we acknowledge that post-combustion carbon removal falls outside our core competencies. However, our Data Transfer System (DTS) is likely to be valuable in supporting compliance efforts within carbon removal certification schemes, and we see our primary role as a facilitator in this space.

Geographically, our market development efforts focused heavily on south east Asia, namely, Japan, South Korea, and Vietnam. Certification uptake in south east Asia doubled in 2024 compared to the year before, alongside a quadrupling of the biomass volumes traded from the region.

Recognition from the Government of Japan was a significant milestone, reinforcing our ability to operate in new geographies. The Asia Regional Forum further underscored our commitment to this expanding biomass market and our efforts to strengthen our presence in the region.

Key priorities for 2025

Full implementation of SBP Standards v2.0

The transition to SBP Standards v2.0 remains a top priority in 2025, with all Certificate Holders required to complete their transition by 9 November 2025. Throughout 2024, we focused on facilitating implementation, and that momentum continues into this year.

Our comprehensive training sessions, held across key regions, will ensure that Certificate Holders have the support they need to successfully transition. RRAs remain a cornerstone of our approach, enabling a consistent, region-wide methodology for Supply Base Evaluations and reducing the burden on individual Certificate Holders. Additionally, our digital tools – fully aligned with v2.0 – further streamline compliance by reducing administrative complexity. We will continue to maintain and enhance these tools to offer even greater efficiencies.

Stakeholder feedback remains integral to our work, and we are committed to continuously refining our guidance through an updated set of interpretations that support smooth implementation.

Our technical team will remain available to assist both Certificate Holders and Certification Bodies as they navigate this transition. With these efforts, we will ensure that SBP Standards (v2.0) deliver their intended impact-strengthening sustainability, compliance, and operational efficiency across the biomass sector.

Carbon – defining SBP's role

Carbon remains one of the most pressing issues in the sustainability landscape, and in 2024, we took a significant step forward by appointing a dedicated Carbon Project Manager to lead our work in this area. The importance of SBP's role in addressing carbon-related challenges is clear, and we are committed to defining how our certification framework can contribute meaningfully to this evolving space.

The Standards Development Process (2020-2023) highlighted key carbon-related issues that require further research and development. In response, we established a Carbon Working Group in 2024, tasked with advancing these work areas and laying the groundwork for SBP Standards v3.0.

As we enter 2025, the Working Group has a robust agenda, exploring issues ranging from carbon accounting and removals to the role of biomass in broader climate strategies. This work will shape the future direction of SBP's approach to carbon and ensure that our certification framework remains fit-for-purpose in a rapidly changing policy and market environment.

Beyond certification – adding value

SBP's impact extends beyond certification. While our core function remains biomass certification, we recognise the value of our intellectual property, data, and expertise in supporting stakeholders across the sustainability landscape. Through tailored solutions, we can help Certificate Holders navigate legislative, regulatory, and voluntary sustainability requirements while also providing valuable insights and tools to Civil Society and policymakers.

A prime example of this is our response to the EU Deforestation Regulation (EUDR). Leveraging our existing data and expertise, we developed a dedicated EUDR module to support compliance efforts. While SBP may not serve as a one-stop shop for full compliance with all new and emerging regulations, we are committed to identifying where our expertise allows us to provide significant value.

Looking ahead, we will explore similar opportunities in areas such as carbon removals, corporate sustainability due diligence, and corporate sustainability reporting. To support these ambitions, we recognise the importance of attracting and retaining the right talent, ensuring we have the expertise and capacity needed to deliver on our objectives effectively.

This approach is about offering optional, value-added services that complement our certification scheme and helping stakeholders to understand and meet evolving sustainability requirements while making the most of what SBP does best.

Concluding remarks

As we reflect on the progress made over the past year, it is clear that SBP continues to evolve, adapt, and strengthen its impact. Through the full implementation of our revised Standards to our expanding role in carbon and sustainability governance, we remain committed to delivering value to our stakeholders and advancing responsible biomass certification.

Looking ahead, 2025 presents new opportunities to build on this momentum. Our focus remains on ensuring a seamless transition to SBP Standards v2.0, defining our contribution to carbon-related challenges, and expanding our role beyond certification. The engagement and collaboration of our stakeholders will be critical in driving these priorities forward.

I extend my sincere thanks to our Board, Committees, Certificate Holders, and wider SBP community for your ongoing support and commitment. Together, we will continue to navigate the evolving sustainability landscape, delivering meaningful impact and reinforcing SBP's position as the biomass certification scheme of choice.

In the pages ahead, we explore the key highlights, challenges, and achievements that have shaped our journey over the past year. Thank you for your trust and partnership as we move forward with purpose, innovation, and ambition.

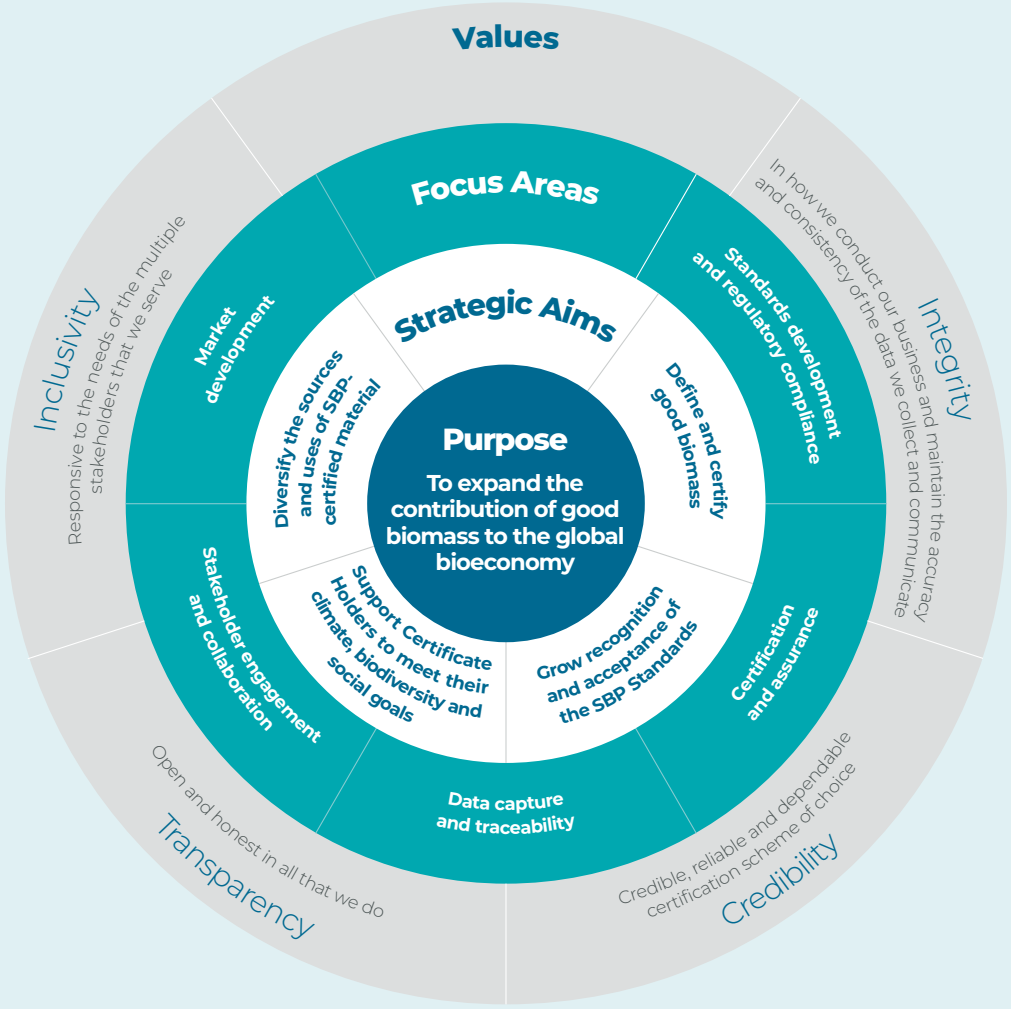
Carsten Huljus
Chief Executive Officer

23 April 2025

Our strategy

The year 2024 marked the second year of our three-year strategy, running from 2023 to the end of 2025.

First published in June 2023, our strategy is framed within the broader context of 2030 and is firmly focused on sustainability, with a strong emphasis on climate, nature, and social wellbeing.



As biomass continues to play an increasingly vital role in achieving global climate targets, we aim to reinforce our position as the leading global biomass certification scheme through actively pursuing opportunities both within and beyond the energy sector. Our purpose and core strategy provide clear priorities for action. We will maintain and build upon what is already working well, both strategically and operationally, while investing in new capabilities and expertise to enhance performance and add value where needed.

At the heart of our proposition is our commitment to good biomass. This principle is embodied in our purpose to **expand the contribution of good biomass to the global bioeconomy**.

Our first strategic aim is to **define and certify good biomass**, this is our raison d'etre. Our Standards establish what constitutes good biomass and serve as the foundation of our promise and actions.

Equipped with our Standards, processes, and procedures, we will continue to operate a robust certification scheme in pursuit of our second strategic aim to **grow recognition and acceptance of SBP Standards**. To achieve this, we will leverage data and information to strengthen the scientific and evidence-based case for biomass.

Through our certification scheme, we provide Certificate Holders with the highest level of assurance for their operations. With our knowledge, expertise, and commitment to excellence, we will **support Certificate Holders to meet their climate, biodiversity, and social goals**, our third strategic aim.

Our fourth and final strategic aim is to **diversify the sources and uses of SBP-certified material**. As good biomass continues to grow in importance, we are committed to supporting its development with our underlying promise.

To achieve these strategic aims, we have identified five focus areas for investment in people and resources, which will guide our operational plans:

Standards development and regulatory compliance

We will develop our Standards such that, as a minimum, we serve the requirements of our existing markets and, where there is consensus, go beyond.

Certification and assurance

We will rigorously maintain and, where necessary, improve our processes and procedures.

Data capture and traceability

We will manage and, where possible, improve our digital systems to enhance user experience and inform the biomass debate.

Stakeholder engagement and collaboration

We will strengthen our multi-stakeholder governance and expand our dialogue with Civil Society and policymakers in particular.

Market development

We will explore all avenues of growth for good biomass, including geographic expansion, new feedstocks and new end-uses.

Our strategy has been actively shaped and endorsed by our Board, reflecting our confidence in the future of good biomass and our role in supporting its growth. At the same time, we recognise areas where we can further improve and are committed to continuous improvement.

Promoting sustainable sourcing solutions

Biomass and the global bioeconomy

Biomass is poised to play an increasingly vital role in the global bioeconomy, an economic system that emphasises the sustainable transformation of biological resources into a wide range of products, energy, and services. The bioeconomy has the potential to reduce dependence on fossil fuels, promote sustainability, and address pressing environmental challenges, including climate change and resource depletion.

A highly versatile and renewable resource, biomass is a cornerstone of the bioeconomy. Recognised by leading scientific advisory bodies and policymakers, it serves as a primary source of bioenergy and is integral to multiple applications. Biomass is widely used for heat and power generation, provides feedstock for biofuels in transportation, and replaces fossil-based materials in industrial processes. Beyond energy, biomass supports the production of biochemicals, bioplastics, textiles, and other innovative bio-based products, significantly contributing to a decarbonised energy mix and a more sustainable industrial ecosystem.

Biomass aligns seamlessly with the principles of a circular economy by transforming organic waste and by-products into valuable resources. Forestry and agricultural residues, along with organic municipal waste, can be converted into bioenergy, bio-based products, and other materials, reducing waste and promoting resource efficiency. This approach closes resource loops, minimises environmental impacts, and fosters sustainable practices across industries.

Sustainably sourced and produced biomass plays a crucial role in mitigating climate change and must be a prerequisite for realising the full potential of the bioeconomy as a driver of sustainability and innovation. Practices such as afforestation, reforestation, and sustainable forestry enhance carbon sequestration, while bioenergy systems can achieve carbon neutrality when carbon released during combustion is balanced by carbon uptake during plant growth. Additionally, biomass provides an alternative to fossil fuels, reducing greenhouse gas emissions and advancing global decarbonisation goals.

The cultivation, harvesting, and processing of biomass offer significant economic opportunities, particularly in rural areas. Biomass-based industries, including bioenergy production and bio-based product manufacturing, drive job creation, support local economies, and contribute to community resilience.

The sustainable management of biomass resources is critical to avoiding negative environmental and social impacts. Responsible practices ensure that biomass production does not lead to deforestation, biodiversity loss, or ecosystem degradation. By integrating conservation measures, protecting natural habitats, and balancing demand with ecological preservation, the bioeconomy can thrive while maintaining ecosystem health and biodiversity.

By harnessing the full potential of biomass through sustainable practices, we can build a resilient bioeconomy that addresses environmental challenges, drives economic growth, and supports a sustainable and circular future.

The role for SBP

Certification schemes are widely recognised as effective tools for demonstrating the sustainable sourcing and production of various commodities. Sustainability standards provide assurance to consumers, investors, and other stakeholders that biomass is sourced and produced responsibly. Such standards play a vital role in ensuring that biomass resources are managed and utilised in an environmentally, socially, and economically responsible manner, contributing to the objectives of the global bioeconomy.

The SBP certification scheme is a sourcing standard specifically focused on the raw feedstocks, such as wood, used in biomass production. Like other sourcing standards, the SBP Standards are designed to ensure that the feedstock for biomass production originates from responsibly managed and sustainable sources.

It is important to note that the SBP certification scheme is distinct from forest-level certification schemes, which operate forest management standards. Forest management standards assess the sustainability of overall forest management practices at the level of the entire forest or forest management unit.

The environmental, industrial, and energy policies of many countries acknowledge the decarbonisation benefits of sustainable biomass not only as part of the energy mix but also as a critical input replacing fossil-derived materials for various other applications and uses. Such policies have driven the implementation of biomass sustainability requirements, primarily through legislation, ensuring responsible sourcing and utilisation across diverse sectors.

The SBP certification scheme enables biomass End-users to demonstrate compliance with these legal and sustainability requirements. Additionally, it serves as an off-the-shelf biomass sustainability standard for emerging markets, providing a robust and modular framework to support responsible biomass sourcing and trade.

Through SBP certification, organisations can bridge international markets, ensuring consistency and efficiency across the biomass supply chain. The scheme supports Biomass Producers, Traders, and End-users by promoting streamlined trade practices, reducing transaction complexities, and enhancing market confidence.

Through its focus on sustainability, compliance, and market facilitation, the SBP certification scheme plays a pivotal role in advancing the responsible use of biomass within the global bioeconomy.

This section provides an overview of our certification scheme, detailing its core principles and how it operates.

For an introduction to SBP, our short video can be viewed here

Promoting sustainable sourcing solutions (continued)

SBP essentials

Our certification scheme is built on a foundation of standards, processes, and procedures specifically designed to assess and validate organisations' compliance with established criteria.

In March 2015, we launched the first version of our Standards (v1.0). Five years later, we initiated a comprehensive review and revision process. This culminated in the publication of our revised Standards (v2.0) in May 2023, which officially came into effect in August 2023. Certificate Holders have until November 2025 to achieve compliance with the updated requirements.

The SBP certification scheme is defined by six Standards:

Standard 1 forms the cornerstone of our scheme, encapsulating our definition of good biomass. It is structured around principles, criteria, and indicators. Principles articulate the overarching objectives, criteria specify the requirements to achieve these objectives, and indicators serve as the auditable measures to assess compliance.

Standards 2, 4, 5, and 6 are process-oriented, outlining the steps Certificate Holders must follow and the requirements they must meet, based on their specific roles within the supply chain.

Standard 3 applies to Certification Bodies, detailing the requirements for conducting key stages of the certification process. These stages include planning and executing evaluations, assessing compliance, addressing non-conformances, making certification decisions, and issuing and managing certificates.

Our certification scheme is further supported by guidance documents and interpretations to aid compliance with the Standards. It also includes processes for managing appeals from Certificate Holders and complaints from interested parties, as well as procedures for activities such as developing Regional Risk Assessments. Together, these elements ensure a robust and transparent framework that underpins all SBP documentation and operations.

"Underpinning the SBP promise of good biomass, v2.0 of our Standards require that biomass carrying the SBP claim is deforestation-free, that biodiversity is maintained or enhanced through protecting key species, habitats and ecosystems, that water quality and soil quality are maintained or enhanced, that carbon stocks are stable or increasing, and that workers and their rights, local communities, and the rights of Indigenous Peoples are protected."

