Compliance with the SBP Framework: Public Summary Report

SCS Global Services
Evaluation of Granule 777, Inc.

Second Surveillance Audit

Sustainable Biomass Program
sbp-cert.org

Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

For further information on the SBP Framework and to view the full set of documentation see **www.sbp-cert.org**

Document history

Version 2.0	**Published 10 August 2023**
Version 2.1	Published 21 May 2025

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1 Overview

Certification Body (CB) Name:	SCS Global Services
Primary CB contact for SBP:	Maggie Schwartz
Primary CB contact email:	mschwartz@scsglobalservices.com
Audit team leader:	Hervé Bescond
Audit team members:	N/A
Name of the Company:	Granule 777, Inc.
Company legal address:	C.P. 248 KM 346, Route 113, G0W 1H0 Chapais, Canada
Company contact for SBP:	Denis Chiasson
Company contact email:	denis.chiasson@ebarrette.com
Company website:	https://www.granule777.com/
Date of installation:	
SBP Certificate Code:	SBP-04-42
Date of certificate issue:	09 Aug 2024
Date of certificate expiry:	08 Aug 2029
Audit closing meeting date:	04 May 2026
Audit cycle:	Second Surveillance Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Jose del Castillo
Date of decision:	12 Aug 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 8866	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.24 The Organisation shall maintain an up-to-date self-assessment covering the implementation of 1.21, 1.22 and 1.23. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The self assessment has not been maintained up to dat	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

2.2 Closed non-conformities

NC number 8862 copied from 5310	NC Grading: Minor
Standard:	Instruction Document REDII: Bridging requirements of the SBP scheme for meeting REDII. v1.2
Requirement:	6.1 General requirements N/A N/A
Description of Non-conformance and Related Evidence:	
The current version of the procurement policy (Sept 30, 2022) does not include the commitment to implement and maintain mass balance.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The procurement policy and the procedures have been updated. Version April 2026
Findings for Evaluation of Evidence:	The updated version of the policy and of the procedure are in conformance with the requirements of the standard.
NC Status:	Closed

NC number 8863 copied from 5311	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.1 There shall be demonstrated and documented commitment from senior management for maintaining certification and meeting all applicable requirements. The commitment of the Organisation shall be made available to its personnel, suppliers and customers, and to other stakeholders upon request. N/A N/A
Description of Non-conformance and Related Evidence:	
There is no evidence of a documented commitment for maintaining and meeting all applicable SBP requirements.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The procurement policy and the procedures have been updated. Version April 2026
Findings for Evaluation of Evidence:	The updated version of the policy and of the procedure are in conformance with the requirements of the standard.
NC Status:	Closed

NC number 8864 copied from 5312	NC Grading: Minor

Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.15 The Organisation shall implement a documented complaint procedure, which is available upon request and part of its SEP. The procedure shall clarify that the complaints must be applicable to the scope of the Organisation's certificate, and include at least the following: – the person(s) or position(s) responsible for managing complaints; – a timeline for confirming receipt, not to exceed 10 calendar days; – provision for reviewing the complaint, determining the appropriate actions and responding to the complainant; and – provision for monitoring the effectiveness of actions taken. N/A N/A
Description of Non-conformance and Related Evidence:	
The complaints procedure does not meet the minimum standard requirements outlined in STD 4, indicator 1.15.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The complaint procedure has been updated. Version April 2026
Findings for Evaluation of Evidence:	The updated version of the procedure is in conformance with the requirements of the standard.
NC Status:	Closed

2.3 Actions taken by Organisation Prior to Report Finalisation

None identified.

2.4 Notes for the next Audit

None identified.

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	Trader
Approved Standards	SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1
Product Group IDs	☐ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☒ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☐ SBP Controlled
Includes Supply Base Evaluation (SBE)	No
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	No
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	Canada
SBP-endorsed Regional Risk Assessments used: **Public link:** **https://sbp-cert.org/documents/standards-documents/risk-assessments/**	Not applicable
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	Update audit to SBP standards version 2, including REDII bridging.

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

The organization is a family-owned company founded in 1975. The pellet mill of Granule 777 and the sawmill of Barrette-Chapais Ltée are located near Chapais, in the James Bay Municipality, province of Quebec, Canada. Both mills are owned and operated by Les Entreprises Barrette Ltée. The pellet mill and port facility were constructed in August 2019 for the production and sale of SBP-certified biomass.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Granule 777 Inc	Km 346, Route 113 Chapais, (Québec) G0W 1H0	Pellet Mill	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

The pellet mill has one single supplier, which is the Barrette-Chapais sawmill. The sawmill is under common ownership, and both mills are located on the same site. Feedstock is supplied by the sawmill to the pellet mill by monthly invoicing, which include the associated certification claim. All the required information is provided on sales invoices from the sawmill. There are no sources of controlled feedstock. All feedstock are certified SFI volume credit.

