Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Södra Wood A/S

Re-assessment

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:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Jacob Lindhardt Palm
Audit team members:	Jacob Lindhardt Palm
Name of the Company:	Södra Wood A/S
Company legal address:	Frydenborgvej 27N 1. sal, 3400 Hillerød, Denmark
Company contact for SBP:	Frank Lunk Larsen
Company contact email:	frank.larsen@sodra.com
Company website:	www.sodra.dk
Date of installation:	
SBP Certificate Code:	SBP-01-48
Date of certificate issue:	02 Nov 2021
Date of certificate expiry:	01 Nov 2026
Audit closing meeting date:	26 May 2026
Audit cycle:	Re-assessment

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):	Christian Jürgensen
Date of decision:	03 Jul 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

N/A
No NCR's identified

2.4 Notes for the next Audit

N/A

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Trader
Secondary activity	
Approved Standards	SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0
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 2.1 Wood chips, WB 1.1 Wood pellets
Feedstock origin (countries):	
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	Yes
Changes in the scope	Södra Wood A/S is no longer using an outsourced warehouse in Riga for storage of material received with SBP claims, There is currently two outsourced storage sites for SBP claimed biomass, both in Denmark.

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.

Södra Wood A/S is trader in wood pellets and wood chips with its SBP scope covering trading activities only. The purchase and sales are usually made under the INCOTERM FOB terms for both purchases and sales, but could also be CIF depending on the customer's facilities. In connection with trading in SBP certified biomass, only SBP-compliant biomass is sourced. The company's certifications are primarily based on certification according to the transfer system within SBP, however, mass balance procedures are maintained for the case relevant material should be mixed.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
SDK-Shipping	Østre Kajgade 2-4, 4600 Køge, Denmark	Storage of pellets, outsourced site	☒
Grenaa Bulkterminal	Neptunvej 8, 9500 Grenaa, Denmark	Storage of pellets, outsourced site	☒
Södra Danmark A/S	Frydenborgvej 27N 3400 Hillerød, Denmark	Main office	☒

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 organisation operates a transfer/segregation-based CoC system. Biomass is purchased from SBP-certified suppliers, registered in DTS, and stored at outsourced sites under the organisation's ownership with full physical segregation and no mixing. As no mixing occurs, mass balance is not applied in practice, although procedures exist if needed. Product groups are defined based on product type (mainly wood chips and pellets) and PBID information, including feedstock classification. Sustainability and GHG data are maintained through DTS and supporting documentation.

4 Specific objective of the audit

The specific objective of this re-assessment was to confirm that the Organisation's management system continues to be effectively implemented and maintained in accordance with SBP Version 2 requirements applicable to traders, including EU RED Bridging requirements and, where applicable, the operation of a mass balance system, as well as outsourced activities. The evaluation aimed to verify ongoing compliance with SBP Chain of Custody and data requirements, including activities performed by subcontractors.

The scope of the evaluation covered:

- Review of documented procedures;
- Review of storage and logistics processes at outsourced sites;
- Verification of chain of custody control points and system implementation, including mass balance where applicable;
- Interviews with responsible staff (internal and external);
- Review of records and transactions.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Jacob Palm	6.0
2. On-site (excl. travel time)	Jacob Palm	11.0
3. Report writing	Jacob Palm	10.0
4. Other	N/A	

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Jacob Palm	Lead Auditor	Jacob holds a master's degree in forestry from 2006 and has 16 years of experience in the green energy sector, mostly in the procurement of biomass, but also in project and business development. Jacob also has experience as a small forestry business owner in advising and servicing forest owners. He joined Preferred by Nature in March 2023 and is a qualified auditor in the schemes PEFC and FSC (CoC+CW+FM+EUDR), SBP, PBNC, and RBP.

5.3 Description of evaluation activities

The evaluation included a review of the organisation's management system covering Chain of Custody (CoC), Dynamic Batch Sustainability Data (including DTS), and GHG and energy data requirements, in accordance with SBP and EU RED Bridging requirements.

The audit began with a site visit to the Køge storage facility on May 7, followed by an office-based audit at the main office. The office audit included review of documented procedures, supplier and transaction records, DTS entries, and supporting documentation (including SAR/SREG data where applicable). Interviews with responsible personnel were conducted to verify understanding and implementation of procedures. Clarification of minor outstanding issues was completed the following day.

A second site visit was conducted at the Grenaa storage facility on May 26, focusing on material handling, segregation controls, and verification of physical stock against documentation. The audit concluded with a closing meeting.

The evaluation covered the full supply chain flow, including:

• Feedstock sourcing and verification of supplier certification and EU RED compliance;
• CoC control points from purchase, storage, and sale of biomass;
• Registration and transfer of Dynamic Batch Sustainability Data through DTS;
• Verification of GHG and energy data (SAR/SREG) where applicable;

• Review of outsourcing arrangements and contractor controls.

Critical control points (CCPs) evaluated included:
• Verification of incoming sustainability data and supplier certification;
• Linkage between physical deliveries and DTS transactions (input/output traceability);
• Control of material during storage (segregation or mass balance, depending on site);
• Accuracy and completeness of DTS data transfer;
• Reconciliation of volumes and sustainability characteristics.

Audit methods included documentation review, sampling of transactions, system walkthroughs (DTS and ERP), site inspections, and staff interviews. Particular time was allocated to verification of DTS transactions, traceability between documentation and system records, and on-site evaluation of storage controls.

5.4 List of forest management units and feedstock suppliers visited

☒ N/A – No forest sites or suppliers visited during this evaluation
SBP Biomass production not in scope

5.5 Describe audit sampling methodology used

A sample of purchase and sales documents were reviewed

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 Organisation is a trader of biomass and has simple scope and a simple management system with only limited trading of SBP claimed material. This produces good visibility in all operations going on at the company and easy to implement the CoC and SBP procedures.
The organization utilize a newly developed and comprehensive descriptive procedure addressing all of the requirements in Standards 4 and 5 v2 including the relevant instruction documents for SBP trade.
Responsible staff working with SBP related activities has good knowledge about the SBP system, company procedures and how it is implemented in the Organisation.
Likewise, key staff showcased a strong level of understanding in how to handle mass balance accounts that meet the requirements of the Renewable Energy Directive and SBP EU RED Instruction Document.

Weaknesses: No weaknesses related to the Organisation's performance and its adherence to SBP requirements were found during the audit.

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

☒ N/A – processing residues and/or post-consumer feedstock not used.

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

The Organization has implemented the requirements as defined in the SBP Standard 4. The CoC system is quite straight forward, no mixing of compliant and non-compliant biomass is accepted before re-sell. The Organization has procedures that will be implemented in case non-claimed biomass is purchased, which include a quarantine of the material in question until its status can be verified.

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

The Organisation generally transfer all data via the RADIX Tree platform, but is also able to conduct trades organized with SREGs should this be necessary.

5.13 Summary of audit findings for competency of involved personnel

The Organisation has appointed competent personnel to handle to its SBP certificate and associated activities. The main responsible person is Managing Director Frank Lund Larsen supported by Rasmus Vadmand and Rufus Larsen. Other interviewed staff showed good competence, good awareness of standard requirements and own responsibilities.

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