Nicolas Viart Technical Director

Standard 1 principles	Criteria	Number of indicators
1 **Feedstock is legally sourced**	Operators and operations are legal	5
2 **Feedstock sourcing does not harm the environment**	Biodiversity is maintained or enhanced	3
	Ecosystem productivity, functions, and services are maintained or enhanced	12
3 **Feedstock is only sourced from Supply Bases where the forest carbon stock is stable or increasing in the long term**	Feedstock sourcing complies with REDII requirements for LULUCF emissions	1
	Carbon stocks in the forest area of the Supply Base are maintained or strengthened in the long term	4
	Feedstock shall be sourced from wood fibre that is not diverted from the production of long-lived wood products	2
4 **Feedstock sourcing benefits people and communities**	Decent working conditions are provided, and labour rights are safeguarded	10
	Feedstock sourcing benefits communities	7

Promoting sustainable sourcing solutions (continued)

Getting certified

The nature of an organisation's business determines its Certificate Holder type, scope, and the applicable Standards.

In addition to the Standards, there are several Instruction Documents that outline additional normative requirements. These documents address market-specific or feedstock-specific expectations and are mandatory for Certificate Holders operating in those particular markets or sourcing those specific feedstocks.

The exception is Instruction Document REDII, which, under our revised Standards (v2.0), is mandatory for all Certificate Holders, regardless of market or feedstock[1].

To assist organisations in determining the applicable Standards and Instruction Documents for their specific Certificate Holder type and scope, we provide a decision tree on our website here.

Our certification scheme

Today, we offer a certification scheme specifically for woody biomass used in industrial energy production. As part of our strategic objectives for the three-year period ending in 2025, we are committed to strengthening our position as the global biomass certification scheme of choice. This includes actively exploring opportunities to diversify into new feedstocks, expand into additional geographies, and address emerging end-use markets.

The first point of certification

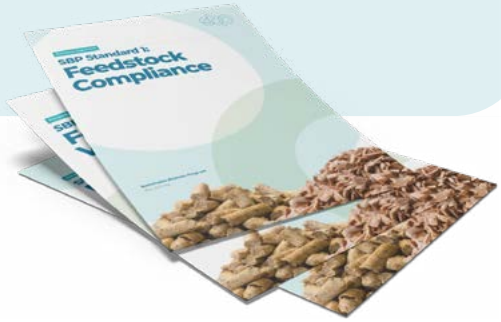
The first point of certification within our scheme is the Biomass Producer (BP), which includes producers of wood pellets, chips, biocarbon, and other biomass-derived products. BPs are assessed for compliance with the SBP Standards to ensure their operations meet the necessary requirements.

Independent assessment

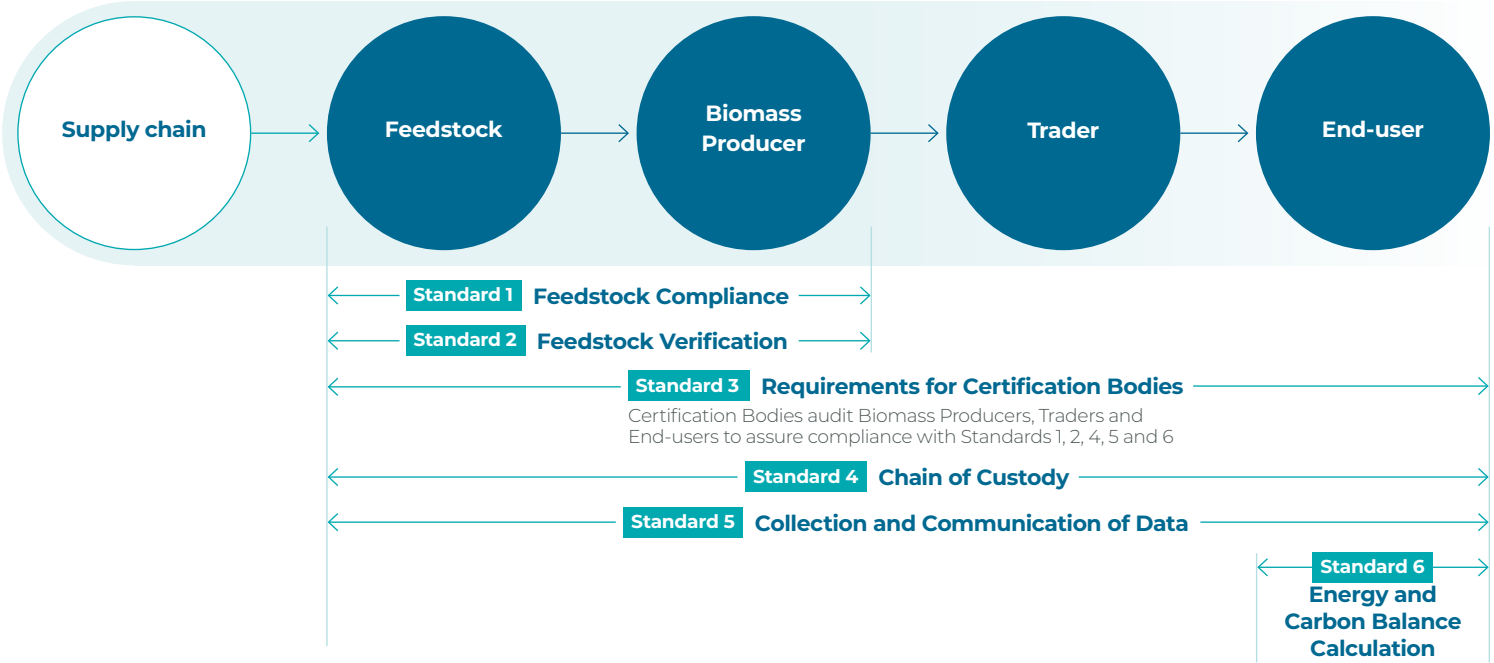
The assessment of a BP is conducted by an independent, third-party Certification Body. To safeguard the integrity of the certification process, we enforce strict requirements to prevent potential conflicts of interest between the Certification Body and the client seeking certification.

Entitlement to make an SBP claim

Once a BP successfully demonstrates compliance with SBP requirements, they are awarded a certificate. This entitles them to produce and sell biomass, including pellets, chips, biocarbon, and other biomass-derived products, with an SBP claim.



+ Our suite of Standards documents can be viewed and downloaded here

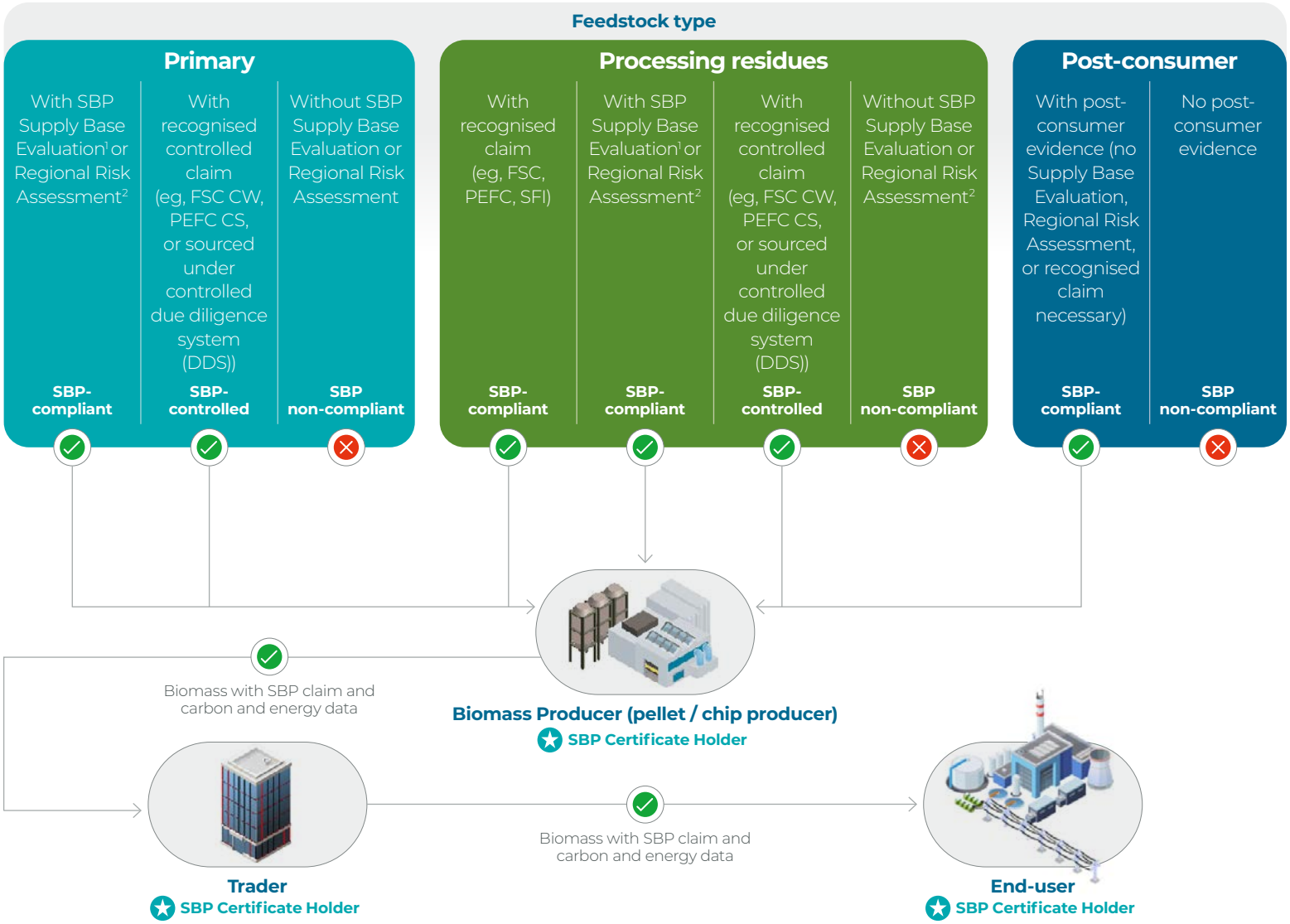


Note:

[1] The requirements of the revised Renewable Energy Directive (REDIII) will be incorporated into a consolidated and updated Instruction Document.

Promoting sustainable sourcing solutions (continued)

Entitlement to make an SBP claim according to SBP Standards v2.0



FSC: Forest Stewardship Council **FSC CW:** FSC Controlled Wood **PEFC:** Programme for the Endorsement of Forest Certification **PEFC CS:** PEFC Controlled Sources **SFI:** Sustainable Forestry Initiative
[1] Supply Base Evaluation is the process of evaluating feedstock. [2] Regional Risk Assessment is the evaluation of a geographic region to determine the risks associated with evaluating feedstock.

For further clarity, refer to the illustration on the left, which is in accordance with our revised Standards (v2.0).

Evaluating feedstock

Under SBP Standards v2.0, all primary feedstock must be evaluated. This marks a significant change from v1.0, which recognised FSC- or PEFC-certified feedstock, including feedstock with certification claims from PEFC-endorsed schemes such as SFI, as compliant without further evaluation. However, processing residues with a recognised FSC or PEFC claim continue to be accepted without requiring additional evaluation.

The recast EU Renewable Energy Directive (REDII) and ISEAL membership requirements do not allow blanket recognition of claims from other certification schemes. REDII mandates that SBP may only recognise schemes approved under the Directive, while ISEAL promotes the use of a framework to determine equivalence. As a result, SBP developed a framework for benchmarking and recognising other certification schemes (see page 14).

Post-consumer feedstock requires only evidence of its post-consumer status.

Supply Base Evaluation

The process of evaluating feedstock is known as the Supply Base Evaluation (SBE). Biomass Producers must conduct a risk assessment to identify the risk of non-compliance for each of the indicators detailed in SBP Standard 1.

Each indicator is rated as either 'low risk' or 'specified risk.' For any indicator rated as 'specified risk,' the BP must implement risk management measures to mitigate the risk, ensuring it is effectively controlled or excluded.

Promoting sustainable sourcing solutions (continued)

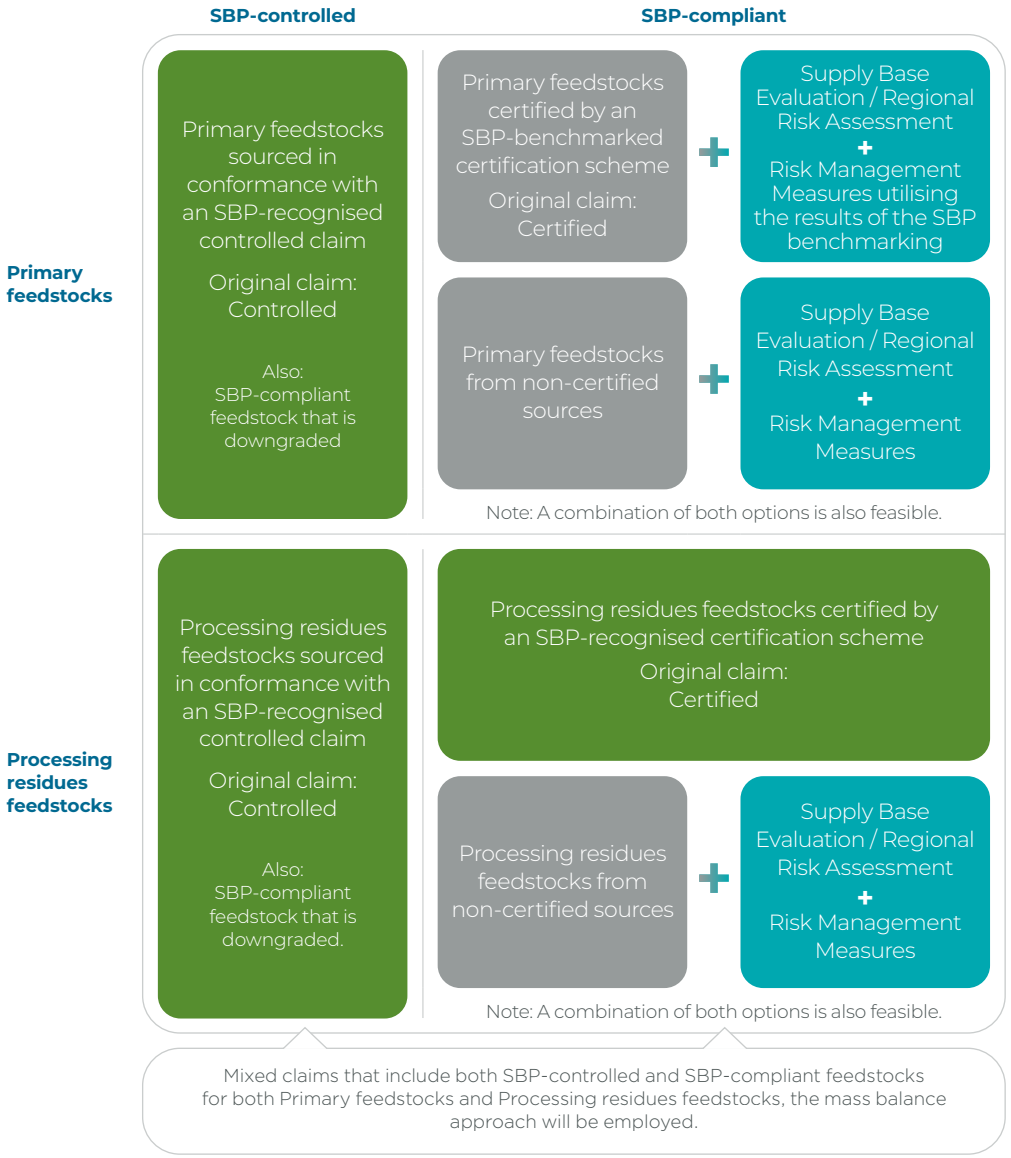
The SBP Framework for Benchmarking and Recognition of Other Certification Schemes Relevant to the Scope of SBP Certification provides a methodology for assessing the equivalence of other certification schemes' requirements to those of the SBP Standards. This allows certification schemes, among other measures, to be used in managing specified risks. See the illustration on the right for a summary of the feedstock sourcing options.

In conducting an SBE, BPs must engage with a broad range of stakeholders and publish a summary of the assessment to promote transparency.

The independent, third-party Certification Body verifies the SBE, ensuring quality and consistency across BPs and confirming that stakeholder input has been adequately considered. The Certification Body also provides assurance that the BP can make accurate claims for the biomass produced.

Regional Risk Assessments (RRAs) are essential tools in identifying and mitigating risks associated with sourcing feedstock. RRAs evaluate risks across entire geographic regions, eliminating the need for individual BPs to conduct separate risk assessments. They also promote active engagement with diverse regional stakeholders. An RRA update can be found in the Performance review on page 37.