4 Specific objective of the audit

This certificate covers production and distribution of wood pellets from processing residues (secondary and tertiary feedstock) for the use in energy production at Granule 777 Inc. pellet mill and road transportation to port facility Port of Saguenay for temporary storage and seafaring vessel loadout. The scope of the certificate does not include Supply Base Evaluation. The scope includes the communication of Dynamic Batch Sustainability Data. The scope of this audit was expanded to include trading of wood pellets.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Hervé Bescond	9.0
2. On-site (excl. travel time)	Hervé Bescond	7.0
3. Report writing	Hervé Bescond	8.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Hervé Bescond	SBP lead auditor	SBP lead auditor

5.3 Description of evaluation activities

Opening meeting: Introductions, auditor review of scope of the audit, audit plan and intro/update to SBP, FSC and SCS standards and protocols, client description of organization
Review of COC/SBP procedures, documents, records, material accounting, mass balance: Written procedures, work instruction, feedstock description, product group list, accounting system (credit, transfer). Auditor-selected sample of the following: material tracking system, summary of purchase and sales, invoices, shipping documents, training records, outsourcing agreements, other applicable SBP/COC systems, procedures and records, traceback from certified outputs to eligible inputs.
Evaluation of trademarks: Review of auditor-selected sample of SBP and/or SCS on-product and/or promotional trademark uses; review of any on-site trademark uses as banners, posters, entryway signs, websites.
Walkthrough of the facility. Review of physical inputs and outputs, material receipt, processing, storage, credit account, sale and overall control. Verify GHG inventory.
SAR: Review of GHG data collection.
Port facility; Review of inputs and outputs, material receipt, processing, storage, credit account, sales, GHG inventory verification, interview with port manager.
Closing meeting: Convene with all relevant staff to summarize audit findings and discuss next steps.

5.4 List of forest management units and feedstock suppliers visited

☒ N/A – No forest sites or suppliers visited during this evaluation
N/A. Processing residues feedstock only. All feedstock is certified to SFI COC.

5.5 Describe audit sampling methodology used

A total of 6 sales transactions for the reporting period. All were verified during the audit. Ensuring claim statements, mass balance, and other standard requirements are met.

5.6 CB stakeholder engagement

☒ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

5.7 Stakeholder feedback and response

☒ N/A – Certification Body stakeholder consultation not applicable for this evaluation

5.8 Main strengths and weaknesses of the management system and operations

The organization is highly committed to the certification process. They are extremely well organized and have an effective management system in place to ensure all SBP requirements are met. The organization has implemented an excellent control system to determine the origin of all input material. all personnel involved in the SBP process are competent and received adequate training to perform their functions.
Refer to the identified non-conformances.

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☒ N/A – Standard 1 not in the scope of the evaluation

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

Granule 777 have one single supplier which is the Barrette-Chapais sawmill. This sawmill is located adjacent to the pellet mill, and both facilities are under common ownership. Feedstock is composed of processing residues only.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

All requirements as defined in SBP Standard 4 (version 2) were met with the exception of the identified minor non-conformance. The management system has been found to be adequately documented and implemented. Records sufficient to demonstrate conformity to the requirements of the COC management system were available for review. Records remained legible, identifiable and traceable. Responsibilities and authorities are clearly defined in the COc procedures manual as clearly understood by everyone involved. This was confirmed by interview.

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The organization developed and maintains databases to record data values and calculate energy data as required by STD 5 and keeps records that substantiate the reported data. All data is collected and verified by the General Manager, the Certification Manager and their consultant. all data submission was supported with verifiable evidence and all records were available for review during the audit.

5.13 Summary of audit findings for competency of involved personnel

The organization did not complete a supply base evaluation. The organization used an external consultant to implement the SBP requirements. The consultant has an excellent understanding of the SBP standards and has over 35 years of professional experience as a forest engineer and auditor in Canada. Key personnel are clearly defined in the SBP procedures and everyone involved in the SBP process received formal training from the external consultant. All personnel are competent in implementing the SBP requirements in their management system.

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

☒ N/A – Standard 6 not in the scope

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☒ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

N/A

6.2 CB evaluation of specified risk indicators and mitigation measures