



Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Sveaskog Baltfor SIA
Fourth 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:	Liene Suveizda
Audit team members:	Agnese Mickeviča
Name of the Company:	Sveaskog Baltfor SIA
Company legal address:	Brivibas 40-23, LV-1050 Rīga, Latvia
Company contact for SBP:	Marta Ciekure
Company contact email:	marta.ciekure@sveaskog.se
Company website:	http://www.sveaskog.se/en/sveaskog-baltfor-sia/
Date of installation:	
SBP Certificate Code:	SBP-01-84
Date of certificate issue:	31 Aug 2022
Date of certificate expiry:	30 Aug 2027
Audit closing meeting date:	25 May 2026
Audit cycle:	Fourth 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):	Kersti Kuum
Date of decision:	14 Jul 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9078	NC Grading: Minor
Standard:	Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0
Requirement:	3.3.10 The start and end of the period shall be aligned with the calendar year or, where applicable, the four quarters of the calendar year. As an alternative to the calendar year, economic operators may also use the economic year that they use for bookkeeping purposes, provided that the choice is clearly indicated and applied consistently. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The BP has applied a four-quarter accounting methodology. The organisation has used the following accounting periods: May–July 2025, August–October 2025, November 2025–January 2026, and February–April 2026. The accounting period begins in May, as the SBP initial audit commenced in that month; therefore, the reporting cycle does not align with the standard calendar quarters. Refer to Exhibit 3 for the mass balance. A minor NCR has been raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

2.2 Closed non-conformities

NC number 8670 copied from 6558 copied from 6078 NC Grading: Minor	
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.25 The Organisation shall maintain an up-to-date self-assessment and create a statement that is available to its staff in which it describes how it applies SBP Standard 1 – Feedstock Sourcing, Criterion 4.1 “Decent working conditions are provided, and labour rights are safeguarded” to its operations. Note: Level of effort required for documentation of conformance with criteria 1.21-1.25 should be proportionate to the activities and the scale of the Organisation. N/A N/A
Description of Non-conformance and Related Evidence:	
Findings: The organization had submitted a document “SIA Sveaskog Baltfor SBP Darba pamatprasību pašnovērtējums uzņēmumā”. See the document in Exhibit 8. Review of the document shows that the BP had evaluated compliance with the FSC Core Labour Requirement (according to standard FSC-STD-40-004 V3-1) criteria: child labour (corresponding to SBP Std. 1 indicator 4.1.3), forced or compulsory labour (SBP Std. 1 indicator 4.1.2), discrimination (SBP Std. 1 indicator 4.1.4) and Freedom of association and the right to collective bargaining (SBP Std. 1 indicator 4.1.1). No evaluation had been conducted for other Principle 4 indicators, such as: 1.1.5 “Wages paid to workers shall meet or exceed the legal minimum wage or where there is no statutory minimum wage industry norms shall be met or exceeded”, 1.1.6 “Working hours shall comply with legal requirements”, 1.1.7 “Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers’ compensation”, 1.1.8 “Training shall be provided for all workers to allow them to implement the conditions set out in all elements of the SBP Standards relevant to their responsibilities”, 1.1.9 “Mechanisms shall be in place for resolving grievances and disputes in the workplace”, 1.1.10 “Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.” A minor NCR 2025-006981 raised, considering the partial compliance with the requirements of the standard.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	updated SBR, see the auditor portal
Findings for Evaluation of Evidence:	The BP had updated the Supply Base Report in the auditor portal to reflect the missing issues. The NCR is thus considered closed.
NC Status:	Closed

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	Biomass Producer
Secondary activity	Trader
Approved Standards	SBP Standard 1: Feedstock Compliance v2.0; SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF) v1.0; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1
Product Group IDs	☒ Forest feedstock (1A) ☒ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☒ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☒ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☒ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 2.1 Wood chips
Feedstock origin (countries):	Latvia
SBP-endorsed Regional Risk Assessments used: Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/	SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	Yes
Changes in the scope	TOF 3A category added to the scope.

