



# **Forest Certification LLC Evaluation of Radex Capital LLP Compliance with the SBP Framework: Public Summary Report**

Main (Initial) Audit

[www.sbp-cert.org](http://www.sbp-cert.org)



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# Completed in accordance with the CB Public Summary Report Template Version 1.5

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://www.sbp-cert.org)*

## *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1: published 30 January 2018*

*Version 1.2: published 4 April 2018*

*Version 1.3: published 10 May 2018*

*Version 1.4: published 16 August 2018*

*Version 1.5: published 22 October 2020*

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# 1 Overview

|                               |                                                                               |
|-------------------------------|-------------------------------------------------------------------------------|
| Certification Body (CB) Name: | Forest Certification LLC                                                      |
| Primary CB contact for SBP:   | Aleksei Savulidi                                                              |
| Primary CB contact email:     | alexey.savulidi@fcert.ru                                                      |
| Audit team leader:            | Nikolai Stashkevich                                                           |
| Audit team members:           | n/a                                                                           |
| Name of the Company:          | Radex Capital LLP                                                             |
| Company legal address:        | Marshal Govorov st., 29, lit. K, room. 1H № 81, 198095 St. Petersburg, Russia |
| Company contact for SBP:      | Alexandr Molev                                                                |
| Company contact email:        | radexspb@gmail.com                                                            |
| Company website:              | N/A                                                                           |
| SBP Certificate Code:         | SBP-09-13                                                                     |
| Date of certificate issue:    | 19 Jul 2021                                                                   |
| Date of certificate expiry:   | 18 Jul 2026                                                                   |
| Audit closing meeting date:   | 23 Jun 2021                                                                   |
| Audit cycle:                  | Main (Initial) Audit                                                          |

## 2 Scope of the evaluation and SBP certificate

| Scope Item                                                         | Check all that apply to the Certificate Scope                                                                                                                                           | Change in scope (N/A for Assessments) |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Primary Activity:                                                  | Trader                                                                                                                                                                                  | <input type="checkbox"/>              |
| Approved Standards:                                                | SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4 | <input type="checkbox"/>              |
| Includes Supply Base Evaluation (SBE):                             | No                                                                                                                                                                                      | <input type="checkbox"/>              |
| Includes communication of Dynamic Batch Sustainability Data (DBSD) | Yes                                                                                                                                                                                     | <input type="checkbox"/>              |
| Includes Group Scheme                                              | No                                                                                                                                                                                      | <input type="checkbox"/>              |
| Products                                                           | Chips                                                                                                                                                                                   | <input type="checkbox"/>              |

|                                                                                                                                                                                                                             |                                   |                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------|
| Feedstock types:                                                                                                                                                                                                            | N/A                               | <input type="checkbox"/> |
| Feedstock origin (countries):                                                                                                                                                                                               | N/A                               | <input type="checkbox"/> |
| SBP-endorsed Regional Risk Assessments used:<br><br>Public link:<br><a href="https://sbp-cert.org/documents/standards-documents/risk-assessments/">https://sbp-cert.org/documents/standards-documents/risk-assessments/</a> | Not applicable                    | <input type="checkbox"/> |
| Chain of custody system implemented:                                                                                                                                                                                        | FSC: FC-COC-826381 / FC-CW-826381 | <input type="checkbox"/> |
|                                                                                                                                                                                                                             | Transfer                          | <input type="checkbox"/> |

## 2.1 Description of the company

Radex Capital LLP is a trader without physical possession located in (reg. office): First Floor Office, 3 Hornton Place, London, England, W8 4LZ, United Kingdom. Russian office address: St. Petersburg, Marshal Govorova st., 29, letter K., room 1n No. 81. Actual office address: St. Petersburg, Moskovsky prospect, 91, of. 415. The company's FSC certification area is the purchase of round timber, fuel wood, wood chips, fuel pellets and briquettes from softwood and hardwood from certified (FSC 100%, FSC Mix, FSC Controlled Wood) and non-certified suppliers included in its own control program (Controlled material), and implementation with FSC 100% claim, FSC Mix, FSC Controlled Wood under the transfer FSC claim control system. As part of the SBP certification, the organization provides for the procurement of SBP-compliant biomass and SBP-controlled biomass. The organization provides for the physical separation of materials of different FSC and SBP categories.