Feedstock sourcing options depending on the certification status



Transfer of data along the supply chain

We require that information regarding the sustainability characteristics of biomass, including energy data, is transmitted along the supply chain. All such data are verified by Certification Bodies to ensure accuracy and credibility.

Independent scrutiny

The SBP accreditation program is managed by the ANSI National Accreditation Board (ANAB), a global accreditation body and IAF member. Certification Bodies must be accredited to ISO 17065 and SBP requirements before being approved by SBP to provide certification services.

Once accredited, Certification Bodies are subject to annual assessments conducted in accordance with the ANAB Manual of Operations for Accreditation of Product Certification Bodies. Accredited Certification Bodies have sole responsibility for certification decisions.

To ensure the quality and consistency of audit reports and certification decisions, we have established a Peer Review Process. This process facilitates the ongoing improvement and alignment of practices within and across Certification Bodies.

making a difference

Making a difference

Our six key impacts

1 Unlocking the potential of biomass in a sustainable way
Evidenced through actions taken to deliver against the sustainability indicators of SBP Standard 1: Feedstock Compliance.

2 Providing assurance of legal and sustainable practice
Evidenced through independent scrutiny of certification decisions.

3 Realising best practice
Evidenced through appropriate governance arrangements, decision-making procedures and stakeholder engagement.

4 Achieving recognition by regulatory authorities
Evidenced through formal recognition by regulatory authorities and / or national governments of the SBP certification system as compliant with national agreements and / or regulations and legislation.

5 Providing greater visibility on biomass supply chains
Evidenced through greater transparency on all activities throughout the supply chain, allowing informed choices leading to responsible behaviour and efficient resource allocation.

6 Increasing the volume of certified material in the biomass market
Evidenced through driving the uptake of certification, whether at forest level or elsewhere in the supply chain.

Monitoring our impacts

We have identified six key impacts that define the desired and intended outcomes of the SBP certification scheme. Since 2017, we have consistently reported on these impacts, providing insights into our progress. The following pages introduce each key impact and examine how our activities, as well as the actions and behaviours of our Certificate Holders, contribute to achieving our intended outcomes.

Looking to the future

The six key impacts have always served as a foundation. Together with our Theory of Change and Standards (v2.0), they will, in time, form the basis of a more advanced Monitoring and Evaluation (M&E) system. This enhanced system will aim to demonstrate the delivery of our intended impact and, ultimately, our overarching purpose.

Aligning with global initiatives

Our M&E system will also align with global sustainability initiatives, particularly the UN Sustainable Development Goals (SDGs).

Credible sustainability standards play a key role in advancing the SDGs by shaping responsible management practices, increasing transparency within supply chains, informing sustainability discussions, and fostering stronger relationships throughout the supply chain.

Our focus on economic, environmental, and social outcomes in the biomass sector is closely linked to global climate change goals. By mapping our business model's outcomes against the SDGs, we have identified 10 SDGs where we can make the most meaningful contribution, enhancing positive impacts while mitigating negative ones.

Guided by high-level goals

While governments hold primary responsibility for defining policies and frameworks to achieve the SDGs and climate goals, SBP plays a crucial role in translating these high-level ambitions into concrete sustainability requirements. Through our multi-stakeholder approach, we drive the responsible expansion of good biomass within the global bioeconomy, ensuring alignment with global sustainability priorities.

Connecting with the UN Sustainable Development Goals

SDG 17: Partnerships for the goals

Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.

SDG 6: Clean water and sanitation
Ensure availability and sustainable management of water and sanitation for all.

SDG 7: Affordable and clean energy
Ensure access to affordable, reliable, sustainable and modern energy for all.

SDG 8: Decent work and economic growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

SDG 9: Industry, innovation and infrastructure
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

SDG 11: Sustainable cities and communities
Make cities and human settlements inclusive, safe, resilient and sustainable.

SDG 12: Responsible consumption and production
Ensure sustainable consumption and production patterns.

SDG 13: Climate action
Take urgent action to combat climate change and its impacts.

SDG 15: LIfe on land
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

SDG 16: Peace, justice and strong institutions
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Key impact 1

1

Unlocking the potential of biomass in a sustainable way

Only sustainable biomass should be used in the global pursuit of tackling the triple planetary crisis. SBP is the lever to unlock biomass in a sustainable way.

All stakeholders need assurance that those in the sector are acting responsibly and SBP is central to providing that assurance.

Key impact 1 Unlocking the potential of biomass in a sustainable way (continued)

Case study

PT Gorontalo Panel Lestari
Powering a greener future

PT Gorontalo Panel Lestari (GPL) is a biomass production company located in Monano Village, North Gorontalo Regency, Indonesia. The company focuses on the production of wood pellets sourcing its feedstock from planted forest concessions managed by sister companies PT Gorontalo Citra Lestari and PT Gema Nusantara Jaya. All feedstock is classified as SBP-compliant and originates from FSC® (licence code: FSC-C185288) FM / COC-certified forests, ensuring a sustainable and responsible supply chain.

The feedstocks used in the production process are Anthocephalus macrophyllus and Falcataria falcata roundwood. They are sourced from sustainable planted forests and transported to the mill with all necessary commercial documentation, including delivery documentation, weighbridge tickets, and tally log yard records. Upon arrival, the feedstock materials are categorised into peeled and unpeeled stock in the temporary storage area before being moved to dedicated storage zones. The facility operates three storage areas, each with an internal code for inventory management.

The production process at GPL follows a systematic workflow to ensure efficiency and quality. The pellet mill is designed to operate with two production lines, with a combined capacity of producing 20,000 metric tonnes of wood pellets per month.

PT Gorontalo Citra Lestari, one of the key suppliers, operates under sustainable forest management principles guided by national law.

The company manages an industrial forest plantation spanning 46,170 hectares under a Forest Utilisation Business Licence. The forest management plan encompasses various activities such as inventory, cultivation, maintenance, protection, monitoring, and reporting.

PT Gema Nusantara Jaya, which is also an industrial forest plantation company, is a supplier of feedstock with a concession area of 27,977 hectares, and also applies the same forest management pattern as PT Gorontalo Citra Lestari.

Key sustainability practices include application of Reduced Impact Logging techniques, regular patrols and security measures to prevent illegal activities, High Conservation Value (HCV) assessments to protect biodiversity and social values, and compliance with FSC certification standards to ensure responsible forest management.

In October 2024, GPL carried out cold commissioning of its pellet mill. Hot commissioning of Production Lines 1 and 2 followed in November and December 2024 respectively. In January 2025, both production lines were fully operational and in the process of reaching optimum production capacity. Over time, GPL plans to employ a workforce of 80 staff members across its operational facilities, which include the manufacturing plant, offices, and staff accommodations.

The company is strategically positioned to meet the growing demand for sustainable biomass fuel by leveraging its robust supply chain, efficient production processes, and commitment to sustainability.

With its operational capacity, GPL aims to contribute significantly to the renewable energy sector by providing high-quality, cost-effective sustainable wood pellets.

GPL demonstrates a strong commitment to sustainability, compliance, and operational excellence in biomass production.

By sourcing feedstock from responsibly managed forests and adhering to international certification standards, the company is well-positioned to support the transition to sustainable energy solutions while maintaining environmental and social integrity.

> "At PT Gorontalo Panel Lestari, sustainability is at the core of our operations, and achieving SBP certification is a testament to our commitment to responsible biomass production. SBP certification assures that our wood pellets meet the highest standards of sustainability, traceability, and compliance, while maintaining transparency and integrity across our supply chain."
>
> **Achmad Siswanto** General Manager

Key impact 1 Unlocking the potential of biomass in a sustainable way (continued)

Case study

eParcel
Strengthening sustainable biomass production and trade in China

Established in 2016, eParcel has grown into one of China's leading wood pellet suppliers, leveraging over a decade of expertise in wood pellet production and sales. Headquartered in Shenzhen, the company operates two pellet plants – one in Ganzhou and one in Huizhou.

With a strong foundation in logistics and trade, backed by 27 years of industry experience, eParcel ensures swift, efficient, and reliable biomass deliveries. Its strategic access to ports further strengthens its ability to serve international markets.

At the core of eParcel's business is a commitment to excellence in product quality, environmental sustainability, and customer service. The company prioritises high standards in sourcing and processing, using 100% natural wood shavings and edged offcuts for pellet production.

By optimising resource use and implementing responsible sourcing practices, eParcel actively reduces its environmental impact while ensuring a sustainable supply chain.

Recognising the importance of third-party verification, eParcel has achieved multiple sustainability certifications, including FSC® (licence code: FSC-C200508), PEFC (licence code: PEFC/01-32-772), and SBP certification in 2024. These certifications affirm the company's responsible sourcing practices and commitment to global sustainability standards.

eParcel holds two SBP certificates – one as a Biomass Producer and another as a Trader. The Shenzhen-based trading entity, which was established with seven staff members, facilitates international trade selling SBP-certified pellets from the Huizhou plant to global buyers.

The company's production facilities cater to both domestic and international markets. The Ganzhou plant, covering 5,000 square metres and employing over 30 staff, has a monthly production capacity of 20,000 tonnes and primarily serves the domestic market.

The SBP-certified Huizhou plant, spanning 4,000 square metres with over 20 employees, produces 18,000 tonnes per month, with a focus on exports.

SBP certification plays a critical role in eParcel's business strategy, enhancing credibility in international biomass markets. It ensures compliance with rigorous sustainability and traceability requirements, allowing the company to meet the expectations of global energy producers and policymakers.

By adhering to SBP standards, eParcel demonstrates transparency in its supply chain, strengthens trust with international buyers, and aligns with global sustainability commitments. The certification also reinforces eParcel's ability to facilitate cross-border biomass trade while ensuring that its products meet the highest environmental and social responsibility benchmarks.

eParcel continues to explore new ways to enhance its sustainability efforts and expand its presence in the global biomass market. By leveraging SBP certification and embracing innovative practices, the company aims to set new benchmarks for responsible biomass production in China.

With a steadfast commitment to quality, sustainability, and responsible growth, eParcel is well-positioned to contribute to a more sustainable bioeconomy – one that balances economic opportunity with environmental and social stewardship.

"SBP certification is essential to our business enabling us to meet the requirements set by international markets. It strengthens our commitment to responsible sourcing, enhances transparency in our supply chain, and ensures our wood pellets align with global sustainability expectations. With SBP certification, we can confidently supply sustainable biomass to our partners worldwide, supporting both environmental responsibility and long-term market growth."

Mr Wan President

EPARCEL

Key impact 1 Unlocking the potential of biomass in a sustainable way (continued)

Case study

The Navigator Company
Leading biomass and bioenergy innovation

The Navigator Company is a global benchmark in the forestry, pulp, paper, tissue, sustainable packaging, and bioenergy sectors. With a commitment to sustainability at its core, Navigator integrates cutting-edge technology in its state-of-the-art mills to create products that contribute to a better planet. As an industry leader, the company plays a vital role in carbon sequestration, biodiversity protection, and climate change mitigation.

Navigator is at the forefront of sustainable biomass consumption, with three of its key facilities – Navigator Pulp Aveiro, Navigator Pulp Figueira, and Navigator Pulp Setúbal – holding SBP certification. Specialising in producing pulp from eucalyptus plantations, these facilities integrate biomass into their energy generation processes, reinforcing the company's commitment to renewable energy and reducing reliance on fossil fuels.

Through these certified facilities, Navigator ensures responsible biomass sourcing and utilisation, aligning with global sustainability standards and contributing to a circular bioeconomy.

Navigator has taken significant steps in advancing renewable energy within its operations. In 2024, 78% of the energy produced across its industrial complexes was derived from renewable sources, particularly biomass. This environmentally friendly, non-fossil fuel energy source accounted for 37% of Portugal's total bioenergy consumption, positioning Navigator as a leader in the sector.

Navigator's business is built on responsibly managed forests, with the company overseeing ca. 110,000 hectares of woodlands in Portugal. Its forestry operations are fully certified under FSC® (licence code: FSC-C010852) and PEFC (licence code: PEFC / 13-23-001) standards, ensuring compliance with internationally recognised sustainability criteria. Notably, Navigator's certified woodlands represent 27% of Portugal's total certified forest area.

The company's nurseries, among the largest in Europe, have an annual production capacity of more than 12 million plants, promoting biodiversity by producing and selling plants from more than a hundred forest and ornamental species, some of which are not commercially viable but are supported to contribute to the ecological balance of forests in Portugal. Through this approach, Navigator not only ensures a stable supply of raw materials, but also strengthens environmental conservation efforts.

The forests under Navigator's management store approximately 6.4 million tonnes of CO_2, excluding soil carbon. The company actively works to maintain this carbon stock through sustainable forestry practices.

> "Certification is fundamental to our operations, ensuring that biomass procurement aligns with the highest sustainability standards. By integrating certified biomass into our energy generation, we not only enhance operational efficiency but also contribute to a circular bioeconomy. SBP's rigorous framework supports our vision of sustainable forest management, biodiversity conservation, and climate action, positioning The Navigator Company as a leader in responsible bioenergy production."
>
> **Sofia Castelão** Head of Management Systems

Additionally, its commitment to reducing greenhouse gases extends beyond sequestration. The carbon retained annually by Navigator's forests exceeds the total emissions from its industrial facilities, highlighting its contribution to climate action.

Through its dedicated forestry and paper research institute, RAIZ, Navigator is at the forefront of innovation in the forestry sector. The company invests in research projects aimed at improving eucalyptus plantation yields, enhancing fibre quality, and optimising woodland management.

Biodiversity conservation is integrated into Navigator's forest management model. The company ensures that all projects, particularly those with potential biodiversity impacts, align with a 'no net loss' principle and, ideally, contribute to a 'net positive gain'. Navigator promotes sustainable plantation management practices that protect high conservation values and support ecosystem integrity.

Given the increasing risk of wildfires, Navigator prioritises wildfire prevention and mitigation. In collaboration with partner organisations, the company implements risk-reduction strategies, provides training, and engages in research initiatives aimed at minimising fire hazards. In 2024, Navigator has invested around €9 million in fire prevention and support to firefighting, as well as in training, and research, reinforcing its role in safeguarding Portugal's forests.

Navigator's commitment to certification extends beyond its own holdings. The company actively engages with forestry producers, landowners, and certification initiatives to expand responsible forestry practices across Portugal.

The Navigator Company's dedication to sustainable biomass consumption, renewable energy, and biodiversity conservation demonstrates its role as a leader in the biomass and forestry sector. Its integration of innovation, responsible stewardship, and industry collaboration ensures that it remains at the forefront of sustainability, contributing to a healthier planet for future generations.

Key impact 2

2

Providing assurance of legal and sustainable practice

Assurance is critical to the rigour of the SBP certification scheme.

There are two levels to providing assurance of legal and sustainable practice – accreditation and conformity assessment, which together give confidence in the product, management systems and people.

Key impact 2 Providing assurance of legal and sustainable practice (continued)

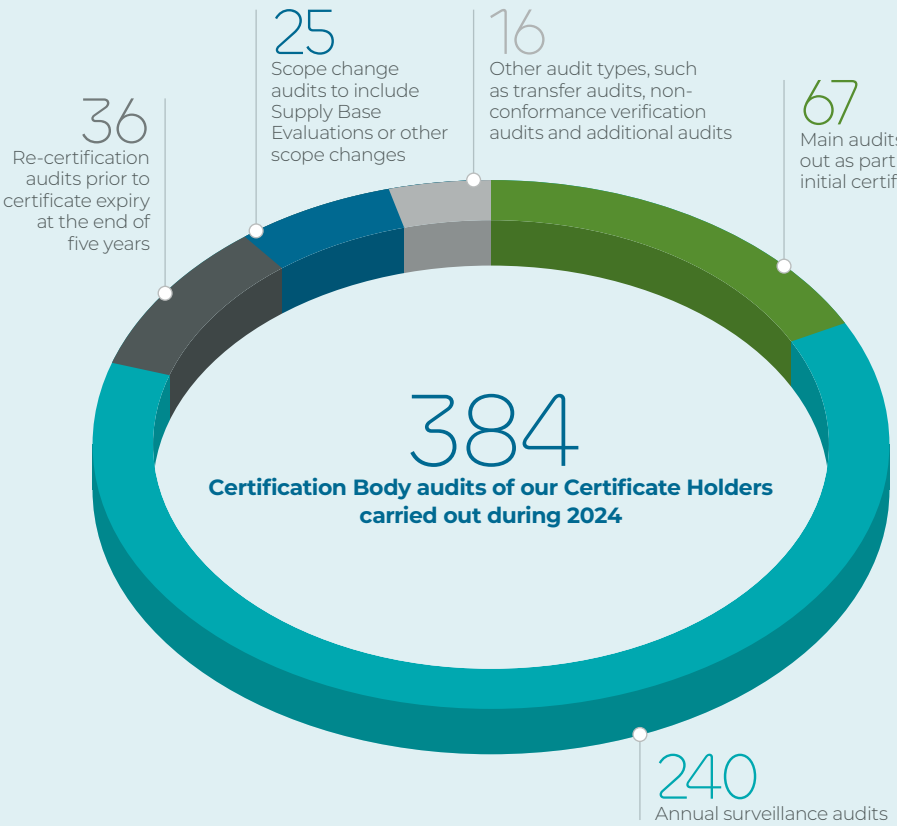
We use independent providers to deliver assurance, which increases both the impartiality and robustness of the SBP certification scheme. Our approach means that SBP has no direct involvement in the certification decision-making process.