3.1 Description of the company

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

The BP is a wood chip producer with its main office in Riga and facilities located in Liepaja port (Baltu terminal, BTC terminal, Terrabalt terminal), Riga port (Tvaika 70 and Eksporta 15 terminals), as well as terminals in Skulte and Mērsrags harbors. BP specializes in producing and trading wood chips. It sources biomass chips from FSC certified suppliers and produces biomass by processing harvesting residues, roundwood from forests, and arboricultural arisings from non-forest lands. The company procures harvesting residues and brushwood from forest landowners, harvesting companies, and non-forest landowners for chipping. Additionally, biomass is sourced directly from non-forest areas, and low-quality roundwood (such as pulpwood and firewood) is chipped at harbor terminals. BP may also purchase wood chips (secondary feedstock) from primary wood processors with FSC/PEFC-certified or FSC/PEFC-controlled wood claims. Procurement from one sawmill with PEFC claims carried out during last audit period. All feedstock originates from Latvia. BP's FSC Controlled Wood system governs the sourcing of feedstock from Latvia. The company operates using the FSC transfer system: - The FSC transfer system is used for harbour terminals, direct trade activities and feedstock supplies to clients. Feedstock is transported to the terminals in Liepaja, Mērsrags, Riga ports, Skulte harbor and 3 inland storage sites (Vangaži, Paplaka, Liepaja Baltex inland Cukura terminal) by truck, where the wood chips are stored. Chipping of low-grade roundwood (fuel wood assortment) occurs in minor volumes at port terminals. For exports, wood chips are loaded directly onto vessels. Biomass (wood chips for energy production) is sold under FOB Incoterms at Liepaja port, Riga ports, Mērsrags, and Skulte Harbors. The certification scope is limited to activities within the Kurzeme, Vidzeme, and Zemgale regions. It excludes operations in other harbor terminals beyond those specifically mentioned: Riga ports, Liepaja port, and Mērsrags and Skulte harbors.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Jaunmilgravis terminal	Tvaika iela 70, Rīga, LV-1034	Storage site	☒
Skulte terminal	Skultes iela 1, Saulkrasti, Saulkrastu nov., LV-2161	Storage site	☒
Mērsraga terminal	Lielā iela 62A, Mērsrags, Mērsraga pag., Talsu nov., LV-3284	Storage site	☒
Liepāja Baltu terminal	Brīvostas iela 31, Liepāja, LV-3405	Storage site	☒
Liepāja BTC terminal	Turaidas iela 24, Liepāja, LV-3414	Storage site	☒
Liepāja Terrabalt terminal	Brīvostas iela 14A, Liepāja, LV-3405	Storage site	☒
Riga Freeport Eksporta 15 terminal	Eksporta iela 15k-1, Riga, LV-1045	Storage site	☐
Liepāja MOLS L terminal	Brīvostas iela 21, Liepāja, LV-3405	Storage site	☒

Inland terminal Vangazi	Gaujas iela 26, Vangazi, LV-2136	Storage site	☐
Inland terminal Paplaka	"Lielskragsu lidlauks", Virgas parish., Dienvidkurzemes district., LV-3433	Storage site	☐
Liepaja Baltex inland Cukura terminal	Cukura 23/25, Liepaja, LV-3414	Storage site	☐

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 BP is sourcing wood chips from non-certified, PEFC /FSC-certified suppliers. The BP is buying logging residues from logging companies or forest owners and arboricultural arisings from owners of non-forest land for subsequent processing into chips with their own processing capacities. The BP also has its own transport capacities. Wood chips are also produced from low-quality roundwood and fuelwood that are purchased at Liepāja, Rīga ports, Mērsrags and Skulte harbor with FSC certified, FSC Controlled Wood claims or verified within the BP's Controlled Wood verification system for Latvia and Lithuania. Roundwood sourcing is included in the scope of BP's own FSC Controlled Wood verification system. The biomass producer is also managing a separate pulpwood flow, fully segregated from the biomass flow and managed within the transfer system. The main product group is wood chips. The BP has implemented mass balance system for each storage site. Balancing period is 3 months. Feedstock input groups are: 1A, 2A, 3A and 4A. Information about each feedstock group is registered in mass balance table. All feedstock (both chips and roundwood) is delivered to Liepaja and Riga ports, Mērsrags, and Skulte harbours by trucks. Chips are stored in ports, and roundwood logs are chipped in Liepāja, Rīga ports, and Skulte harbor. Chips are sold on FOB incoterm conditions in Liepaja, Rīga ports, Skulte and Mērsrags harbors.