## 2.2 Detailed description of the Chain of Custody system

The company is a trader without physical possession. Suppliers deliver wood materials and sell them according to FOB port Ust-Luga, FOB port Lomonosov. The FSC scheme provides for the use of a transfer control system for FSC claims, as well as physical separation if it is necessary to buy / sell uncertified material. The requirement is known to the interviewed employees responsible for the certification. Radex Capital LLP had the FSC COC / CW audit in parallel with the SBP audit. In accordance with the scope of certification and supply chain mapping (in corresponding excel-file), it is allowed to purchase certified timber from a certified supplier and controlled (within the framework of its own DDS) materials (chips) from a single supplier that produces chips (with the involvement of a contractor) from timber of the above certified supplier.

### 3 Specific objective

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

The scope of the evaluation covered:

- Review of the Trader's management procedures;
- Review of the transport net, ports visit;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis;
- Assess compliance against Instruction Document 5E: Collection and Communication of Energy and Carbon Data (Version 1.4 March 2021).

## 4 Evaluation process

### 4.1 Timing of evaluation activities

| <i>Audit Level of Effort (LoE)</i> |                     |               |
|------------------------------------|---------------------|---------------|
| Activity                           | Auditors            | Auditor hours |
| 1. Preparation                     | Nikolai Stashkevich | 4,0           |
| 2. On-site (excl. travel time)     | Nikolai Stashkevich | 8,0           |
| 3. Report writing                  | Nikolai Stashkevich | 20,0          |
| 4. Other                           | N/A                 | N/A           |

| <i>Audit Schedule</i>                                                                        |          |                     |                   |
|----------------------------------------------------------------------------------------------|----------|---------------------|-------------------|
| Activity                                                                                     | Location | Auditor name        | Date/time         |
| <i>Opening meeting</i>                                                                       | Office   | Nikolai Stashkevich | 23 Jun 2021/08:00 |
| <i>Interviews with management and leading specialists of the enterprise</i>                  | Office   | Nikolai Stashkevich | 23 Jun 2021/8:30  |
| <i>Analysis of the internal documentation of the enterprise developed as part of the SBP</i> | Office   | Nikolai Stashkevich | 23 Jun 2021/9:30  |

|                                                                                                      |        |                     |                   |
|------------------------------------------------------------------------------------------------------|--------|---------------------|-------------------|
| <i>certification</i>                                                                                 |        |                     |                   |
| <i>Visit to the ports, places of storage of incoming biomass</i>                                     | Ports  | Nikolai Stashkevich | 23 Jun 2021/12:30 |
| <i>Validation of an FSC enterprise supply chain system</i>                                           | Ports  | Nikolai Stashkevich | 23 Jun 2021/14:00 |
| <i>Interviews with employees</i>                                                                     | Ports  | Nikolai Stashkevich | 23 Jun 2021/14:45 |
| <i>Work with enterprise documentation. Fill out a checklist for applicable</i>                       | Office | Nikolai Stashkevich | 23 Jun 2021/15:45 |
| <i>Validation of the collection of SBP data on GHG, energy, carbon and stability characteristics</i> | Office | Nikolai Stashkevich | 23 Jun 2021/16:00 |
| <i>Preparation of preliminary audit findings</i>                                                     | Office | Nikolai Stashkevich | 23 Jun 2021/16:15 |
| <i>Closing meeting. Summing up the preliminary results of the audit</i>                              | Office | Nikolai Stashkevich | 23 Jun 2021/16:30 |

| Auditor qualification |      |               |
|-----------------------|------|---------------|
| Auditor name          | Role | Qualification |

|                     |                   |                                                                                                                                                                                                                                                                                                                                   |
|---------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nikolai Stashkevich | audit team leader | Forest Certification SBP lead auditor. He has successfully passed SBP auditor training in Berlin on 3-4 September 2019. Auditor had more than 100 audit-days in each of last years (2016-2020) on FSC and PEFC as a lead auditor or as an auditor (without desk-audits). SBP accreditation audit has been successfully completed. |
|---------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## 4.2 Description of evaluation activities

The evaluation visit was focused on management system evaluation: division of the responsibilities, document and system, input material classification (reception and registration), analysis of the applicable FSC system and FSC system control points as well as GHG data availability.