We require independent Certification Bodies to become accredited and subsequently approved by SBP before they can offer SBP certification services to prospective Certificate Holders. Since 2016, management of the SBP accreditation program has been outsourced. From July 2022, ANSI National Accreditation Board (ANAB) has been our accreditation services provider.

ANAB is well-recognised internationally and, amongst other things, is a signatory of the International Accreditation Forum (IAF) multilateral recognition arrangements. The IAF is a worldwide association of accreditation bodies and other bodies involved in conformity assessment across a number of fields, providing assurance that certification in the market place is a reliable tool.

As the manager of the accreditation program, ANAB is responsible for the accreditation of Certification Bodies. During the year, two new Certification Bodies applied for accreditation to offer SBP certification services – Indonesia-based MUTU, and SGS based in Switzerland.

Once accredited, Certification Bodies carry out conformity assessments of Biomass Producers', Traders' and End-users' management systems through audit and field verification. Such assessment assures that all Certificate Holders meet the requirements of our Standards. Certification Bodies also ensure that stakeholders' views are taken into account.



In collaboration with ANAB, we have developed an annual oversight plan for monitoring Certification Bodies through regular assessment, based on an agreed surveillance and sampling procedure. The oversight plan ensures that the auditing processes and procedures meet expectations, are consistent across all accredited Certification Bodies and that quality thresholds are met.

During 2024, ANAB conducted 12 (2023: 10) assessments of our Certification Bodies. Of the 12 assessments, seven were witness assessments, five were head office assessments (including one for a new applicant Certification Body).

Separate gap assessments were necessary to assure suitability of the Certification Bodies to carry out audits against the revised requirements of v2.0. During the first quarter of 2024, all four Certification Bodies received accreditation against v2.0.

Selecting suitable targets for witness assessments is a key task. SBP provides support in target selection, which ensures relevancy and an opportunity to address direct feedback received by us. All witness assessments were deemed representative of geographic spread, certification scope and topical issues.

Between them, in 2024 our Certification Bodies conducted a total of 384 (2023: 366) audits of our Certificate Holders, of which 67 (2023: 61) were main audits carried out as part of the initial certification, 240 (2023: 210) were annual surveillance audits, 36 (2023: 17) were re-certifications of those early Certificate Holders whose certificates had expired at the end of five years, and 25 (2023: 56) were scope change audits of Certificate Holders wishing to expand the scope of their certificates to include Supply Base Evaluations or other scopes. The remaining 16 included other audit types, such as transfer audits, non-conformance verification audits and additional audits.

Note that audit numbers may not necessarily align with the certificate issuance numbers given in the Performance section on page 36. This arises from the potential for the time lapse between audit and issuance to cross the year-end, meaning that issuance is accounted for in the next calendar year.

In accordance with SBP rules, there were 17 (2023: 18) audits waived during 2024 due to no sales of SBP-certified biomass, and 23 (2023: 10) audits not conducted due to suspension of the Certificate Holder or delays for other reasons.

During 2024, 16 (2023: 6) incidents were recorded or investigated. Half were satisfactorily resolved within the year, while the remainder are still under investigation and action planning. An incident is any reported activity, observation, stakeholder comment, or concern that threatens the reputation and / or integrity of our assurance program and / or our certification scheme and is not already considered under the relevant procedures for complaints and appeals.

Three complaints were received in relation to the assurance program during 2024 (2023: 0).

Key impact 3

3

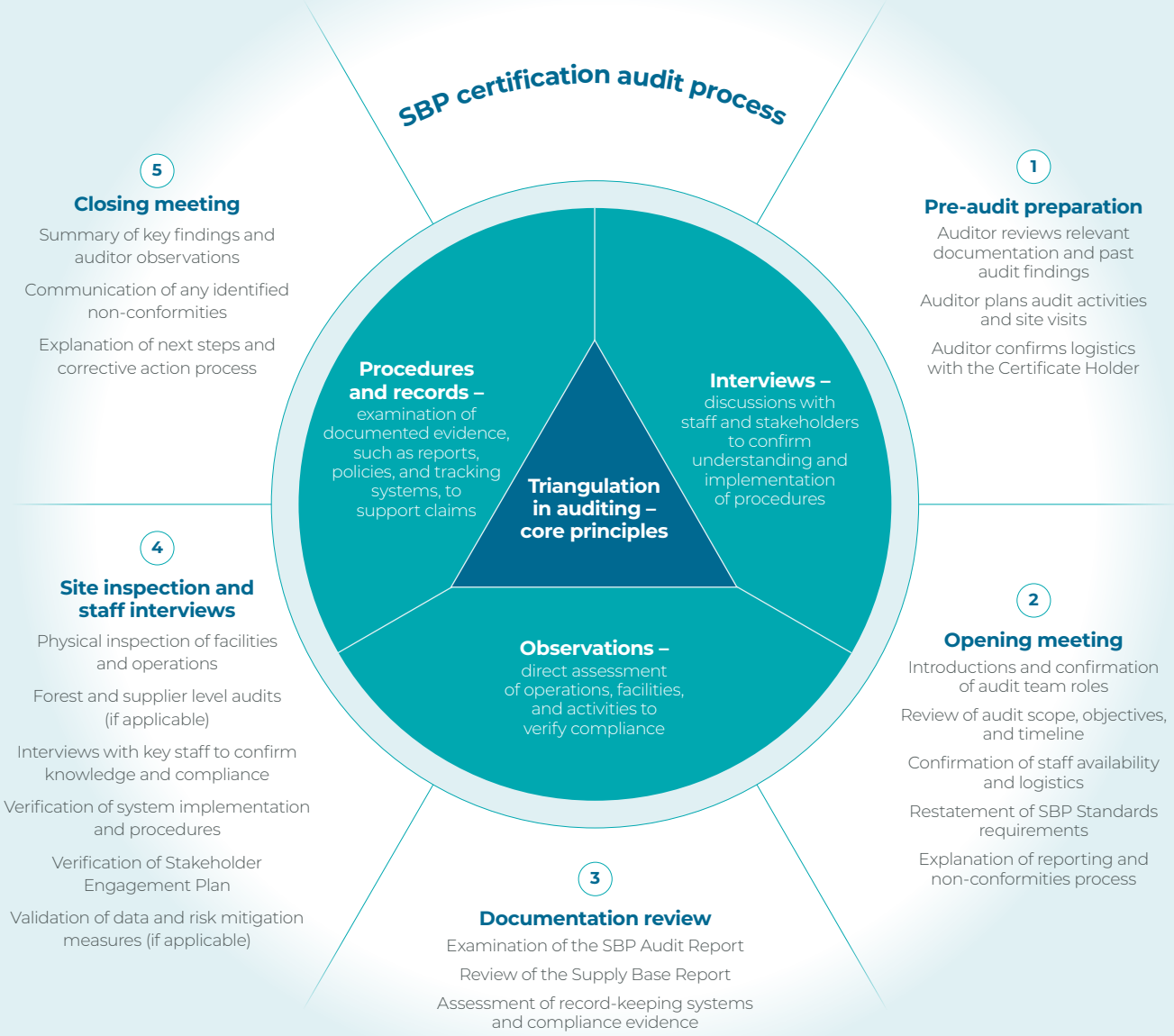
Realising best practice

Ensuring our Standards are fit-for-purpose is essential to positioning SBP as the biomass certification scheme of choice and delivering our promise of good biomass.

In practice, that means we must be alert to advances in the understanding of key sustainability issues, market requirements and international best practice for effective and credible certification schemes.

Key impact 3 Realising best practice (continued)

At SBP, we recognise that the strength of our certification scheme hinges on the integrity of our audit process. Ensuring that audits are conducted to the highest standards is fundamental to driving best practices.



Our multi-layered approach, underpinned by independent third-party accreditation and certification, ongoing oversight, rigorous training, and well-defined procedures for addressing non-conformities, sets a benchmark for best practice in assurance.

Our audit framework is fully aligned with the ISEAL Code of Good Practice for Sustainability Systems, incorporating best practices in sustainability assurance. By prioritising independent, evidence-based evaluations, we provide stakeholders with confidence in the SBP certification process, reinforcing its role in promoting sustainability and responsible biomass sourcing.

Independent, third-party certification

A core principle of SBP certification is third-party independence. Certification Bodies conducting audits are accredited by an independent Accreditation Body, ANAB, ensuring an impartial evaluation of organisations seeking certification. Certification Bodies must adhere to ISO / IEC 17065:2012, an internationally recognised standard that defines stringent criteria for competence, impartiality, and consistent certification practices.

Accredited Certification Bodies operate entirely separately from SBP and the entities they audit, eliminating any potential conflicts of interest. This independent structure strengthens the credibility of SBP certification, ensuring that sustainability claims are objectively verified and reliably upheld.

Key impact 3 Realising best practice (continued)

Continuous monitoring and oversight

Certification Bodies undergo continuous oversight to ensure they consistently meet the high standards set by SBP and international accreditation requirements. This oversight includes:

Annual head office assessments ANAB reviews Certification Bodies' internal processes, documentation, and quality control measures.

Surveillance and reassessment regular on-site evaluations confirm ongoing compliance.

Witness assessments ANAB observes Certification Body audits in real-world settings to validate adherence to requirements.

Should a Certification Body fail to meet our requirements, corrective actions are immediately enforced. Persistent non-compliance may result in suspension or withdrawal of accreditation, ensuring only the most competent and diligent Certification Bodies remain in the SBP programme.

Certification Body auditor expertise and accountability

Auditor competency is central to the credibility of SBP audits. We require Certification Bodies to employ auditors who meet rigorous professional standards, as detailed in SBP Standard 3 (v2.0). To further enhance expertise and consistency, SBP provides an official auditor training programme, covering:

- The biomass sector and SBP's role.
- SBP's Normative Framework and assurance requirements.
- The Data Transfer System (DTS) (including GHG calculations).
- Market-specific regulations, such as EU RED compliance.

The training is delivered through a blended learning model, combining recorded online modules with live interactive sessions, either remote or in-person. Additionally, we facilitate bi-annual SBP Certification Body Forums, where Certification Bodies, alongside ANAB, engage in technical discussions, benchmark practices, and receive clarifications on standard interpretations. When new requirements emerge or calibrations are needed, SBP provides supplementary sessions and direct technical support to Certification Bodies and ANAB.

Comprehensive and transparent audit requirements

The SBP audit process is thorough, ensuring that organisations conform to all applicable SBP Standards. Certification applicants enter into a contractual agreement with their Certification Body, committing to compliance with all terms, including addressing non-conformities before certification can be granted.

Certification Bodies verify compliance through:

Site visits auditors physically inspect operational facilities, review systems in action, and assess risk mitigation measures.

Record reviews a systematic evaluation of documentation confirms traceability and compliance.

Stakeholder engagement auditors conduct interviews with relevant stakeholders to cross-verify information.

The frequency of audits is clearly defined under SBP Standard 3, requiring at least one surveillance audit annually and four surveillance evaluations over the five-year certification cycle.

Non-conformities are categorised based on severity:

Major non-conformities if unresolved within 90 days, certification is suspended or withdrawn. If five major non-conformities are identified in a single surveillance or reassessment audit, the certificate is immediately suspended.

Minor non-conformities these must be corrected within a year to maintain certification.

This structured approach ensures that all certified organisations remain fully aligned with our rigorous sustainability requirements.

Peer review for quality assurance

We have established a Peer Review Process to maintain consistency and high standards in auditing. This initiative allows Certification Bodies to benchmark audit reports, exchange insights, and align their practices. The process ensures that certification decisions are well-informed and standardised across different auditing entities.

Addressing complaints and ensuring transparency

Transparency and accountability are integral to the SBP audit framework. Our structured complaints procedure ensures that any concerns about Certification Bodies, Certificate Holders, or SBP activities are handled effectively.

The process follows a clear escalation path:

- Complaints about Certification Bodies or Certificate Holders are initially directed to the Certification Body for resolution.
- If unresolved, SBP enacts a formal review, managed by the SBP Secretariat or an external contractor.
- The SBP CEO provides a response within 60 days of receipt.
- If necessary, summaries of investigations may be published on the SBP website, with agreement from involved parties.
- Dissatisfied complainants may appeal through SBP's formal appeals procedure.

This commitment to transparency reinforces trust in SBP's certification process and provides stakeholders with confidence that concerns are addressed rigorously and fairly.

Our audit process is a pillar of best practice in sustainability assurance. By implementing a multi-layered approach that incorporates independent third-party certification, ongoing oversight, comprehensive training, and structured non-conformity resolution, we uphold the highest standards in auditing. Our commitment to continuous improvement and transparency ensures that SBP certification remains a trusted and credible marker of sustainability and responsible biomass sourcing.

Through these measures, we provide assurance that the SBP claim is backed by a robust and reliable verification framework, reinforcing our role in advancing best practices within the biomass industry.

Key impact 4

4

Achieving recognition by regulatory authorities

Recognition by regulatory authorities is a critical component of our offering to the biomass market, enabling Certificate Holders to demonstrate compliance with the sustainability requirements of different jurisdictions, whilst facilitating trade across international markets.

Key impact 4 Achieving recognition by regulatory authorities (continued)

As the need for End-users to demonstrate compliance with sustainability requirements under national and regional legislation continues to grow, regulatory compliance has been a fundamental aspect of the SBP Standards since our inception. However, our Standards go beyond – regulatory requirements serve as a baseline, not the ceiling.

Our Standards can be best described as a hybrid framework, combining both regulatory requirements and additional criteria. Where legislation dictates specific requirements, our Standards mirror them without modification. Beyond regulatory compliance, our additional requirements are developed through stakeholder consensus, ensuring they reflect best practices and market needs.

Initially, our focus was on serving the four key biomass end-use markets in geographic Europe – Belgium, Denmark, the Netherlands, and the United Kingdom. Over time, as SBP has become more established and biomass has been recognised as a key component of the low-carbon energy mix, our certification scheme has expanded to support biomass sectors worldwide.

To facilitate international trade, we have adopted a flexible, adaptive model. Our Standards are complemented by additional modules designed to address the specific needs of individual markets. This approach has proven both efficient and responsive to evolving regulatory landscapes while providing supply chain participants with stability, minimising disruption, and ensuring continuity in biomass supply.

Maintaining market relevance and aligning with best practices in sustainability standards remain key priorities for SBP. We continue to engage with regulatory authorities to ensure that the recognition granted to v1.0 of our Standards is extended to our revised Standards (v2.0).

European Union

The recast Renewable Energy Directive (REDII) establishes sustainability criteria for biomass and other energy sources to ensure that only sustainably produced biomass, delivering significant greenhouse gas savings compared to fossil fuels, counts toward the Directive's renewable energy targets.

In September 2022, the European Commission formally recognised the SBP certification scheme as a voluntary scheme under REDII. Following a re-assessment in December 2023, the Commission confirmed that SBP continues to meet the applicable requirements for reliability, transparency, and independent auditing (demonstrating compliance with Articles 29(2-7) and 29(10) of Directive (EU) 2018 / 2001 (REDII)), in line with Implementing Regulations 2022 / 996 and 2022 / 2448.

The recognition applies to the following feedstocks: (a) Ligno-cellulosic material from forest and non-forest land; and (b) Processing residues from forest and agriculture-related industries (outside forest and agricultural land). Agricultural residues from agricultural land are excluded.

Instruction Document REDII: Bridging Requirements for Meeting REDII, v1.2 applies to both v1.0 and v2.0 of the SBP Standards. To produce REDII-compliant biomass, Biomass Producers must adhere to the relevant SBP Standards and the Instruction Document. Compliance with REDII requirements is mandatory for all Certificate Holders certified to SBP Standards v2.0.

With the revised Renewable Energy Directive (REDIII) now in force, we are at an advanced stage of the process to have our updated documentation assessed in line with the new requirements. This will ensure that our certification scheme continues to meet the necessary criteria and maintains its recognition status under the Directive.