4 Specific objective of the audit

The specific objective of the audit is to evaluate and 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 and specifically focusing on the processes that are added to the scope of the SBP certificate. This includes evaluation of the practical implementation of the requirements of the applicable SBP standards, including:

- Review of the BP's management procedures.
- Review of processes related to sourcing of secondary feedstock.
- storage site visits in Rīga, Liepāja port, Mērsrags and Skulte harbour terminals.
- Review of FSC system control points, and analysis of the existing FSC CoC system.
- Interviews with responsible staff - the overall responsible person and the personnel responsible for feedstock reception.
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis and review of the applicable reports;
- Review of the BP's management procedures, including requirements designated in SBP Standard #2 V2.0 and SBP Standard #4 V2.0 as well as SBP Framework Instruction Document RED Bridging requirements of the SBP
- Review of the updated Supply Base Report;
- Review of the BP reports and records.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	Auditors	Auditor hours
1. Preparation	LS, AM	2.0
2. On-site (excl. travel time)	LS, AM	30.0
3. Report writing	LS, AM	16.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	Role	Qualification
Liene Suveizda	Lead auditor	Joined NEPCon Latvia in 2016. M.Sc in biology, forest ecology. Graduated from University of Latvia. Liene has also studied law and hold the 2nd level higher education in law, Business School "Turība". Liene has long term experience in forestry sector in Latvia. Liene has passed the NEPCon lead assessor training course in FSC Forest Management and FSC Chain of Custody operations and obtained the FSC lead auditor qualification. Liene has participated as an auditor in training is several SBP assessment and scope change (SBE) audits in Latvia. She has obtained the SBP auditor qualification.
Agnese Mickeviča	Auditor	NEPCon SIA (Preferred by Nature) since 2018. Holds a Bachelor's degree in Forestry from the Latvia University of Agriculture and a Master's degree in Environmental Science from Riga Technical University. Approved FSC Trademark Agent for NEPCon. Since January 2019, has held FSC and PEFC Chain of Custody auditor qualifications. In 2025, obtained FSC FM, FSC Controlled Wood Level 2, and SBP auditor qualifications. As part of gaining experience, has participated in FSC FM certification audits in Lithuania. Has work experience at the State Forest Service.

5.3 Description of evaluation activities

The annual surveillance audit was carried out as a partial on-site and remote audit. The main part of the audit and fieldwork was conducted as an hybrid audit.

March 24, 2026.

The audit began with an onsite opening meeting attended by the responsible person – The quality and Environmental manager of the organization, where the auditors introduced themselves, provided information about the audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology, and clarified the verification scope. During the opening meeting, the auditor explained CB's accreditation-related issues and discussed the audit timetable and planned activities. Informed about actual changes in SBP and FSC Chain of Custody systems.

Following the opening meeting, auditors started the office audit, related to changes in the management, scope, mitigation measure system, etc. The audit followed with interviews of the staff involved in the SBP system of the Organisation and FSC COC system of the Organisation. The auditors verified the recordkeeping system of the BP and evaluated the Chain of Custody system, including control points, procurement documents, related risk mitigation documents, credit table data, transfer system, mass balance, conversion factors, and sales documentation. Auditors were primarily focusing on SBP documentation and procedures in line with SBP Standards #1 and #2.

Auditors reviewed documented procedures for primary feedstock supplies within the SBE system, contracts with suppliers. Those have been evaluated and discussed with the responsible person at the organization. Auditors checked the control points analysis and reviewed the records of risk mitigation measures. Review of procedures, documents, and interviews with responsible staff (verification of SBP-compliant feedstock). Implementation of mitigation measure system, SBP Risk Assessment, Supplier verification program, and risk mitigation measures. Auditors reviewed the applicable SBP documentation, including SBP procedures, instructions, training records, risk mitigation measure effectiveness, and internal management (SBP standard 2). During the office audit auditors conducted the desk analysis of feedstock origin data for presence of HCVs and conducted sampling of FMUs for field inspections.