Description of the audit evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC system of the organisation, including SBP and FSC internal procedures with system description was provided by the company prior to the assessment and lead auditor had enough time to review it and get well prepared for onsite visit. Assessment started with an opening meeting attended by the representatives from Organization's management. Auditor introduced himself, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the auditor explained CB's approval related issues.

After that auditor went through all applicable requirements of the SBP standards nr. 4, 5 and instruction document 5E covering input clarification, existing chain of custody system, management system, CoC, recordkeeping/mass balance requirements, emission and energy data and categorisation of input and verification of SBP-compliant biomass, accounting of transactions in DTS. During the process, overall responsible person for SBP system was interviewed.

After an excursion to the seaports Ust-Luga and Lomonosov, where Radex Capital LLP's materials are stored, was undertaken. During the sites tour, applicable records were reviewed, staff was interviewed, and FSC system critical control points were analyzed.

The next part of the audit was spent on checking accounting materials, documentary evidence of the data indicated in them, discussing the indicated values, keeping records with the employee responsible for accounting (enterprise manager). In parallel with the above, checklists were filled in based on the results of the audit.

At the end of the assessment findings were summarized and assessment were provided to the SBP responsible person.

### **4.3 Sampling methodology**

During the service and on-site assessment (checking the storage sites of wood chips in ports), accounting data in excel format (for inputs and outputs of biomass) were checked. Available OHAS materials were evaluated. Employees whose responsibilities are spelled out in the SBP Radex Capital LLP Guide were interviewed. A survey of the responsible employee on the rules for entering transactions into the DTS was conducted. The supply chain was assessed on the storage sites in the ports - the interviewed deputy general directors for the production of contractors who ensure the storage of biomass in ports and its loading on ships confirmed the separation of biomass of different categories during its storage at Ust-Luga and Lomonosov ports. The selection of sites to visit, personnel for interviews and documents for verification is carried out in accordance with the methodology specified in FC-SBP-PRC-BP-4.2 v.1.4 Certification assessment in accordance with the SBP system.

### **4.4 CB stakeholder engagement**

There was no consultation regarding a trader without physical possession.

### **4.5 Stakeholder feedback**

There was no consultation regarding a trader without physical possession.

## 5 Results

### 5.1 Main strengths and weaknesses

Strengths: extensive experience (since 2016) in FSC certification. Control of certification is in the hands of 2 key employees: the person in charge of certification and the general director. A limited number of partner companies (suppliers, contractors).

Weaknesses:

- omissions in terms of OHAS requirements (C-01, C-03),
- insufficient completeness of accounting records (C-01),
- an incorrect template for data registration has been selected (C-02, C-04, C-05).

### 5.2 Rigour of Supply Base Evaluation

Not applicable.

### 5.3 Collection and communication of data

The applicant for the certificate is a trader without physical possession. Suppliers deliver wood materials and sell them according to FOB port Ust-Luga, FOB port Lomonosov.

Radex Capital LLP provided for filling out the SAR form for mobile chippers instead of the SREG form - the corresponding omissions in the internal SBP Radex Capital LLP Guide are taken into account in the framework of C-02, C-04, C-05.

### 5.4 Competency of involved personnel

The following key staff members are involved to SBP certification:

- SBP in-charge. He is responsible for:
  - control of the legality of the origin of purchased wood products,
  - compliance with the FSC and SBP principles,
  - control over the implementation of the accounts of the Organization,
  - internal review of the SBP implementation system at least once a year,
  - other responsibilities related to the implementation of this assignment.
- enterprise manager. He has overall responsibility for ensuring the continued compliance of the Organization with SBP standards and OHAS requirements.

The protocol of SBP certification training was provided, according to which the above-mentioned responsible persons were trained in accordance with the requirements of the applicable SBP standards and the internal SBP Radex Capital LLP Guide.

The interviews confirmed the competence of responsible persons.

# 6      Review of company's risk assessments

## 6.1   Overview of company's risk assessments and mitigation measures

Not applicable.