Belgium

Since July 2023, REDII has been in force in Flanders through its regional law. Alongside SBP's recognition under REDII (see European Union), SBP Standards documentation has been updated to include the Flemish criteria for local forest residues, in addition to those for imported wood pellets, thereby presenting a workable solution for Flanders. The next step Is for the Flemish regulator, VEKA, to formally approve the updated Standards documentation and the Biomass Report, which End-users must complete.

Denmark

SBP has been recognised since 2015 as meeting Denmark's sustainability requirements for biomass – initially under the voluntary Danish Industry Agreement for Sustainable Biomass and, more recently, by the Danish Energy Agency under the legal sustainability requirements introduced in 2021.

These legal requirements exceed both the former industry agreement and REDII in several areas, including provisions for processing residues and woody biomass from non-forest sources. SBP facilitates compliance with REDII's greenhouse gas savings criteria by collecting and verifying energy data along the supply chain.

To ensure continued alignment, we have incorporated these additional requirements into our revised Standards (v2.0), enabling us to fully support the Danish biomass market.

Japan

In September 2023, SBP was recognised by the Government of Japan as meeting the requirements necessary for confirming both the lifecycle greenhouse gas emissions of imported woody biomass under Japan's Feed-in Tariff (FIT) / Feed-in Premium (FIP) System for Renewable Energy, and the legality and sustainability of imported wood in line with guidelines set under the Clean Wood Act. The latter was officially announced in the Japan Official Gazette (the Kanpō) in January 2025.

The Netherlands

SBP offers an end-to-end solution for the full range of woody biomass types recognised by the Dutch authorities. SBP has developed modules, in addition to the core Standards, to meet the market-specific requirements of the Netherlands.

United Kingdom

Our certification scheme (based on version 1.0 of our Standards), was initially benchmarked by the GB regulator, Ofgem, in 2015 and recognised as compliant with the woody biomass land criteria specified in key legislation, such as the Renewables Obligation, Renewable Heat Incentive, and Contracts for Difference investment contracts. As a result, SBP certification serves as proof that woody biomass meets both legal and sustainability requirements under these support schemes.

Building on this recognition, in June 2024, Ofgem confirmed that, following a thorough assessment, the revised SBP Standards (v2.0) also meet the land criteria outlined in the relevant legislative frameworks for these schemes.

Key impact 5

5

Providing greater visibility on biomass supply chains

Our Data Transfer System (DTS) holds a wealth of information on biomass supplied with an SBP claim.

With complete visibility of the biomass supply chain, we are continually looking at ways to use that information as fact-based evidence to inform the biomass debate.

Key impact 5 Providing greater visibility on biomass supply chains (continued)

The SBP Data Transfer System (DTS) is unique in its capability to collect, collate and transmit verified data along the biomass supply chain, from feedstock origin to the End-user.

Feedstock sourcing and biomass production

Biomass logistics and transportation

Biomass-to-energy

Typical data captured

– Feedstock type, origin, physical description and tonnage

– Power source and consumption in the biomass production process

– Fossil fuels used in the production process

– Biomass fuels used in the production process

– Feedstock drying process (feedstock moisture, dryer type, energy consumption in drying process)

– Combined Heat and Power (CHP) facility (if used) (fuel input, electricity and heat outputs)

– Biomass transportation details (route, distance, type of transport, transportation fuel use)

– Biomass storage (locations, energy use during storage)

+ **View 2024 data for feedstock used in the production of wood pellets and chips**

Typical data captured

Biomass transportation details (route, distance, type of transport, transportation fuel use)

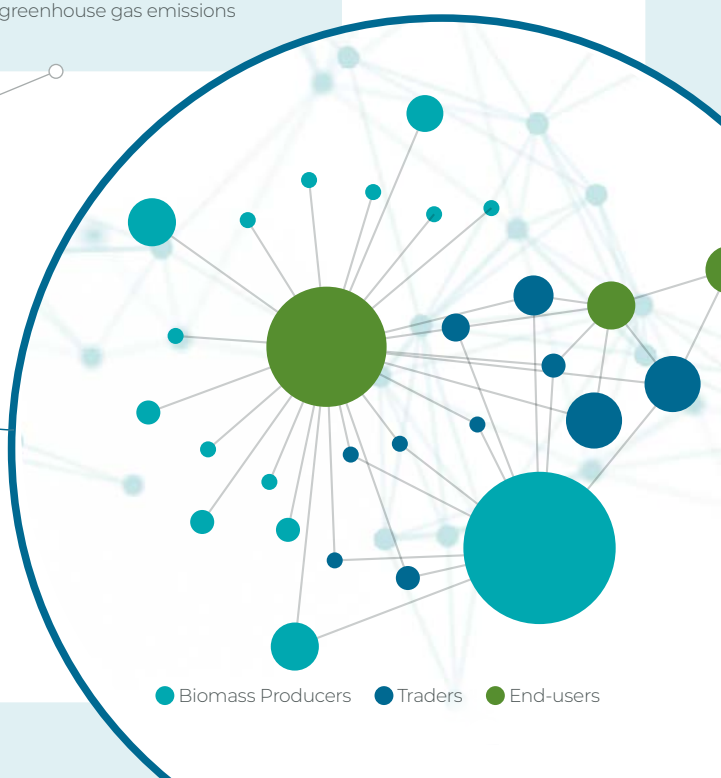
– Biomass storage (locations, energy use during storage)

Typical data captured

Delivery of biomass and associated data to enable calculation of greenhouse gas emissions

Data covering feedstock characteristics, energy used during the pellet or chip production process, and energy used during transportation and storage must be entered into the DTS if the biomass is to carry an SBP claim. All data are delivered with the SBP-certified biomass allowing End-users to calculate greenhouse gas emissions.

All transactions between Biomass Producers, Traders and End-users are captured in the DTS. In 2024, there were 9,524 transactions recorded.



Key impact 5 Providing greater visibility on biomass supply chains (continued)

Collecting feedstock data provides clear visibility of the origin and type of wood used to produce pellets and chips. The three categories of feedstock, as defined by the SBP Standards (v2.0), are: primary, processing residues, and post-consumer.

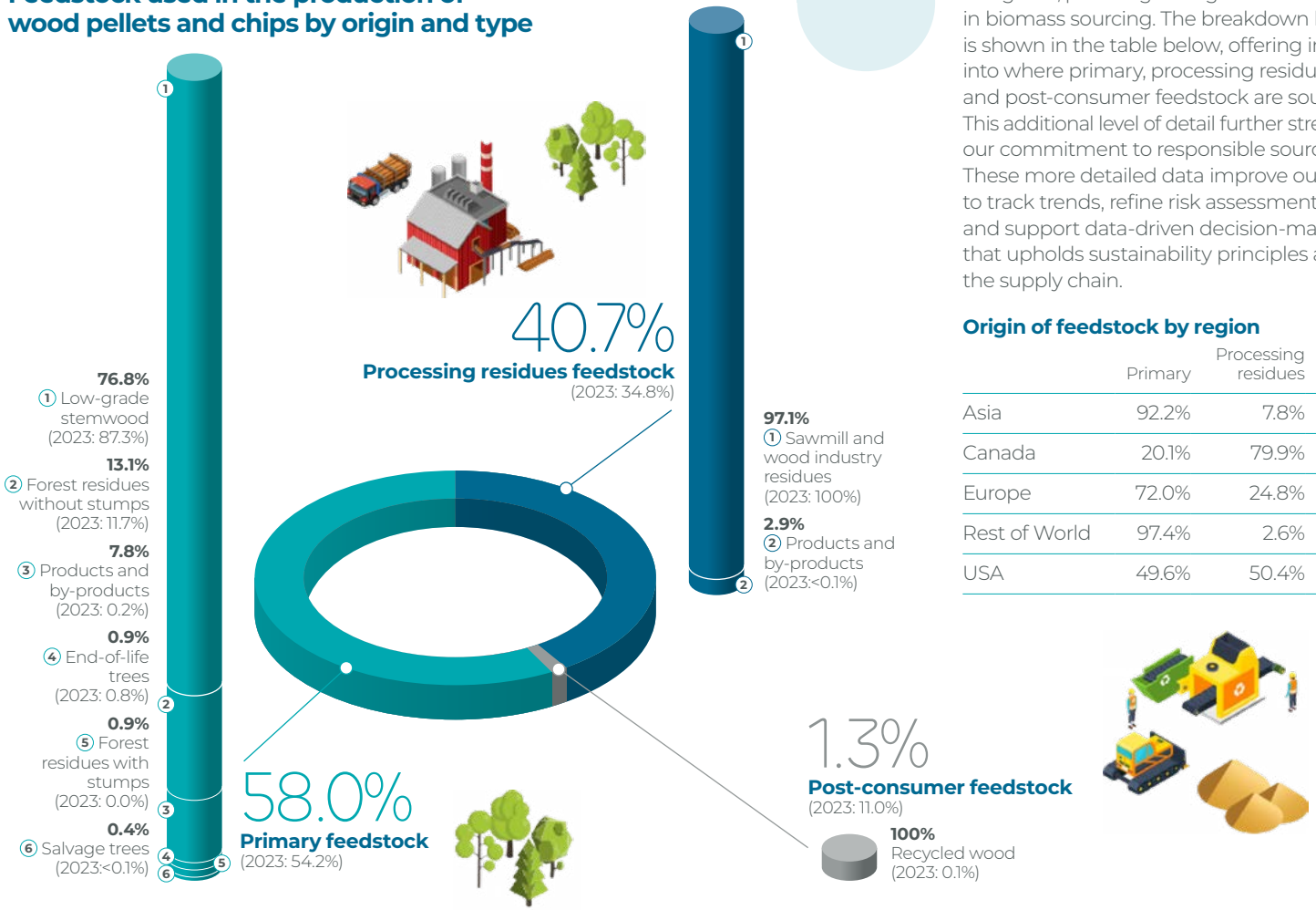
Each category is further subdivided to provide a breakdown of exactly what is used in production. For example, primary feedstock includes, but is not limited to, roundwood and forest residues sourced directly from harvesting operations. Processing residues feedstock includes, but its not limited to, sawmill and wood industry residues, and post-consumer includes, but is not limited to, recycled wood. We can even drill down in each of the sub-divisions to pinpoint the origin more precisely. The chart right gives a top level breakdown.

Our DTS ensures that all material flows are transparently tracked and accounted for.

By categorising feedstock in this way, we enable a clear understanding of biomass sourcing, supporting responsible supply chain management and sustainability commitments.

By aggregating and analysing the latest independently verified feedstock data reported by Biomass Producers that made SBP claims in 2024, we find that the vast majority (76.8%) of primary feedstock used in production consisted of low-grade stemwood. Processing residues feedstock was predominantly (97.0%) from sawmill and wood industry residues, and post-consumer was entirely (100%) made up of recycled wood.

Feedstock used in the production of wood pellets and chips by origin and type



New for 2024, we are now able to report on the geographic origin of the different feedstock categories, providing even greater transparency in biomass sourcing. The breakdown by region is shown in the table below, offering insight into where primary, processing residues, and post-consumer feedstock are sourced. This additional level of detail further strengthens our commitment to responsible sourcing. These more detailed data improve our ability to track trends, refine risk assessments, and support data-driven decision-making that upholds sustainability principles across the supply chain.

Origin of feedstock by region

	Primary	Processing residues	Post-consumer
Asia	92.2%	7.8%	0.0%
Canada	20.1%	79.9%	0.0%
Europe	72.0%	24.8%	3.2%
Rest of World	97.4%	2.6%	0.0%
USA	49.6%	50.4%	0.0%

Notes:

Feedstock data relates to historic annual reporting periods, not necessarily the calendar year. Only the feedstock data of those Biomass Producers that made SBP claims in the stated year are included in the analysis.

SBP Standards (v2.0) provide a more detailed definition of feedstock type and origin, which makes direct comparison with previously reported feedstock data less straightforward.

Percentages may not add up to 100% due to rounding.

+ Read more about how we define feedstock types in the Glossary

Key impact 6

6

Increasing the volume of certified material in the biomass market

Promoting certification throughout the biomass supply chain assists the uptake of good biomass in the marketplace.

Key impact 6 Increasing the volume of certified material in the biomass market (continued)

Case study

Javelin Global Commodities
Pioneering sustainable biomass solutions

Founded in 2015, Javelin Global Commodities has rapidly established itself as a leading multi-commodity trader across global markets. With a steadfast commitment to sustainability, Javelin leverages its expertise in renewables to support industries in transitioning to greener solutions. As an SBP-certified organisation, Javelin's biomass product lines benefit from the assurance of legally and sustainably sourced feedstock, providing confidence to clients and stakeholders in their supply chains, while supporting broader efforts towards a low-carbon economy.

Javelin's corporate ethos revolves around sustainability and innovation. The company operates with the highest legal and ethical standards, ensuring transparency and integrity in all business dealings. With a customer-centric approach, Javelin tailors solutions to address its clients' most pressing challenges, offering a diverse range of biomass products that support energy transition and decarbonisation efforts.

Javelin's biomass product lines are designed to meet the needs of various industries, including energy, ferroalloys, steel, transport, and agriculture. The company is committed to becoming a global innovator and supplier of affordable, sustainable and commercially viable low carbon or carbon negative products to tackle some of industries hardest CO_2 abatement challenges.

White biomass pellets serve as a renewable energy source within the energy supply chain, supporting clients in their pursuit of low-carbon alternatives. Through torrefaction, black biomass pellets achieve enhanced bulk density, energy content, and hydrophobicity, making them an alternative to coal, offering improved handling and storage capabilities.

Javelin's biocarbon product lines are being developed to meet the specific needs of the steel and ferroalloy markets, these will serve as a sustainable replacement for metallurgical coals. Sharing adjacencies with biocarbon, Javelin can also support agricultural and the carbon removals market with bio-char products, which support soil enhancement and land remediation.

The company's sustainability policy underscores its commitment to supporting local communities and protecting the environment. The company proactively engages in developing innovative solutions that align with a low-carbon future, focusing on pollution prevention, energy conservation, and responsible resource utilisation.

Javelin Global Commodities is pioneering sustainable biomass solutions. By integrating proven technologies with market expertise, Javelin is at the forefront of enabling a greener economy and supporting industries in their transition to a sustainable future.

JAVELIN GREEN CARBON

"At Javelin, we recognise the importance of supporting and accelerating the rollout of certification to ensure sustainability is integral to new product development. This proactive approach empowers hard-to-abate sectors to confidently deliver robust, low-carbon solutions within their supply chains."

Damien Speight Head of Renewables

Key impact 6 Increasing the volume of certified material in the biomass market (continued)

Case study

Terval
Driving the transition beyond fossil fuels

Terval, a Belgian company renowned for its expertise in global fuel markets, is leading the charge toward a more sustainable future by diversifying its portfolio beyond traditional fossil fuels.

Operating a worldwide distribution network from its base in Liège, Belgium, Terval handles nearly one million tonnes of materials annually, leveraging connections to major European ports including Antwerp, Amsterdam, and Rotterdam. With a trimodal terminal integrating river, rail, and road networks, Terval offers seamless logistics and robust storage capacity to meet the dynamic needs of its partners.

Terval's state-of-the-art infrastructure includes eight crushing plants, two grinding and filter plants, and a washing facility. The company also operates its own analysis laboratory, ensuring strict quality control standards.

Its terminal spans 15 hectares, with storage facilities capable of holding up to 500,000 tonnes, including nearly 30,000 tonnes of dedicated covered biomass storage. A planned expansion will add another 10,000 tonnes of capacity, underscoring the company's commitment to growth and innovation.

Over the years, Terval has expanded its operations beyond Belgium, establishing two sister companies in Germany and France. Both subsidiaries primarily function as commercial offices overseeing trading and logistics through contracted sites.

Recognising the growing importance of the bioeconomy, Terval has strategically expanded into the biomass sector, with its site in Belgium acting as the hub for its evolving biomass activities.

In 2024, the company began operating as a woodchip producer. By the end of 2025, the company aims to achieve an annual production capacity of 10,000 tonnes.

"SBP certification is integral to Terval's commitment to sustainability and responsible sourcing. By meeting SBP's rigorous standards, we ensure the traceability and sustainability of our biomass products, reinforcing trust with our partners and aligning with global climate goals. SBP helps us not only meet the current demands of the energy transition but also confidently pioneer innovation for a greener future."

Hakim Hennen CEO

Terval sources 70% of its feedstock directly from forest operations, with the remaining 30% from secondary sources, such as sawmills and wood processing facilities. This sourcing strategy reflects the company's commitment to sustainability and supply chain efficiency.

Terval's interests not only lie in woodchips, the company's trading operations extend to a wide range of biomass products. Each offering is tailored to address specific needs across industries while maintaining compliance with the recast EU Renewable Energy Directive (REDII).

