Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of LEAG Pellets GmbH, Werk Löbau

First 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

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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:	Michael Kutschke
Audit team members:	ERROR: Works only for SBR or PSR form. Please alter the function by adding more tables, or by dynamic sql
Name of the Company:	LEAG Pellets GmbH, Werk Löbau
Company legal address:	Am Flössel 7, 02708 Löbau, Germany
Company contact for SBP:	Sylwia Senczyszyn
Company contact email:	sylwia.senczyszyn@leag.de
Company website:	
Date of installation:	
SBP Certificate Code:	SBP-13-35
Date of certificate issue:	19 Jun 2025
Date of certificate expiry:	18 Jun 2030
Audit closing meeting date:	30 Jun 2026
Audit cycle:	First 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):	Pilar Gorría
Date of decision:	02 Sep 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9650	NC Grading: Observation
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	4.1 The Organisation shall prepare a Supply Base Report (SBR) using the SBP Audit Portal. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The newest version (V2.1) of the SBR report template will be in place by 2026. Since all relevant information has been updated still to the old version 2.0, the auditor decided to raise a Observation.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

N/A

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	End User
Secondary activity	Biomass Producer
Approved Standards	Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; 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; SBP Standard 6: Energy and Carbon Balance Calculation v2.0; 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 1.1 Wood pellets, WB 2.1 Wood chips
Feedstock origin (countries):	Germany, Poland, Czech Republic
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	no changes

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.

LEAG Pellets GmbH was established in 2024 through the merger of three previously independent pellet producers in northeastern Germany, bringing together a total of four pellet plants. The company is wholly owned by LEAG Biomass, which is part of the green business pillar of LEAG GmbH, the largest power producer in northeastern Germany and a member of the EPH Group. The pellet production plants are located in (Werk am Standort): - Schwedt; - Löbau; - Oranienbaum; and - Wismar. LEAG Löbau facilities include a pellet mil and CHP. Pellets are produced from primary and processing residues sourced with SBP recognized feedstock (SBP controlled biomass or SBP compliant biomass) and EU RED compliant. Some roundwood is used in the pellets production for ENPlus quality purposes received as SBP controlled biomass (with recognized schems) and not EU RED. In this case, roundwood is received with PEFC claim but it will be excluded from the SBP mass balance, in any case the roundwood is at least PEFC controlled sources. In the future LEAG plans to add primary feedstock through the SBE. Primary feedstock has been included in the production as SBP controlled, added in the SAR for energy calculation and excluded from the Mass Balance. For the CHP, LEAG Löbau use primary feedstock sourced with SBP recognized claim from Germany. The CHP produces heat used in the pellets production to drie the feedstock and electricity. STD 6 using default values is applied.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
LEAG Pelletts GmbH, Werk Löbau	Am Flössel 7, Löbau, 02708, Germany	Pellets producer and Enegy Producer	☒

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.

Chain of Custody implemented is based on mass balance for the pellets production activity and physical segregation for the Energy production. One mass balance is in place for each feedstock group (primary and secondary feedstock) as well as for each SBP claim (Controlled and Compliant). Physical stock is monitored every 3 months and compare with availability of claims in the mass balanace. Additions and deductions are monitored and cross checked with the internal IT system. Organization receives the feedstock in the company gate where is measures and registered, pellets are produced and sold also from the company gate, no additional storage places are applicable. For the Energy Production, only one type of biomass is received - primary feedstock from forest). Biomass is received with EU RED-only claim and consumed directly by the CHP without any storage or additional process.

4 Specific objective of the audit

The specific objective of this evaluation was to confirm that the Biomass Producer'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 BP's management procedures;
- Review of PEFC system control points, analysis of the existing PEFC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis;
- Evaluating DTS entries;
- Evaluation of compliance with ID RED: Bridging requirements for meeting EU RED (evaluation for primary and secondary feedstock)

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Michael Kutschke	4.0
2. On-site (excl. travel time)	Michael Kutschke	8.0
3. Report writing	Michael Kutschke	5.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Michael Kutsche	Lead auditor	Michael is a Lead auditor for SBP, FSC, PEFC and SFI Chain of Custody and Lead auditor for FSC Forest Management. He has several years of auditing and has led audits in Europe.

5.3 Description of evaluation activities

The annual audit was carried out between June 16th, 2026 for LEAG Oranienbaum and LEAG Löbau in Germany. The audit was carried out through visits to the pellet and energy production site as well as a visits to suppliers of secondary raw materials.