## 6.2   Specified risk indicators and mitigation measures

| Country/Area | Indicator | Specified risk description | Mitigation measure |
|--------------|-----------|----------------------------|--------------------|
| N/A          | N/A       | N/A                        | N/A                |

## 7 Non-conformities and observations

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NC number NC-000469<br/>(01)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>NC Grading: Minor</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Standard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | SBP Standard 4: Chain of Custody                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Requirement:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 5.1.2 The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and biomass. Where there is a conflict between the requirements in the SBP-approved CoC system requirements and those specified in the SBP standards, the SBP standards shall have precedence. Note: SBP feedstock or biomass will not necessarily enter into the scope of the SBP-approved CoC system certification, but the SBP-approved CoC system CoC processes and requirements shall extend to SBP feedstock and biomass. |
| <b>Description of Non-conformance and Related Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>During SBP audit an organization's compliance with the FSC COC requirements was assessed. Radex Capital LLP confirmed its compliance with the main COC requirements , while there were isolated omissions: - FSC-STD-40-004 V3-0, clause 1.4 - no evidence of training / justification for the lack of the need to train personnel on health and safety requirements applicable to SBP feedstock and biomass was not provided. - FSC-STD-40-004 V3-0, clause 4.2 - according to section 8.4 of the Manual for FSC Chain of Custody and Controlled Wood certification, records of purchased and dispatched vessels are kept in electronic Excel form, where the date of shipment, supplier, quantity , FSC statement of purchased and sold timber, delivery amount. The filled-in Excel accounting table contains the information required by the clause of the standard, with the exception of the amount of incoming materials. In view of the partial violation of the requirements of the standard, a decision was made to assess the revealed condition as minor.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Timeline for Conformance:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | By the next surveillance audit, but no later than 12 months from report finalisation date                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Evidence Provided by Company to close NC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Pending                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Findings for Evaluation of Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Pending                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>NC Status:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Open                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                     |                          |
|-------------------------------------|--------------------------|
| <b>NC number NC-000470<br/>(02)</b> | <b>NC Grading: Minor</b> |
|-------------------------------------|--------------------------|

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Standard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | SBP Standard 4: Chain of Custody                                                                                                                                                           |
| <b>Requirement:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 6.2.1 Energy and carbon data may only be supplied as SBP certified if the data collected are certified against the latest version of SBP Standard 5: Collection and Communication of Data. |
| <b>Description of Non-conformance and Related Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                            |
| <p>The applicant for the certificate has developed and implemented the SBP Radex Capital LLP Guide, which provides for the collection and transmission of data in accordance with SBP Standard 5 and Instruction 5E (v.1-4). Section 11.5 of the Guide deals with DTS data transmission. However, Section 10.2.3 of the Guide recognizes that the entity records data using the SBP Audit Report (SAR) template for Energy and Carbon Data for Wood Chips with Mobile Devices, although Radex Capital LLP is a no-physical trader. The need for SAR training, also stipulated in section 11.5.5 of the Guide, is not correct; there is no information in the Guide regarding the filling of the SREG. In view of this temporary omission, a decision was made to assess the identified condition as minor.</p> |                                                                                                                                                                                            |
| <b>Timeline for Conformance:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | By the next surveillance audit, but no later than 12 months from report finalisation date                                                                                                  |
| <b>Evidence Provided by Company to close NC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Pending                                                                                                                                                                                    |
| <b>Findings for Evaluation of Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Pending                                                                                                                                                                                    |
| <b>NC Status:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Open                                                                                                                                                                                       |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NC number NC-000471 (03)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>NC Grading: Minor</b>                                                                                                                                                                                                                                   |
| <b>Standard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SBP Standard 4: Chain of Custody                                                                                                                                                                                                                           |
| <b>Requirement:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 6.3.1 The legal owner shall implement the requirements of either: PEFC 2002:2013 Section 9: Social, Health and Safety requirements in CoC, Or FSC-STD-40-004 V2-1 EN Section 1.6: Occupational Health and Safety Or the latest versions of these documents |
| <b>Description of Non-conformance and Related Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                            |
| <p>In accordance with clause 1.4 FSC-STD-40-004 v. 3-0 (the organization should, at a minimum, appoint a person responsible for health and safety, develop and apply procedures, and train personnel in health and safety rules) and Appendix A, FSC-PRO-20-001 V1-1 "Assessment of the organization's compliance with FSC values and health and safety requirements in the supply chain" the certificate applicant (trader without physical possession) was requested to confirm the appointment of a health and safety (H&amp;S) representative, availability of procedures and staff training in health and safety procedures. Radex Capital</p> |                                                                                                                                                                                                                                                            |