Based on desk audit outcomes auditors made a plan for field inspections.

At the end of 1st day one auditor visited Riga Jaunmīlgrāvis port.

March 25&27, 2026. Two auditors separately conducted field visits in the Kurzeme and Vidzeme regions. Auditors visited FMUs and non-forest land sites where feedstock had been sourced for the production of chips with a primary focus on the mitigation of HCV risks. Inspections to forest FMU were conducted with a focus on mitigation of HCV1 and HCV3 risks.

Auditors visited the Mērsrags, Skulte harbor terminals and interviewed the receptionists. Liepāja ports were visited on March 19.

March 26, 2026. One auditor reviewed the GHG data, data collection, and communication-related SBP documentation, including SBP procedures, instructions, records, and others (SBP standard Nr 5). The auditor remotely evaluated the SBP Audit Report (SAR) on Energy and Carbon Data for chips and compliance with SBP Standard 5, Instruction Document 5E.

March 31, 2026. One auditor carried out the processing residue supplier audit.

April 16, 2026 Auditors conducted a remote audit and reviewed the Supply Base Report (SBP Standard 2) and evaluated compliance with RED Bridging document requirements. Auditors also evaluated the TOF risk assessment for compliance with the SBP standard No. 1&2 requirements.

May 25, 2026 A remote closing meeting was conducted. The results of field audit observations, gaps in the risk mitigation system, SBR, SARs, and other documents were discussed. Overall audit findings were summarised and formulated based on the use of 3 angle evaluation methods and were provided to the responsible person at the company – the Quality and Environment manager who participated in the closing meeting.

5.4 List of forest management units and feedstock suppliers visited

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

Site name
FMU Zemzari (cad.no. 32900080196)
Site location
Bauskas municipality , Valles parish
Site description
The raw material is classified as TOF. In the cadastre identified HCV1 - wood pigeon/Columba oenas
Rationale and focus of visit
Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.
Description of audit activity
A thinning operation has been carried out on the land parcel, during which shrubs were removed. A protected species — the wood pigeon — has also been identified in the cadastre, but outside the managed area. The surrounding area consists of extensive agricultural land, which reduces the likelihood that this site serves as a habitat for the wood pigeon, considering that the species typically nests in older forests where hollow trees are present. Its distribution is uneven — more common in coastal zones, along the edges of bogs, and in other areas where hollow pines or aspens are found. The site does not match this description — inspection of the managed compartment revealed that the stumps of trees/shrubs are of small diameter (no pine stumps were found; the aspens present are likely young and unsuitable for the wood pigeon). The material has been sourced in compliance with certification requirements

Site name
FMU Ausmas (cad,no, 66640090049)
Site location
Limbažu parish, Limbažu municipality
Site description
cadastre identifies the North Vidzeme Nature Reserve (Landscape Protection Zone) and a natural monument — the common oak (<i>Quercus robur</i>) and indicates potential habitat suitability for protected saproxylic species, in this situation the hermit beetle (<i>Osmoderma eremita</i>).
Rationale and focus of visit
Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.
Description of audit activity
Logging in the Landscape Protection Zone is permitted, provided that sustainable management principles are followed and the landscape and biodiversity are preserved. The oak is located on the boundary between compartments 2 and 7 — clear-cutting has been carried out in both of these compartments. An inspection confirmed that the natural monument — the oak — has been retained and remains standing. Other large-diameter oaks have also been left standing in the area, although they are not recorded in the database. The material has been sourced in compliance with certification requirements

Site name
FMU Bērkroga meža (cad.no. 54960040226)
Site location
Zaļenieki parish, Jelgava municipality
Site description

A lesser spotted eagle (*Aquila pomarina*) nesting site has been identified in the area, as well as EU Habitat 9020* (Old mixed broadleaved forests)

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.