In 2024, the company traded 50,000 tonnes of domestic and industrial wood pellets produced from wood industry residues, with the aim of increasing to 200,000 tonnes in 2025 and reaching up to 500,000 tonnes by 2026. The pellets adhere to relevant stringent standards ensuring sustainable and responsible production, emphasising environmental stewardship and supply chain monitoring.

In western Europe, Terval is the sole trader of steam-exploded pellets, an innovative alternative to conventional wood pellets. These pellets undergo a pre-treatment that makes them water-repellent, allowing outdoor storage and significantly reducing costs. They also boast up to 20% higher energy density, offering a more efficient and economical solution.

Biocarbon, with concentrated carbon content levels of 80-90% serves as an alternative to coke and anthracite in industrial applications. Terval is today able to offer this product in different granulometry from 0 to 110mm.

Recognising the untapped potential of agricultural waste, Terval markets products including Palm Kernel Shells (PKS), olive stones, and cashew nut shells.

These materials are high in calorific value and suitable for outdoor storage.

The company is also advancing agro-pellets, derived from co-products such as sunflower husks, flax, hemp, straw and bagasse, which match the energy density of traditional wood pellets once pelletised.

Terval's primary market includes European manufacturers in industries such as cement, paper, sugar, and steel, alongside partnerships with coal-fired power plants transitioning to biomass fuels. With FSC® and SBP certifications, Terval underscores its commitment to responsible sourcing, sustainability, and environmental protection.

By combining advanced technical infrastructure with a forward-thinking approach, Terval is not only meeting the demands of current partners but also paving the way for a sustainable future. Its biomass solutions help reduce reliance on fossil fuels, support circular economies, and align with global climate goals.

Key impact 6 Increasing the volume of certified material in the biomass market (continued)

Case study

LEAG
Championing sustainable biomass solutions

LEAG supplies energy for millions of households, industries, and public infrastructure – reliably, flexibly, and competitively. As one of the top five electricity producers in Germany, LEAG is at the forefront of the country's energy transition, moving away from fossil fuels toward climate-friendly, sustainable, and renewable energy solutions. With a strong presence in eastern Germany's Lusatia and Central German mining districts, LEAG also provides district heating for municipalities and businesses and employs around 7,000 people, making it one of the largest private employers in the region.

To support Germany's shift towards renewable energy, LEAG has invested heavily in sustainable biomass solutions through holding company, LEAG Biomass GmbH. This division, and its subsidiaries, LEAG Pellets GmbH in Germany and Sweden's Scandbio AB, complements LEAG's solid fuel operations.

Owning a total of ten pellet plants across Germany, Sweden, and Latvia, with a combined annual production capacity of 1.4 million tonnes, LEAG sources a mix of low grade stemwood and processing residues, including wood chips, sawdust, and cutoffs. Adherence to stringent standards meets the requirements of international customers, and contributes to a sustainable biomass supply chain creating value from low-grade woody feedstocks.

"SBP certification is a key pillar of our commitment to sustainability, ensuring that our feedstock sourcing and biomass trading meet the highest environmental and legal standards. By integrating SBP-certified pellets into our supply chain, we provide our customers with a transparent and responsible biomass solution that aligns with Europe's renewable energy ambitions."

Matthias Vette Managing Director, LEAG Pellets GmbH

LEAG plays a crucial role as a trader of SBP-certified pellets, sourcing from its subsidiaries and supplying biomass to various European customers. This trading activity ensures that biomass products meet the highest sustainability standards while seamlessly integrating into the European market. By adhering to strict REDII requirements and preparing for upcoming REDIII and EUDR requirements, LEAG demonstrates its commitment to responsible biomass sourcing and supports Germany's renewable energy goals.

As the regulatory landscape for biomass tightens, SBP certification has become an essential component of LEAG's sustainability strategy. SBP's robust framework enables LEAG to maintain compliance with REDII, ensuring that feedstock used in biomass production meets stringent environmental and legal requirements. Furthermore, SBP certification enhances transparency, facilitates trade with European partners, and strengthens LEAG's position as a leader in sustainable energy solutions.

Given SBP's significant benefits for Biomass Producers and Traders, LEAG is committed to supporting SBP's continued presence in the German market. The company sees substantial potential in expanding collaboration with SBP. By advocating for best practices in biomass sustainability, LEAG aims to further align with national and European energy policies while ensuring a reliable and responsible biomass supply chain.

LEAG's integration of SBP-certified biomass into its operations underscores its dedication to sustainability and renewable energy. By leveraging SBP certification, the company not only ensures compliance with evolving regulations but also strengthens its ability to supply responsibly sourced biomass to the European market. As LEAG continues its energy transition, biomass will remain a vital part of its strategy, supporting Germany's ambitious climate goals and reinforcing the company's leadership in the renewable energy sector.

performance

Performance review

Our key priorities for 2024 have been reported in full on pages 07 and 08 of the CEO Statement and Making a Difference section. Here, we report on other key achievements of the year.

Accreditations

At the end of 2024, we had four accredited and SBP-approved Certification Bodies, namely Control Union Certifications, DNV Business Assurance Finland, Preferred by Nature and SCS Global Services.

During the year, our Accreditation Body, ANAB, assessed all our Certification Bodies to ensure their continued suitability to carry out SBP audits against the SBP Standards. Separate gap assessments were necessary to assure suitability of the Certification Bodies to carry out audits against the revised requirements of SBP Standards v2.0. During the first quarter of 2024, all four Certification Bodies were accredited against v2.0.

ANAB received applications from two Certification Bodies, MUTU, based in Indonesia, and SGS, based in Switzerland, seeking accreditation to provide SBP certification services. Both applications are progressing through the accreditation process, which includes rigorous assessments to ensure compliance with SBP's requirements.

Certifications

At the end of 2024, the total number of Certificate Holders was 340, of which 232 were Biomass Producers, 64 Traders and 44 End-users. A further 45 organisations had made applications for SBP certification through our accredited Certification Bodies.

An SBP certificate is valid for five years. After the main / initial audit, Certification Bodies must carry out annual surveillance audits. When the validity of the certificate expires, a re-certification audit must be conducted by the Certification Body. A re-certification audit is akin to the main / initial audit, with a stakeholder consultation and a peer review of the audit reports, but with actual transaction data from the previous 12 months.

During 2024, there were 28 re-certifications of existing Certificate Holders, 118 new certificates issued, 4 certificate suspensions, and 50 certificate terminations.

The main reason for certificate suspensions was non-conformities identified during audits, and certificate terminations were as a result of voluntary terminations, non-conformities, and non-payment of certification fees.

Our geographic spread increased to 35 countries in total, with the loss of Poland, Turkey and United Arab Emirates offset by the addition of Australia, Chile, China, Colombia, Indonesia, Ireland and Luxembourg.

At the end of February 2024, we welcomed news of the first Biomass Producer to be certified under the revised SBP Standards (v2.0). By the end of the year, 21 Certificate Holders had transitioned to v2.0. Our focus is very much on the implementation of v2.0 as we move closer to the end of the transition period (9 November 2025).

As at end of 2024:

4
accredited Certification Bodies
(2023: 4)

340
Certificate Holders
232 Biomass Producers;
64 Traders; and 44 End-users
(2023: 272)

45
additional organisations have made applications for SBP certification
(2023: 75)

19.15Mt
of SBP-certified biomass
(wood pellets and chips) produced and sold by Biomass Producers in 2024
(2023: 15.60Mt)

Note:
Rounded to nearest 0.05Mt.

35
countries making up the geographic spread of Certificate Holders
(2023: 31)

- Australia
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Colombia
- Denmark
- Estonia
- Finland
- France
- Germany
- Guadeloupe
- Indonesia
- Ireland
- Italy
- Japan
- Latvia
- Lithuania
- Luxembourg
- Malaysia
- Martinique
- Netherlands
- Norway
- Portugal
- Réunion
- Singapore
- South Africa
- Spain
- Sweden
- Switzerland
- UK
- USA
- Vietnam

Performance review (continued)

Theory of Change

At the end of July 2024, we published our revised Theory of Change, which outlines how we aim to expand the contribution of good biomass to the global bioeconomy. The update was a pivotal step in aligning our core strategy with impact pathways by clearly outlining the causal relationships between strategic aims, inputs, activities, outputs, outcomes, and overall impact. The Theory of Change provides a roadmap that guides our work, measures progress, and ensures alignment with our strategic objectives to deliver meaningful and sustainable impact.

The development of this framework was a collaborative process, enriched by valuable stakeholder feedback received during a consultation period.

Maintaining a Theory of Change reaffirms our commitment to best practices in sustainability standard management, as recommended by ISEAL. It helps ensure that our activities effectively contribute to sustainability goals and align with industry best practices.

Alongside the revised Theory of Change, we also published a detailed response to the consultation, addressing the feedback and outlining how it has been incorporated into the final version. Our revised Theory of Change and our response to consultation can be viewed **here**.

Maintaining up-to-date standards

Normative documents

Throughout 2024, we maintained the documentation for both v1.0 and v2.0 of the SBP Standards, each of which has a dedicated section on our website under Normative Documents here.

Several updates were made to existing documents, including the complete suite of materials required to achieve REDII compliance – mandatory under v2.0 of our Standards – and the biomass report essential for regulatory compliance in Flanders.

In the first quarter, we published the Instruction Document Japan: Bridging Requirements for Meeting Japanese Sustainability, Legality and GHG Saving Requirements, with an updated version released in the third quarter. This document outlines the bridging requirements between the SBP normative framework and Japanese legislation, ensuring compliance with both the lifecycle greenhouse gas emissions requirements for imported woody biomass under Japan's Feed-in Tariff (FIT) / Feed-in Premium (FIP) System for Renewable Energy, and the legality and sustainability criteria for imported wood under the Clean Wood Act. This alignment facilitates the import and use of SBP-certified biomass by Japanese power generators. As with all SBP Instruction Documents, the requirements specified are supplementary and must be applied in conjunction with the SBP normative framework, as defined by the six SBP Standards.

We remain committed to enhancing the accessibility of our scheme documents. In line with this commitment, we have translated full or partial documentation into French, Japanese, and Vietnamese, with the latter two being newly introduced in 2024.

Regional Risk Assessments

Regional Risk Assessments (RRAs) have become an increasingly integral component of our Standards documentation.

Significant progress was achieved in our RRA work over the past year. In July, we published revised RRAs for Denmark, Estonia, Latvia, and Lithuania. Additionally, in the fourth quarter, we conducted public consultations on nine draft RRAs, encompassing both updates to existing RRAs and the development of new ones.

We actively encouraged all stakeholders to participate in the consultations, ensuring broad engagement and valuable input from across the biomass supply chain. In addition, feedback was sought from local experts appointed by SBP to provide detailed evaluations of the draft RRAs.

The response was highly encouraging, with over 50 submissions received – each containing multiple comments on various sections of the draft RRAs and on the process. All feedback, including input from local experts, was carefully reviewed by the SBP Secretariat and, where necessary, incorporated to refine the draft RRAs.

In the first quarter of 2025, SBP Interim RRAs for Quebec (Canada), Denmark – Trees Outside Forest, US National Forest, US Private Forest and Vietnam Forest were published, with the rest scheduled to follow in the early part of the second quarter.

These documents will serve as crucial tools for Biomass Producers in meeting certification requirements, supporting them in implementing risk mitigation measures and enabling Certification Bodies to carry out certification activities until the SBP-endorsed RRAs for these regions are available. In parallel, the Interim RRAs will be reviewed by our Technical Committee ahead of recommendations for endorsement.

The following countries are covered by our RRAs:

Canada	Denmark	Estonia
Latvia	Lithuania	Norway
Portugal	USA	Vietnam

Interpretations

All matters for interpretation and clarification raised by users of the SBP certification scheme are recorded on the website to assist with implementation of the Standards, these are updated as and when necessary. During 2024, 16 interpretations were issued. Interpretations and clarifications are available for both v1.0 and v2.0 **here** and **here** respectively. Downloads are also available on the same pages.

Supporting documentation

During the second quarter of 2024, we continued our efforts to update and publish new documentation. All templates supporting both Standards v1.0 and v2.0 were made accessible via our website **here** and **here** respectively. While Certificate Holders are required to complete all templates online through our Data Transfer System (DTS) or Audit Portal, we believe that making them publicly available enhances transparency and accessibility.

Performance review (continued)

In addition, we published the ANAB sampling procedure for SBP scheme assessments, available **here**.

This document provides guidance to our Accreditation Body, ANAB, on determining the annual number of assessments required for each Certification Body and outlines the sampling methodology for selecting Certificate Holders and Certification Body auditors during witness assessments.

These publications reflect our ongoing commitment to transparency, operational efficiency, and the maintenance of rigorous assessment standards.

EU affairs and engagement

Throughout the year, we have closely monitored relevant policy and legislative developments in the European Union (EU), engaging in public consultations and meetings where appropriate for a certification scheme. While we do not advocate on matters of public policy, our objective is to inform the biomass debate by providing aggregated data and insights.

The EU made significant progress in advancing its environmental legislation. We closely tracked key developments, including the revision of the already recast Renewable Energy Directive, resulting in the amending Directive (EU) 2023 / 2413 (REDIII), the implementation of the EUDR, and ongoing work on the Carbon Removals and Carbon Farming Certification (CRCF) Regulation.

In addition, we monitored other key elements of the EU's Fit for 55 package, including the Nature Restoration Law, the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD), the Green Claims Directive (GCD), and the Forced Labour Regulation (FLR).

As we align our practices with the evolving landscape of EU legislation and regulations, we aim to ensure that our operational methodologies remain relevant, compliant, and effective in meeting the EU's objectives. Furthermore, where possible, we aim to support our Certificate Holders in their compliance efforts, adding value to our certification offering.

We identified the potential to support compliance with the CSDDD, CSRD, GCD, and FLR by providing reliable sustainability data, facilitating due diligence within the biomass supply chain, and supporting credible environmental claims. However, a comprehensive gap analysis, similar to that conducted for the EUDR, would be required to assess the level of alignment and the extent of the support that we can provide.

Renewable Energy Directive

Following its publication in the EU Official Journal on 31 October 2023, REDIII entered into force on 20 November 2023. Member States are required to transpose its provisions into national law by 21 May 2025.

To support compliance with REDIII, in November 2024, we submitted updated documentation to the European Commission-appointed consultants responsible for assessing certification schemes and their alignment with the Directive's requirements.

In our efforts to support EU Member States and stakeholders, we developed a working paper offering thought leadership on how SBP standards can contribute to key elements of REDIII. The Cascading Principle is a core component of REDIII and supports the responsible use of woody biomass, promoting sustainable resource management.

The working paper offers potential solutions for applying the principle within the SBP framework. It does not introduce new requirements for Certificate Holders but rather aims to ensure woody biomass is integrated responsibly into the bioenergy supply chain, contributing to the transition to a circular bioeconomy.

Looking ahead, the European Commission is set to review REDIII in alignment with LULUCF targets by the end of 2027. Maintaining regular, substantive engagement with DG ENER over this period will be crucial to ensuring that we remain a key contributor to EU bioenergy sustainability discussions. In particular, sharing our insights on guiding Certificate Holders in implementing the cascading use principle will add significant value to these discussions.

EU RED-only claim

Under the REDII Equivalence Rule, all recognised certification schemes must accept biomass certified by other recognised schemes as compliant with REDII sustainability criteria, as outlined in Article 8 of the EU REDII Implementation Regulation (EU) 2022 / 996.

This provision is particularly beneficial for Trader and End-user Certificate Holders sourcing from multiple suppliers, including those certified under REDII-compliant schemes other than SBP.

The rule simplifies procurement and compliance processes by allowing SBP Certificate Holders to source materials from other recognised schemes without requiring additional verification against SBP or REDII criteria.

To support the implementation of the REDII Equivalence Rule, we took significant steps to facilitate compliance and streamline operations for our Certificate Holders. In November, following the receipt of specific guidance on managing REDII-certified biomass, we updated the relevant REDII-related documentation, developed a Proof of Sustainability for the Delivery of Biomass Fuels template, and implemented an enhancement to the DTS to improve tracking and reporting capabilities.

These enhancements reflect our commitment to supporting Certificate Holders in meeting evolving regulatory requirements efficiently.

EU Deforestation Regulation

In November 2024, we released our EUDR module, now available within the SBP DTS. Developed in collaboration with Global Traceability Solutions (GTS) and supported by our EUDR Working Group, the module is specifically designed to assist Certificate Holders in navigating the dynamic regulatory framework for sustainable biomass.

The EUDR module integrates seamlessly with the existing DTS platform, enabling real-time data transfer, supply chain traceability, and comprehensive record-keeping. These key features empower Biomass Producers to streamline data processes, demonstrate compliance with certain EUDR requirements, and strengthen their sustainability credentials.