|                                                                                                                                                                                                                                                                                                                                                                       |                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| LLP was provided with an order for the appointment of an occupational safety officer and instructions on occupational safety. No evidence of training / justification of the absence of the need to train personnel in health and safety requirements was not provided. Due to a temporary omission, a decision was made to assess the identified condition as minor. |                                                                                           |
| <b>Timeline for Conformance:</b>                                                                                                                                                                                                                                                                                                                                      | By the next surveillance audit, but no later than 12 months from report finalisation date |
| <b>Evidence Provided by Company to close NC:</b>                                                                                                                                                                                                                                                                                                                      | Pending                                                                                   |
| <b>Findings for Evaluation of Evidence:</b>                                                                                                                                                                                                                                                                                                                           | Pending                                                                                   |
| <b>NC Status:</b>                                                                                                                                                                                                                                                                                                                                                     | Open                                                                                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NC number NC-000472 (04)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>NC Grading: Minor</b>                                                                                                                                                            |
| <b>Standard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                   | SBP Standard 5: Collection and Communication of Data Instruction                                                                                                                    |
| <b>Requirement:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                | 6.3 Each organisation which takes legal ownership of SBP-certified biomass shall record any changes in carbon, energy or profiling data that occurs during the period of ownership. |
| <b>Description of Non-conformance and Related Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                     |
| Radex Capital LLP is a trader without physical possession. However, in accordance with section 10.2.3 of the internal Guide, the organization records the data using the template “SBP Audit Report (SAR) for Energy and Carbon Data for Wood Chips with Mobile Devices”. Information on the need to fill in the data on the SREG form is not provided in the internal Guide. In view of this temporary omission, it was decided to assess the condition as minor. |                                                                                                                                                                                     |
| <b>Timeline for Conformance:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                   | By the next surveillance audit, but no later than 12 months from report finalisation date                                                                                           |
| <b>Evidence Provided by Company to close NC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                   | Pending                                                                                                                                                                             |
| <b>Findings for Evaluation of Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                        | Pending                                                                                                                                                                             |
| <b>NC Status:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Open                                                                                                                                                                                |

|                                 |                          |
|---------------------------------|--------------------------|
| <b>NC number NC-000473 (05)</b> | <b>NC Grading: Minor</b> |
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|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Standard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4                                                                                    |
| <b>Requirement:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 3.1.4 Each Legal Owner shall operate a Management System to ensure that data recorded are compliant with the requirements specified in this Instruction Document (5E). |
| <b>Description of Non-conformance and Related Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                        |
| <p>The management system is regulated by the approved SBP Radex Capital LLP Guide. Section 10 of the Guide provides for the collection and transmission of data via DTS, a reference is made to the compliance of the collection and transmission of data with the requirements of Instruction 5E. However, Section 10.2.3 of the Guide recognizes that the entity records data using the SBP Audit Report (SAR) template for Energy and Carbon Data for Wood Chips with Mobile Devices, although Radex Capital LLP is a no-physical trader. Information on the need to fill in the data on the SREG form is not provided in the Guide. The following omissions were also found in the Guide: - Section 1.1 takes into account that "FSC Mix x%" corresponds to "X% SBP-compliant biomass" and "X% SBP-controlled biomass". - Section 1.4 indicates that the reporting period is from 01.01.xx to 31.12.xx. In view of this temporary omission, it was decided to assess the condition as minor.</p> |                                                                                                                                                                        |
| <b>Timeline for Conformance:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | By the next surveillance audit, but no later than 12 months from report finalisation date                                                                              |
| <b>Evidence Provided by Company to close NC:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Pending                                                                                                                                                                |
| <b>Findings for Evaluation of Evidence:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Pending                                                                                                                                                                |
| <b>NC Status:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Open                                                                                                                                                                   |

## 8 Certification decision

| Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken: |                        |
|-----------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Certification decision:                                                                                                           | Certification approved |
| Certification decision by (name of the person):                                                                                   | Artem Kornilov         |
| Date of decision:                                                                                                                 | 19 Jul 2021            |
| Other comments:                                                                                                                   | N/A                    |