Description of audit activity

The material originates from compartment 7 (where clear-cutting has been carried out). The compartment borders the habitat on one side and a lesser spotted eagle nesting site on the other (located along the boundary with compartments 3 and 6). A visual inspection confirmed that the habitat has been left intact. Regarding the lesser spotted eagle nest, attention was given to large standing trees that could potentially serve as nesting sites; fallen large trees and stumps within the felling area were also inspected to assess the possibility that a nesting tree had been cut. No logging activities have been carried out in the compartments where the nest has been identified. The nest of the lesser spotted eagle was not detected.

Site name

FMU Dāviņi-1 (cad.no.40560040076)

Site location

Dāviņi parish, Bauska municipality

Site description

The compartment has been identified as EU Habitat 9010 (Old or natural boreal forests), and the following species have been recorded: stiff clubmoss (*Lycopodium annotinum*), black woodpecker (*Dryocopus martius*), lesser spotted eagle (*Aquila pomarina*), European honey buzzard (*Pernis apivorus*), and white-backed woodpecker (*Picoides leucotos*)

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.

Description of audit activity

According to the felling permit, clear-cutting has been carried out in compartments 5 and 10 — neither of these compartments borders areas where protected species or habitats have been identified. During the inspection, compartment 12 was visited, which contains the highest number of protected features (EU Habitat 9010, stiff clubmoss, black woodpecker, and lesser spotted eagle). It was established that no logging activities (or any other interference with natural processes) have been carried out in this compartment.

Site name

FMU Jaunpriedaines (cad.no. 40920110022)

Site location

Vecsaules parish, Bauskas municipality

Site description

The cadastre identifies a cultural monument of regional significance — the "Grigāļi" ancient burial site.

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.

Description of audit activity

A felling permit (thinning operation) has been issued for cadastral units 2–5. None of the compartments border the actual location of the ancient burial site (a residential property is situated between the logging area and the burial site). The logging activities have not affected the burial site.

Site name
FMU "Upesķīvjī"
Site location
cad. No. 84800020032, block 1, comp. No. 4
Site description
Clearcut in grey alder stand, Stand structure and age: 10Ba54. The stand borders with small river, protected plant specie <i>Gymnadenia conopsea</i> observed in 1991.
Rationale and focus of visit
Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.
Description of audit activity
According the data base "Ozols" the potential protected plant specie <i>Gymnadenia conopsea</i> (observation from 1991) is growing near the river on the border between logging site and river protection zone. According field observations there are no signs of growing orchidea although the growing habitat is untouched.

Site name
FMU Briedīši
Site location
Cad. No. 62290070024, block No. 1, comp. No. 9 & TOF
Site description
According data abase "Ozols" the occurrence of Less spotted Eagle registered on agriculture land. Primary feedstock procured from TOF 2A and forest.
Rationale and focus of visit
Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest.
Description of audit activity
No HCV values identified on forest land. The occurrence of Less spotted eagle (observation from 2016) related with feeding of predictor on open fields. There are few small dimension trees logged on the overgrown agriculture land. No potential negative impact on Less spotted Eagle observed.

Site name
SA Drubažas
Site location
Cad. No. 88420170007
Site description
According to data base "Ozols" there are many protected forest (9180* Ravine forests) and grassland habitats (6210 Semi-natural dry grasslands and scrubland facies on calcareous substrates (<i>Festuco-Brometalia</i>)), protected insect

and bird species (*Lanius collurio*, *Upupa epops* etc.) registered in the property. The owner participates in EU Life 2000+ and Grassland protection projects.

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.1., 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest and TOF 2A.

Description of audit activity

According interviews and public information the protected HCV values identified, managed and monitored in strong cooperation with scientists, certified specie and habitat experts. All management carried out with purpose to improve the biological diversity.

Site name

FMU Mežprūsīši

Site location

Cad. No. 90960010005

Site description

According data base "Ozols" Fennoscandian lowland species-rich dry to mesic grasslands (6270) registered.

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.2, 2.1.3 for primary feedstock from TOF 2A.

Description of audit activity

The primary feedstock originates from arisings generated during small-scale drainage system cleaning. No negative impact on protected habitat observed.