Performance review (continued)

This new functionality underscores our ongoing commitment to advancing sustainable biomass practices and provides a valuable tool for Certificate Holders to enhance transparency and assurance in their supply chains. By leveraging the EUDR module, Biomass Producers can reinforce their presence in the EU market while demonstrating their dedication to forest protection and sustainable production.

Following news of the 12-month delay to the implementation of the EUDR, to 30 December 2025, we strongly encouraged Certificate Holders to take immediate action. Early preparation being essential to avoiding compliance challenges and ensuring uninterrupted market access.

Utilising our EUDR module offers a strategic opportunity for Certificate Holders to position their business as a leader in sustainability and regulatory compliance, establish robust processes, and gain familiarity with the EUDR requirements ahead of enforcement.

We believe that proactive engagement will also help to build trust and confidence among stakeholders and customers, reinforcing commitment to responsible sourcing and sustainability.

Carbon Removals and Carbon Farming Certification Regulation

In February 2024, the European Council and Parliament reached a provisional political agreement to establish the CRCF Regulation, aiming to facilitate and accelerate the deployment of high-quality carbon removal and soil emission reduction activities within the EU.

By November 2024, the Council had given its final approval to the regulation, marking the establishment of the first EU-level certification framework for permanent carbon removals, carbon farming, and carbon storage in products.

The CRCF Regulation incorporates REDII requirements for feedstock sourcing, and since SBP serves as a compliance tool for the Directive, our scheme aligns with Regulation's requirements.

Digital platforms

Audit Portal

During 2024, the Audit Portal received minor updates to improve the performance and user-friendliness of the system. Both the Public Summary Report (PSR) and Supply Base Report (SBR) templates received visual upgrades, improving the readability and formatting of the reports.

Data Transfer System

During the year, the Data Transfer System (DTS) underwent minor updates, including the introduction of new functionalities enabling Certificate Holders to transfer EU RED-only claims, and export audit report (SREG) forms, and a new look and feel for DTS transaction summaries. Additionally, an API was released, allowing Certificate Holders to integrate their internal systems with audit report (SAR) data in the DTS.

Regional Forums

In April, as part of our renewed strategy to foster meaningful engagement, we were delighted to announce the launch of the SBP Regional Forums. This initiative is designed to build and strengthen relationships across all our stakeholder groups, with a particular focus on Civil Society Organisations.

The SBP Regional Forums serve as a platform for meaningful and constructive dialogue, bringing together a diverse range of stakeholders, including individuals, representative bodies, and commercial and not-for-profit organisations involved in or interested in the sustainable biomass sector.

Our objective is to create an inclusive environment where stakeholders can share insights, address challenges, and collectively contribute to shaping our approach and policies.

To ensure comprehensive regional representation, we have established three Regional Forums across our key operational areas:

- The Americas Forum covering countries in North and South America.
- The Asia Forum encompassing all countries in Asia.
- The Europe Forum including all European countries and South Africa.

A key milestone in this initiative was the inaugural SBP Asia Forum, held in August. This landmark event marked the first in our series of Regional Forums, aimed at fostering meaningful dialogue among stakeholders invested in the sustainable biomass sector.

The forum saw active participation from stakeholders representing Japan, Singapore, Thailand, and Vietnam. Discussions delved into critical topics such as sustainable forestry, preliminary findings from the Regional Risk Assessment for Vietnam, strategies to improve livelihoods, and support compliance with the EUDR.

The SBP Regional Forums represent a significant step forward in our commitment to stakeholder engagement, ensuring that diverse perspectives are heard and valued as we continue to advance sustainability in the biomass sector.

SBP Working Groups

Our Working Groups play an important role in addressing specific, technical challenges. Membership of the Working Groups is drawn from a pool of technical experts, which may include individual expert advisers or representatives of organisations with a specific interest in the biomass sector.

The Working Groups operate on a 'task and finish' basis providing advice and support to the Secretariat, Technical Committee, and Standards Committee, as appropriate, with reports presented to the Board.

Performance review (continued)

EUDR Working Group

During the year, the EUDR Working Group reviewed, assessed, and refined the EUDR module. Specifically, evaluating the practicality and efficiency of the approach, the usability and functionality of data templates, and the effectiveness of the reporting mechanism. The EUDR module was launched in November 2024 – see EU Deforestation Regulation on page 38.

Carbon Working Group

In late 2024, SBP laid the groundwork for the establishment of the Carbon Working Group. This initiative will bring together up to 10 carefully selected experts, invited based on their specialist knowledge, ensuring balanced representation across scientific and technical disciplines.

The primary objective of the Carbon Working Group is to drive practical climate change mitigation through the SBP Standards in collaboration with our Certificate Holders. Specifically, it aims to enhance our ability to provide expert guidance on carbon cycle and ecosystem-related practices while ensuring our certification scheme supports emerging technologies.

The group will provide expert advice, insights, and practical solutions on a range of carbon-related issues, including:

- Emerging greenhouse gas (GHG) science and best practices relevant to the biomass sector.
- Forest and landscape carbon, with a focus on habitat viability, ecosystem services, and land use and forestry best practices.
- Advances in Bioenergy Carbon Capture and Storage (BECCS).
- Strategies for transitioning to a low-carbon circular bioeconomy.
- Other carbon-related priorities as identified by SBP.

By leveraging the expertise of the Working Group, we aims to proactively address the evolving challenges and opportunities associated with carbon sustainability in the biomass sector.

Information, training and events

In 2024, SBP actively engaged with stakeholders across the biomass sector, organising and hosting key events while participating in major industry conferences worldwide. In addition to the already mentioned events our calendar included the following:

SBP week

In 2024, SBP Week was launched, bringing together the Technical Committee and the Standards Committee with the Secretariat. This initiative provided a valuable opportunity for members to meet, exchange ideas, and strengthen their connection to SBP. By fostering collaboration between the two Committees, SBP Week enhances the quality of advice provided and the decisions made, ultimately benefiting the organisation as a whole.

SBP-hosted events

In February, in partnership with the Biomass Power Association (BPA) of Japan we jointly hosted a one-day technical workshop in Tokyo. The workshop provided Biomass Traders and End-users with insights on how SBP certification supports compliance with Japan's regulatory requirements. The event attracted strong participation, including Certification Bodies preparing to offer services in Japan.

We held two Certification Body Forums during the year, the first, a virtual meeting, was held in July and the second, in-person, two-day meeting was held in October in Amsterdam.

The in-depth meeting focused on streamlining and enhancing the work of our independent Certification Bodies.

Also in October, in collaboration with WPAC, we co-hosted a three-day seminar in Montreal, covering the draft Regional Risk Assessments (RRAs) for five Canadian provinces, the revised SBP Standards v2.0, and producer obligations under the EUDR, including training on the SBP EUDR module for geolocation data compliance.

Training

Maintaining a robust and credible certification scheme is paramount. We set rigorous expectations for the quality of audits conducted by independent Certification Bodies for both new applicants and existing Certificate Holders. Ensuring auditor competence is a cornerstone of our certification process.

Auditors are required not only to demonstrate their existing expertise but also to participate in comprehensive training sessions and successfully pass examinations on our Standards. These cover three key areas: Supply Base Evaluation, Chain of Custody, and energy and carbon data.

In 2024, a total of four auditor training sessions were conducted, all held online. Three of these sessions were for auditors from accredited Certification Bodies, while one session was exclusively for auditors from an applicant Certification Body, yet to be accredited. In the first half of the year training covered both v1.0 and v2.0 of our Standards, whereas the focus was solely on v2.0 in the second half of the year.

A total of 59 auditors successfully completed training on v2.0, including 29 who were previously qualified against v1.0 and seven from the applicant Certification Body.

This brings the total number of auditors qualified against v2.0 to 74. Importantly, this increasing number of qualified auditors reinforces the robustness of the certification process.

We continued to provide ongoing support to both Audit Portal and DTS users on a one-to-one basis and updated user guidance in line with new or updated functionalities.

Key conferences and events

Throughout the year, we actively engaged in key conferences and events across the globe, reflecting the growing international interest in sustainable biomass. From Europe to North America and Asia, these gatherings provide invaluable opportunities to connect with industry leaders, exchange insights, and stay ahead of emerging trends shaping the sector.

Our participation in these high-profile events underscores SBP's commitment to collaboration, innovation, and driving sustainability forward.

Whether presenting on critical topics such as our voluntary EUDR module or contributing to discussions on the evolving bioeconomy, we've been at the forefront of conversations that matter.

The strong global presence at these conferences highlights the increasing recognition of biomass as a vital component of the energy transition and the bioeconomy.

Engaging with stakeholders across diverse markets allows us to strengthen relationships, gain fresh perspectives, and reinforce SBP's role as a leader in responsible sourcing and certification. Through these engagements, we also make the case for exclusively sourcing good biomass.

We look forward to continuing these valuable exchanges, fostering partnerships, and shaping the sustainable future of biomass on a global scale.

Performance review (continued)

Certificate Holder survey

Providing an excellent service to all our Certificate Holders is a top priority for us. In May 2024, we reached out to all Certificate Holders with a request to complete a short survey about our performance. We also took the opportunity to gather insights into their future plans, such as expanding into new geographies, end-uses, and feedstocks, and sought initial feedback on our Standards Development Process that ran from May 2020 to May 2023.

We were pleased to receive a strong response, with feedback from just over 30% of our Certificate Holders, representing all certificate types. Here are the key findings:

81%

Overall satisfaction: 81% of respondents rated SBP at 3 or more on a scale of 1 to 5 (with 5 being the highest).

85%

Added value: 85% of respondents stated that SBP has added value to their business, particularly in informing stakeholders on issues such as deforestation prevention, biodiversity, and sustainable development.

90%

Responsiveness and communication: 90% of respondents are at least satisfied with SBP's responsiveness, resource levels, and communications, with 9% expressing extreme satisfaction.

89%

Technical platforms: 89% of respondents are satisfied with our DTS, Audit Portal, and website, with 11% indicating extreme satisfaction.

Top benefits: The most valued benefit is SBP's role in facilitating trade in the biomass market, followed closely by regulatory acceptance / compliance as a significant business benefit.

Challenges identified: Conducting risk assessments, collecting audit report (SAR) data, and implementing risk mitigation measures were identified as the most challenging technical aspects for Certificate Holders.

88%

Written Materials: 88% of respondents are satisfied with our written materials, including the annual review, Standards documents, and process documents. However, 12% indicated room for improvement.

84%

Certification Body performance: 84% of respondents are satisfied with their Certification Body's understanding of the Standards, resource levels, and responsiveness, with 21% being extremely satisfied.

50%

Assurance Body feedback: Among those who had contact with our Assurance Body, ANAB, 50% were satisfied with ANAB's understanding of the Standards, professionalism, and understanding of Certificate Holder operations.

In addition to these headline results, we received valuable freeform comments, which we put to good use in improving our services and better meeting the needs of our Certificate Holders.

Risk Information Alliance

In early 2024, SBP announced its collaboration with leading global sustainability organisations to establish the Risk Information Alliance (RIA).

As regulatory frameworks, such as the EUDR, and growing market expectations for responsibly produced products place increasing demands on businesses, certification schemes, and producers across agricultural and forest-based sectors, the need for reliable and consistent risk assessment has never been greater.

The RIA is set to address this challenge by developing and maintaining credible risk assessments in partnership with a diverse range of stakeholders and across multiple commodities. Through an innovative and collaborative approach, the RIA will facilitate the sharing of risk data, helping to simplify the complex and often costly compliance landscape faced by companies and sustainability schemes.

By bringing together organisations with shared interests, the RIA will pool resources, such as expertise and funding, to eliminate duplication of effort and reduce the risk of inconsistent findings. In doing so, the Alliance aims to establish a cost-effective, consistent framework for sharing credible, high-quality, and up-to-date risk data.

The RIA is supported by a grant from the ISEAL Innovations Fund, which is generously funded by the Swiss State Secretariat for Economic Affairs (SECO). This grant, awarded to SBP and Preferred by Nature, will provide support over the two years leading up to the end of 2025 and will be matched in-kind by both organisations. The ISEAL Innovations Fund enables ISEAL members to collaborate on pioneering solutions to key sustainability challenges.

With a steering group already in place to guide the initial development of the RIA, plans are underway to extend participation to a wider network of organisations, fostering broader stakeholder engagement and collaboration over time.

Financial information

Funding model

SBP is a not-for-profit organisation, should any profits be generated from its operations they are reinvested into the organisation or used to further its purpose of expanding the contribution of good biomass to the global bioeconomy.

We are funded by our Certificate Holders, with a variable fee structure based on the tonnes of biomass produced and / or sold with a claim and Certificate Holder type. The fee schedule is available **here**.

In October 2024, we announced two key updates to our fee schedule, both taking effect from 1 January 2025. The first change aligns the Chain of Custody (CoC) billing cycle with SBP's financial calendar, moving from an October–September cycle to a January–December cycle. This adjustment simplifies the billing process for Biomass Traders and End-users, bringing CoC fees in line with SBP's Biomass Producer fees and Annual Fee.

The second update reflects our expanded role as a carrier system for EU RED claims. The fee schedule has been updated to acknowledge that the SBP system can now transmit both SBP and EU RED-only claims along the biomass supply chain. As a result, any biomass volumes entered into the SBP Data Transfer System (DTS) with associated claims will now be subject to a fee. These updates enhance transparency and efficiency within the SBP framework, ensuring alignment with regulatory requirements and industry needs.

	2024	% of total expenditure*	2023
① Secretariat	**€1,243,447**	36%	€1,070,680
② Strategy projects	**€934,513**	27%	€493,742
③ Consultants and services	**€375,211**	11%	€357,417
④ IT software	**€348,158**	10%	€344,037
⑤ Travel, subsistence and meetings	**€265,749**	8%	€138,646
⑥ Board and governance	**€229,811**	7%	€300,252
⑦ Depreciation and amortisation	**€9,987**	< 1%	€138,959
⑧ Finance costs	**€5,805**	< 1%	€9,624
Total expenditure	**€3,412,681**	100%	€2,853,357

Income and expenditure

Total income in 2024 amounted to €3,518,739 (2023: €3,111,217).

Total expenditure in 2024 amounted to €3,412,681 (2023: €2,853,357). The increase in overall expenditure principally reflects an increase in headcount in the Secretariat team driving higher people costs and travel costs, along with increased investment in Strategy projects.

The pie chart (above) shows each key category of spend as a proportion of total spend in the year.

The figures have been extracted from the Company's statutory financial statements, which are subject to an annual audit. The audited financial statements of the Company for the year ended 31 December 2024 will be approved and published separately in due course.

Secretariat

Just over €1.2m of the expenditure was invested in the people who carry out the day-to-day running of SBP (see page 47). The increase in 2024 is due to increased headcount and inflationary pay rises to keep pace the cost-of-living in the UK and EU.

Strategy projects

Strategy projects make up the three-year work plan in support of our strategic objectives. The work plan was developed by the Secretariat and approved by the Board in the second half of 2023 and covers the three-year period to the end of 2025. The majority of the expenditure is related to the finalisation, roll-out and implementation of the revised SBP Standards including the development of revised Regional Risk Assessments and the revision of existing ones.

Consultants and services

SBP engages consultants to carry out specific project work and multiple service providers for functions including accountancy, payroll, secretarial services, accreditation and assurance, and legal advice. The slight increase in 2024 is related to inflationary cost increases from service providers.

IT software

Includes the cost of running and developing the DTS, Audit Portal, and licences for the use of various software products. The slight increase in 2024 is due to the costs for redesigning SBP's website.

Travel, subsistence and meetings

Includes travel costs that arise from the day-to-day running of SBP, for example, running Working Groups, attending industry events and engaging with stakeholders. The increase in 2024 is related to the additional headcount in the Secretariat team and the delivery of the Regional Forums.

Board and governance

Includes the cost of running the multi-stakeholder governance system, which comprises the Board of Directors, Standards Committee, and Technical Committee. The decrease in 2024 is related to lower travel costs due to a shift in the mixture of in-person and remote meetings.

Depreciation and amortisation

Represents the cost of tangible assets and software development costs spread over the lifetime of each asset.

Finance costs

This represents bank charges, bad debts, and foreign exchange gains/losses. The decrease in 2024 is attributed to a reduction in foreign exchange losses


governance

Our governance approach

SBP recognises the importance of strong governance and its role in ensuring transparency, accountability, and stakeholder engagement. Our governance structure brings together representatives from Civil Society Organisations, Biomass Producers, and End-users, ensuring diverse perspectives are considered in decision-making.