Opening meeting was conduted where the team was introduced with the role of each auditor. Auditing methods, scope, audit plan and other relevant aspect of the opening meeting where clarified. After that organization presented the company management system from the purchase procedures, traceability, mass balance, production measurements, volumes handling, conversion factors, energy data, etc. Different samples were reviewed by the auditor to cross check procedures with real evidences under each step of the process and throught SBP requirements.

On June 16th, audit started with a site visit covering pellets production and CHP. After the site visit, evaluation of sourcing program took place along the flow of process and activities conducted by LEAG: supplier evaluations, supplier audits, agreements, purchase records, cross-check between invoices-delivery notes and mass balance inputs. Finally, SAR data analysis was conducted with the relevant energy records and volumes reconciliation took place.

An evaluation of EU RED requirement was done focussing on the applicability of the processing residues requirements. Processing residues supplier audits were conducted before on site and some suppliers were also evaluated remotely. EU RED sustainability requiremets are not applied to primary feedstock, in this case the material is considered as no-EU RED compliant and excluded from the mass balance.

A closing meeting was conducted at the end of the audit where main conclusions and next steps were presented by the lead auditor.

Ilim Nordic Timber GmbH & Co. KG and Holzindustrie Templin have been visited on site as suppliers for processing residues.

5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation

Site name
Ilim Nordic Timber GmbH & Co. KG
Site location
Am Haffeld 2, 23970 Wismar
Site description
Processing residues supplier
Rationale and focus of visit
EU RED processing residues requirements
Description of audit activity
On-site evaluation – sawmill supplying sawdust and off-cuts (Am Haffeld 2, 23970 Wismar). The supplier was selected as a representative and significant local sawmill supplier of processing residues. The auditor reviewed the production process (sawn-timber main product with sawdust/off-cuts as residues, with information on country of origin and species), checked the ratio of main product to residues to confirm the process was not modified to generate additional residue, reviewed delivery notes and the roundwood claims, interviewed responsible staff, and verified the signed self-declaration and a sample of purchase documents. The evaluation confirmed the material qualifies as processing residue and the BP's verification system is effective.

Site name
Holzindustrie Templin
Site location
Zehdenicker Str. 32, 17268 Templin
Site description
Sawmill
Rationale and focus of visit
Processing residues EU RED requirements
Description of audit activity
On-site evaluation –The supplier was selected as a representative and significant local sawmill supplier of processing residues. The auditor reviewed the production process (sawn-timber main product with sawdust/off-cuts as residues, with information on country of origin and species), checked the ratio of main product to residues to confirm the process

was not modified to generate additional residue, reviewed delivery notes and the roundwood claims, interviewed responsible staff, and verified the signed self-declaration and a sample of purchase documents. The evaluation confirmed the material qualifies as processing residue and the BP's verification system is effective

5.5 Describe audit sampling methodology used

Main responsible staff was interviewed during the audit A sample of entries were verified considering different type of feedstocks, suppliers and country of origin. Processing residues were sampled for on site and desk evaluation (2 on site, 2 remote) to verify EU RED requirements using square root of the number of processing residues.

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

Strengths: Organization has previous experience with SBP scheme as well as other certification systems. Responsable staff is well trained and have good knowledge on SBP requirements.

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

Organization verified the processing residues classification using visual inspection, self-declarations, delivery notes and other purchase documents from suppliers. Additional supplier audits are conducted by purchase manager where main requirements as per STD 2 and EU RED are evaluated.

During the audit, evidences available were evaluated: purchase documents, supplier audit reports, etc and auditor also conducted his own evaluation

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

Auditor verified the Critical Control Points in the Chain of Custody focussing on claims and classification of feedstock, registration, verification of purchase documents, evaluation of volumes in IT system, conversion factor, mass balance and production process. Interviews, onsite tour and documents were used to assess the CoC.

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

Auditor assess STD 5 using SAR document, data entered in the SAR was cross checked with the company IT system and a sample of documents were relected. Feedstock classification was also verified on site in the company yard.

5.13 Summary of audit findings for competency of involved personnel

Internal staff members are involved in the SBP system management and implementation. All interviewed responsible staff demonstrated awareness of their responsibilities within SBP system. The key responsible person for developing the SBP system were one external consultant with experience is helping with procedures and implementation. All involved personnel, including responsible staff at suppliers have demonstrated good knowledge in relevant fields

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