Site name

FMU Elitas

Site location

Cad. No. 62640040087, block No, 1, comp. No. 14

Site description

Cutting license for clearcut in comp. No. 14 issued. According data base "Ozols" there is a protected habitat Tilio-Acerion forests of slopes, screes and ravines (9180*) in part of compartment registered.

Rationale and focus of visit

Efficiency of risk mitigation measures for Indicators 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest; SBE supply to the secondary processor

Description of audit activity

The has been tree logging done in small part of protected EU habitat ~0,05 ha. Total EU habitat area 0,7 ha. There are no forest logging signs in the rest of EU habitat area. The feedstock supplied with PEFC Controlled Sources claim and accepted as with SBP controlled material.

Site name

FMU "Gundegas"

Site location
Cad. No. 62500010147, block 1, comp. No. 17 and 18
Site description
Protected EU habitat Bog woodland (91D0*) registered in comp. 17 and part of comp. 18. The cutting license for clearcut issued in comp. No. 18. Feedstock sourced within SBE from secondary processor as SBP compliant feedstock..
Rationale and focus of visit
Efficiency of risk mitigation measures for Indicators 2.1.2, 2.1.3, 3.2.3 for primary feedstock from forest
Description of audit activity
No forest management carried out in protected habitat area in comp. 17 and part of comp. No. 18. Few small dimension trees logged on property borders and forest road outside habitat area. No negative impact on protected habitat observed.

5.5 Describe audit sampling methodology used

The following considerations have been taken into account to establish a sample size and the sampling intensity for Supply Base Evaluation: 1) Geographical area; 2) Type of the operations and activities; 3) Risk mitigation measures related to origin and mixing. Geographical area: BP sources the primary feedstock within the Supply Base Evaluation process from Latvia. The BP distinguishes 3 operation regions in Latvia: Kurzeme region, Rīga (Zemgale) region, and Vidzeme region. So, FMUs and properties of non-forest lands within the supply base shall be included in the sample. Type of operations and activities: The SBE process covers sourcing of primary feedstock (logging residues, branches, low quality roundwood etc.) from forest and non-forest lands (TOFs). Thus, both FMUs in forest lands and properties of non-forest lands (TOFs) shall be included in the sample. Risks identified in the SBP risk assessment for Latvia: Regarding the feedstock origin for Latvia, the following risks considered as specified in Revised Regional Risk Assessment endorsed by SBP: 2.1.1, 2.1.2, 2.1.3 and 3.2.3. The FMUs visits were conducted after harvesting, i.e., verifying how the organization had conducted the risk mitigation measures for indicators 2.1.1., 2.1.2., 2.1.3 and 3.2.3. The intensity of the sample was determined from the BP's supplied data on implemented risk mitigation measures and potential high-risk sites, which have been confirmed "low risk" by the BP upon implementing mitigation measures. The primary feedstock procurement data from March 2025 till February 2026 were used. The sample size and intensity: All feedstock origin data have been evaluated for the presence of HCVs using desk-based tools and using various data layers ("Ozols" HCV data layer for example) to compare with. Only those FMUs showing HCV attributes (for example, compartments containing HCVs) are included in the sample pool. This also includes those FMUs/compartments where the BP's had identified HCV risk attributes. It is considered sufficient to cover all major risk aspects and provide a sufficient level of assurance for compliance with the standard. Auditors sampled sites for field inspections in all BP feedstock sourcing regions using the risk-based approach. The part of sampling sites was selected in forest and part of non-forest land where the presence of habitats of EU importance or locations of RTE species were identified and registered in the database "Ozols". The target number of FMUs to inspect in the feedstock sourcing region was determined using the following relationship: $0.6 \times \sqrt{x}$, where x- the total number of FMUs with HCV attributes. Three subsets applied: forest lands, non-forest land TOF 2A (no sourcing of TOF 3A during audit period), supplier type (1 sawmill with SBE feedstock), Target number for primary feedstock from forest: $0.6 \times \sqrt{46} \sim 5$ FMU Target number for TOF 2A primary feedstock: $0.6 \times \sqrt{38} \sim 4$ MU Target number for SBE secondary processor feedstock: $0.6 \times \sqrt{6} \sim 2$ FMU. Totally 11 FMUs visited according subsets applied. From 3 visited FMUs contain both Primary forest 1A and TOF 2A feedstock. Processing residues. There had been one suppliers of processing residues (secondary feedstock) supplying secondary feedstock within the scope of the SBP RED framework during audit period. Part of processing residues included in the BP's SBE system. The supplier of processing residues chosen for CB audit. A remote audit was conducted since the CB had visited the supplier in the past. The auditor remotely interviewed the responsible persons, reviewed the supplier audit records and discussed the supplier audit methodology in an interview with the personnel conducting the supplier audit. SBP and RED related documents for supplier of secondary feedstock/processing residues were reviewed during the audit. Several different sales and purchase invoices have been checked for the right claims. Those have been directly related to output claims for SBP material. This has been set in correlation with the volume of feedstock used. 2 FMUs within secondary processor SBE system audited onsite. CH stakeholder engagement: The BP has conducted stakeholder consultations with regards to the SBP risk assessment v.2.0 and the TOF 2A and 3A risk assessment before previous surveillance audit in March 2025 by publishing the proposal of risk mitigation measures and sending out the notification letter, including for consultations to stakeholders. The BP has also