Given our multi-stakeholder approach, antitrust compliance is of particular significance. All SBP Directors, Committee members, and the Secretariat are required to adhere strictly to best practices. Robust processes are in place to ensure compliance and mitigate the risk of non-compliance at all meetings of our governing bodies. Strict adherence to the SBP Antitrust Compliance Policy is a mandatory condition for membership or participation in any SBP governing body.

Board of Directors

The Board of Directors is SBP's principal governing body, responsible for setting our strategy, defining objectives, and approving the annual business plan and budget.

The Board consists of an independent Chair and nine members, equally representing the interests of Civil Society, Biomass Producers, and End-users.

Board members serve in a personal capacity, representing their stakeholder group rather than their affiliated organisations. Each member is selected for their expertise, integrity, and commitment to SBP's purpose.

During 2024, the Board of Directors met four (2023: four) times for its scheduled quarterly meetings. Additionally, the Board of Directors received monthly operational updates on the organisation's activities from the Chief Executive Officer and engaged remotely on multiple occasions to discuss and make decisions on matters requiring the Board's input.

+ **Biographies of the Board of Directors and the Company Secretary are available here**

Membership

As at the end of December 2024, membership of the Board of Directors was as follows:

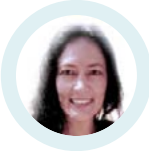
Francis Sullivan
Independent Chair

David McCallum
Company Secretary

Representing Civil Society interests[1]:

Robin Barr

Martin Porter



Annawati (Anna) van Paddenburg

Representing Biomass Producer interests[2]:

Mihkel Jugaste

Diane Nicholls

Vacancy

Representing End-user interests[3]:

Alan Knight

Thomas Lyse

Michael Schytz

Company Secretary
The Company Secretary, supports the Independent Chair and Board directors in the organisation of the work and activities of the Board in its oversight and strategic management of SBP. The Company Secretary ensures good corporate governance practice and, along with the Independent Chair, acts as a conduit between the Board and Secretariat.

[1] Arnold (Arnie) Bercov stood down from the Board in December 2024.
[2] John Keppler and David Wong both stood down from the Board in September 2024.
[3] Peter-Paul Schouwenberg stood down from the Board in April 2024.

Our governance approach (continued)

Committees of the Board

The Board has established two standing committees, comprising Board members and chaired by the Independent Chair.:

The Finance and Business Planning Committee assists the Board in its duty to: i) supervise the broad direction of the organisation's financial affairs, business activities and financial planning; and ii) monitor the integrity of the financial statements and business planning activities of the organisation.

During 2024, the Finance and Business Planning Committee met four (2023: four) times.

Membership
As at 31 December 2024, membership of the Finance and Planning Committee was as follows:
– Francis Sullivan (Committee Chair)
– Alan Knight
– Diane Nicholls
– Anna van Paddenburg

The Nominations and Governance Committee assists the Board by: i) nominating persons to be considered by the Board for appointment to the Board and the Technical Committee; and ii) monitoring and making recommendations to the Board on governance matters to ensure best practice in the management and governance of the organisation.

During 2024, the Nominations and Governance Committee met four (2023: four) times.

Membership
As at 31 December 2024, membership of the Nominations and Governance Committee was as follows:
– Francis Sullivan (Committee Chair)
– Mihkel Jugaste
– Thomas Lyse
– Martin Porter

Standards Committee

The Standards Committee oversees all decisions related to standards-setting and provides insights, advice, and recommendations on SBP's operations to the Board, other Committees, and the Secretariat.

Comprising an equal balance of representatives from Civil Society Organisations and commercial organisations, the Committee ensures a broad and inclusive stakeholder perspective.

Members are selected for their diverse expertise, geographical representation, and engagement with SBP's work, ensuring well-rounded and informed decision-making.

During 2024, the Standards Committee met four (2023: four) times discussing and providing valuable insights into SBP's key developments, including REDII / III, agricultural biomass, Regional Risk Assessments, stakeholder engagement, the Cascading Principle, and the implementation of the revised Standards (v2.0).

As at the end of December 2024, membership of the Standards Committee was as follows:

+ Biographies of the Standards Committee are available here

Membership

As at the end of December 2024, membership of the Standards Committee was as follows:

Representing Civil Society interests:

Scott Jones
Co-Chair

Julien Blondeau

Diane Collins

Matti Karinen

Paul Trianovsky

Tanja Myllyviita

Representing commercial interests[1]:

Christian Anton Rahbek
Co-Chair

Viljo Aros

Esther Bustillo Vazquez

Lisbeth Lyck Sevel

Nicholas MacGougan

Justin Tait

[1] Yves Ryckmans stood down from the Standards Committee in January 2024.
Sune Balle Hansen stood down from the Standards Committee in June 2024.

Our governance approach (continued)

Technical Committee

The Technical Committee plays a key advisory role, providing the Board, other Committees, and the Secretariat with expert guidance on technical and scientific matters, including certification and accreditation criteria, methodologies, and other related functions.

Comprising specialists from diverse disciplines covered by the SBP Standards, the Committee brings expertise in forest management, feedstock processing, biomass distribution, and auditing, certification and accreditation processes.

Members are selected for their specialist knowledge and to ensure balanced representation across different regions.

During 2024, the Technical Committee met four (2023: three) times providing guidance and recommendations on the development of Regional Risk Assessments (RRAs), the RRA Procedure, the Peer Review Process, assurance and accreditation frameworks, agricultural biomass, EU RED-only claims, and REDII / III implementation, as well as approving all normative interpretations issued.

+ **Biographies of the Technical Committee are available here**

Membership

As at the end of December 2024, membership of the Technical Committee was as follows[1]:

Anders Hildeman
Chair

Kyla Cheynet

Brenda Hopkin

Marion Mezzina

Karina Seeberg Kitnæs

Miguel Tejada Iraizoz

Martin Walter

[1] Peter Kofod Kristensen stood down from the Technical Committee in February 2024.

Our governance approach (continued)

Secretariat

The day-to-day running of SBP is carried out by the Secretariat. In fulfilling the Secretariat function, as at the end of December 2024, SBP employed 9.4 full-time equivalent employees (including the Company Secretary) and procured the services of independent consultants for specialist skills.

SBP is a virtual organisation registered in England and Wales.

+ **Biographies of the Secretariat are available here**

People

As at the end of December 2024, our employees were as follows[1]:

Carsten Huljus
Chief Executive Officer

Lauri Kärmas
Data Manager

Antigoni Koufi
Stakeholder Engagement Manager

Agita Nagle
Office Manager

Christopher (Chris) O'Brien
Carbon Project Manager

Alexandru (Alex) Orban
Standards Manager

Roman Polyachenko
Assurance Manager

Lukas Rieck
Operations Manager

Nicolas Viart
Technical Director

[1] László Máthé resigned as Standards Manager in March 2024.

Glossary

ANSI National Accreditation Board (ANAB)
ANAB is the largest accreditation body in North America and serves more than 75 countries, providing accreditation services to a wide range of Certification Bodies.

Audit Portal
SBP online platform and dedicated system for managing all SBP audit-related activities.

Biocarbon
Carbon-based material derived from biomass, often used in industrial applications as a substitute for fossil carbon in sectors such as metallurgy, energy, and chemicals.

Biochar
A specific type of biocarbon produced through pyrolysis and primarily used for soil enhancement, carbon sequestration, and environmental remediation.

Bioeconomy
Economic activity involving the use of biotechnology and biomass in the production of goods, services or energy.

Bioenergy from Forests (part of TFD)
A specific TFD dialogue focused on the sustainability, governance, and impacts of bioenergy derived from forest biomass.

Biomass
End-product derived from woody feedstock, typically, pellets and chips.

Biomass Producer
A producer of wood pellets and / or woodchips.

Cascading use principle
Utilising resources in a way that maximises their economic, social, and environmental benefits, thereby encouraging a shift away from linear and wasteful consumption patterns towards a circular economy model.

Certificate Holder
An SBP-certified organisation in the biomass supply chain, such as a Biomass Producer, Trader or End-user.

Certification Body
An independent body recognised for its competence to audit and issue certificates confirming that an organisation conforms to the requirements of a standard or standards.

Chain of Custody
A mechanism for tracking certified material throughout the supply chain.

Circular Economy
A model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products for as long as possible.

Civil Society
Comprises organisations that are not associated with governments, including academia, advocacy groups, professional associations and consultants.

Council of the European Union
Representing the governments of the member states of the EU, the Council of the EU is one of the two legislative chambers of the EU, sharing legislative and budgetary authority with the European Parliament.

Data Transfer System (DTS)
An SBP tool facilitating the collection, collation and transmission of data throughout the supply chain.

Ecosystem
All plants and animals that live in a particular area together with the complex relationship that exists between them and their environment.

End-user
User of biomass to produce energy.

EU-27
The 27 Member State countries of the EU.

European Commission (EC)
Representing the European interest, the EC is the EU's politically independent executive arm, responsible for drawing up proposals for new European legislation, and implementing the decisions of the European Parliament and the Council of the EU.

European Parliament
Representing the citizens of the EU, the European Parliament is one of the two legislative chambers of the EU, sharing legislative and budgetary authority with the Council of the EU.

European Union
A unique economic and political union between 27 European countries.

EU Carbon Removals and Carbon Farming Regulation (CRCF)
Aims to establish common rules for monitoring, reporting, and verifying carbon removals in agriculture and forestry, incentivising sustainable land management practices.

EU Corporate Sustainability Due Diligence Directive (CSDDD)
A proposed EU Directive that establishes mandatory human rights and environmental due diligence requirements for large companies operating in the EU.

EU Corporate Sustainability Reporting Directive (CSRD)
A Directive that expands sustainability reporting requirements for companies operating in the EU.

EU Deforestation Regulation (EUDR)
The EUDR prohibits the sale of products produced on land that was deforested or that induced forest degradation after 31 December 2020. The products and their derivatives may no longer enter or leave the EU market if found to be linked to deforestation or forest degradation.

EU Emissions Trading System (EU ETS)
The EU Emissions Trading System is a carbon emission trading scheme which began in 2005 and is intended to lower greenhouse gas emissions by the European Union countries.

EU Fit for 55
A legislative package introduced by the EC to align EU policies with the goal of reducing greenhouse gas emissions by at least 55% by 2030 (compared to 1990 levels). It includes updates to the EU ETS, REDIII, LULUCF, and other climate and energy-related policies.

EU Forced Labour Regulation (FLR)
A proposed EU regulation aimed at banning products made with forced labour from the EU market.

EU Green Claims Directive (GCD)
A proposed EU Directive that aims to combat greenwashing by setting strict requirements for companies making environmental claims about their products or services.

EU Renewable Energy Directive II (REDII)
A Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (recast).

EU Renewable Energy Directive III (REDIII)
The latest version of the Directive. Based on REDII, this directive includes stricter targets for and additional measures to promote renewable energy in various sectors.

Feedstock
Woody material used to produce biomass.

Forest Stewardship Council (FSC)
A global forest certification scheme.

Greenhouse gas data
Data related to the calculation of energy and carbon savings.

Indigenous Peoples
Distinct social and cultural groups that share collective ancestral ties to the lands and natural resources where they live, occupy or from which they have been displaced.

International Accreditation Forum (IAF)
A worldwide association of accreditation bodies and other bodies interested in conformity assessment in the fields of management systems, products, processes, services, personnel, validation and verification and other similar programmes of conformity assessment.

ISEAL Alliance
The global membership association for credible sustainability standards.

ISEAL Code of Good Practice for Sustainability Systems (ISEAL Code)
The ISEAL Code provides a globally recognised framework, defining practices for effective and credible sustainability systems. It integrates and replaces ISEAL's previous Codes of Good Practice on standard-setting, assurance and impacts.

ISEAL Community Member
For ISEAL Community Members the emphasis is on improvement, sharing learning, building a community of trust and collaboration.

Japan's Feed-in Tariff (FIT) / Feed-in Premium (FIP)
Japan's Feed-in Tariff (FIT) system, introduced in 2012, and Feed-in Premium (FIP), introduced in 2022, both aim to promote and incentivise investment in renewable energy.

Legality
Legality is defined by Indicators in SBP Standard 1, Feedstock Compliance.

Land Use, Land-use Change and Forestry (LULUCF)
The term covers the following categories: forest land, cropland, grassland, wetlands, settlements, other land and harvested wood products.

Mass balance system
A system for tracking the physical flow of biomass feedstocks throughout the supply chain and assigning sustainability characteristics to the final product quantity.

Monitoring and Evaluation (M&E) system
SBP's approach to tracking and assessing progress in working towards intended outcomes and impacts.

Not-for-profit
A not-for-profit organisation is one that does not earn profit for its owners.

Post-consumer feedstock
Material that is reclaimed from a consumer or commercial product that has been used for its intended purpose by individuals, households or by commercial, industrial and institutional facilities in their role as end-users of the product.

Primary feedstock
Feedstock resulted from forestry operations and harvesting of trees from non-forest sourcing areas. Examples include:
- Low grade roundwood – wood from the stem of a tree (excludes branches, stumps and roots) that is not merchantable as sawtimber.
- Forest residues without stumps – tops, limbs, branches, leaves, bark excluding stumps.
- Low grade roundwood rejected by sawmills – wood from the stem of a tree that is unfit for processing.
- Forest residues with stumps – tops, limbs, branches, leaves, bark including stumps.

Processing residues feedstock
Feedstock such as bark, sawdust, slab wood or residues arising from a primary or secondary wood processor or any wood rejected by a sawmill. Sawdust, shavings produced during the processing of wood at a sawmill. Chips, offcuts produced during the processing of wood at a sawmill, that may include small offcuts or also bark that has been stripped from the wood.

Programme for the Endorsement of Forest Certification (PEFC)
A global forest certification scheme.

Regional Risk Assessment (RRA)
An evaluation of an entire geographical region to determine the risks associated with sourcing feedstock for biomass production.

Risk Information Alliance (RIA)
A collaborative initiative that seeks to improve risk assessment and due diligence processes for sustainability-related risks in global supply chains. It focuses on data sharing, transparency, and best practices for risk management.

Standards Development Process
The Standards Development Process sets out the approach proposed in the development of SBP Standards 1 to 6.

Sustainability
Sustainability is defined by Indicators in SBP Standard 1, Feedstock Compliance.

Sustainable Biomass Program (SBP)
A certification scheme designed for woody biomass used in industrial, large-scale energy production.

SBP certification scheme
The Standards, processes and procedures that together define the certification scheme.

SBP-certified
Biomass carrying an SBP claim, or an organisation holding a valid SBP certificate (also known as a Certificate Holder).

SBP claim
There are two SBP claims – SBP-compliant biomass and SBP-controlled biomass.

SBP-compliant biomass
Any biomass that comes with a claim that the feedstock used to produce it originates from certified forest (that is, FSC or PEFC certified feedstock, including feedstock with a certification claim from PEFC-endorsed systems, such as SFI), or feedstock sourced from areas that are deemed to be 'low risk' following a Supply Base Evaluation.

SBP-controlled biomass
Any biomass that is produced from feedstock with an FSC or PEFC-controlled claim, or feedstock sourced within the scope of the SBP-approved controlled feedstock system.

Supply Base
The geographically defined area from which the feedstock for biomass production is sourced.

Supply Base Evaluation (SBE)
Due diligence process undertaken by a Biomass Producer to identify, assess and manage any risks that the feedstock sourced does not meet the requirements set out in SBP Standard 1.

Sustainable Forestry Initiative (SFI)
A forest certification scheme used widely across North America.

The Forests Dialogue (TFD)
A multi-stakeholder platform that facilitates discussions on critical forest-related issues, bringing together industry, NGOs, policymakers, and Indigenous groups to develop consensus-based solutions for sustainable forest management.

Theory of Change
A tool to link our strategic objectives to our purpose by articulating impact pathways.

Trader
Buyer and seller of biomass.

Triple Planetary Crisis
The United Nations description of the threat of climate change, air pollution and biodiversity loss.

UN Sustainable Development Goals (SDGs)
The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, has at its heart 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing – in a global partnership.

If you have any information needs do not hesitate to get in touch...

For all enquiries, please contact:

info@sbp-cert.org

Keep up-to-date and find more information online:

www.sbp-cert.org

SBP is a private limited company, operating independently to advance sustainable biomass supply chains. As a certification scheme owner, SBP works with a wide range of stakeholders, including Biomass Producers, Traders, End-users, and Civil Society Organisations, to ensure best practices in biomass sourcing.

SBP's corporate structure ensures impartiality and transparency in decision-making. While stakeholders contribute to the development and continuous improvement of the SBP Standards through multi-stakeholder engagement, they do not hold ownership or control over the company. This distinction helps maintain the integrity and independence of SBP's certification process.