made phone calls to several key stakeholders for comments. But in fact TOF 3A was added to the scope this year, but as the stakeholder engagement was done for TOF 3A last year so no stakeholder consultations were conducted before the current surveillance audit, as no changes in the SBE TOF risk evaluation were introduced.

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

No comments from stakeholders

5.8 Main strengths and weaknesses of the management system and operations

Strengths: Core SBP system elements were implemented and maintained during the scope change audit. A small number of the management staff and designated responsibilities within the staff members.

SBE processes are well documented. The database system for material accounting is rigorous and well-maintained and all relevant information can be easily retrieved and reported in various cross-sections required by SBP standards. Strong commitment to the implementation of the SBP system and positive approach has been observed during the audit.

Weaknesses: see the Non-conformance reports

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

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

The BP is implementing the Supply Base Evaluation process for primary feedstock (forest products) and TOF originating from Latvia. Risk mitigation measures have been designed and are being implemented for feedstock originating from forest land (material sourced under the FSC Controlled Wood system) as well as non-forest land (arboriculture arisings on overgrown agricultural land, wood growing along the road, rails, and other).

The BP is using the SBP Revised regional risk assessment for feedstock supply base covering SBE – the Republic of Latvia. Based on the “specified risks” in the risk assessment, the organization has developed several mitigation measures, which were consulted with relevant stakeholders before implementing. These mitigation measures were designed in cooperation with external experts - nature/forest habitat experts, and experts on health and safety issues. Risk mitigation measures are relevant in addressing risks. It was evaluated during the audit that BP has assessed options for risk mitigation measures and selected the most appropriate and effective risk mitigation measures out of those referenced in the risk assessment.

As to Trees Outside Forest feedstock, the BP has elaborated its own risk assessment in line with the requirements of SBP standard No. 2 and SBP Instruction Document 1A. The BP is sourcing feedstock from overgrown agricultural land that is classified as category 2A.

Sourcing of TOF 3A feedstock included in the scope. The BP has elaborated own Risk assessment for TOF 3A feedstock category. The Organisation has assigned Specified risk ratings for TOF following indicators of 3A feedstock category: 2.1.1, 2.1.2, 2.1.3, 2.2.6, 2.2.9 and 3.2.3. For details see SBR.

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

The BP is conducting a supplier audit to comply with the requirements of SBP standard 2 and SBP RED Bridging document requirements. Supplier audits include both on-site and remote assessments. On-site audits focus on the evaluation of feedstock handling processes, assessing documentation accuracy, and verifying classification practices for secondary. Remote audits involve reviews of documentation, video inspections, and interviews with supplier personnel to confirm adherence to standards. Each audit follows a checklist-defined compliance areas to ensure consistency across suppliers. BP's approach in conducting supplier audits for compliance with SBP/RED requirements was evaluated during audit.

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

CoC system and other documents associated with all certifications were reviewed during the onsite audit. Critical control points of the CoC system were evaluated. The BP is storing biomass with similar sustainability and/or energy data. In case of biomass of different sustainability characteristics and/or energy data, the biomass with distinct characteristics shall be stored separately. The BP is implementing the SBE system for primary feedstock sourced. All feedstock used for biomass production meet at least the SBP Controlled feedstock criteria. If controlled input material is to be upgraded to SBP Compliant Feedstock status, the company performs an origin control of the SBP supply base and mitigates identified specified risks.

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

The BP demonstrated the approaches to be implemented after the scope extension to transfer sustainability data with respect to SBP Instruction Document 5E and RED bridging document.

The organization has established a system for GHG data collection and has included emission data collection as a part of the organization's SBP core processes. The BP has provided a detailed overview of the systems and databases to collect and record Greenhouse Gas data during the audit. All the GHG information is indicated in the SAR document. All evidence was provided to auditors, and auditors considered it sufficient to fulfill the requirements of SBP standards.

5.13 Summary of audit findings for competency of involved personnel

The SBP and Supply Base Evaluation system is implemented by internal personnel of the organization that have undergone external training and are supervised by the overall responsible person at the organization.

Different staff members are responsible for various aspects of the SBP certification system. Quality and Environment Manager who is also responsible for the FSC chain of custody certification system holds the overall responsibility for the SBP and SBE system. The Quality and Environmental manager has qualifications in ISO 9001 and has extensive knowledge of the SBP requirements.

The production manager is responsible for entering agreements with suppliers and buyers as well as claim review and management decisions. Forest foremen are responsible for the actual on-ground implementation of the SBE – controlling the implementation of risk mitigation measures and controlling the suppliers.

All involved personnel, including responsible staff, demonstrated sufficient knowledge in relevant fields (recognition and identification of HC VF, health, and safety requirements) during the site visits.

Relevant certificates and diplomas are available. Qualification requirements for personnel involved in the SBE system are provided in documented procedures of the BP.

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

N/A

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

The organization has elaborated and is implementing mitigation measures of risks for non-certified feedstock, including feedstock received with FSC Controlled Wood and PEFC Controlled Sources claims originating from Latvia. The organization has designed and is implementing mitigation measures for 4 indicators evaluated as specified risks (2.1.1, 2.1.2, 2.1.3, and 3.2.3) according to the SBP-endorsed RRA for Latvia for primary feedstock of forest origin. The same indicators evaluated for TOF 2A feedstock category.

For feedstock category 3A the Organisation has elaborated own risk assessment. The Organisation has assigned Specified risk ratings for TOF 3A to the following indicators: 2.1.1, 2.1.2, 2.1.3, 2.2.6, 2.2.9 and 3.2.3.

The risk mitigation measures are applied to feedstock sourced from forest land and TOF. For more details, see the section Specified risk indicators and mitigation measures.

Regarding RED compliance, two Level A Risk Assessments for Latvia have been developed and endorsed by SBP, covering the sustainable harvesting criteria set out in Article 29(6) of the Renewable Energy Directive (RED):

1. The Level A Risk Assessment developed and endorsed by SBP; and
2. The Level A Risk Assessment conducted by the Ministry of Agriculture and endorsed by SBP.

Since 2025, the company has applied the Risk Assessment entitled “**Compliance of Sustainability Criteria with Legislation and Monitoring and Enforcement Systems: RED II and RED III**”, developed by the Ministry of Agriculture and endorsed by SBP.

The following risk designations have been identified:

- The legality of harvesting operations (i): “**low risk**”.
- Forest regeneration of harvested areas (ii): “**low risk**”.
- Areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes (iii): “**low risk**”.
- Harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts (iv): “**low risk**”.
- Harvesting maintains or improves the long-term production capacity of the forest (v): “**low risk**”.

"Level A" Risk Assessment with low risks used to ensure the compliance with RED requirements in Latvia.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Latvia
Area/Sub-Scope
All
Indicator

2.1.1 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified.

Specified risk description

see the Regional Risk Assessment for Latvia (v.2.0): <https://sbp-cert.org/documents/consultation-documents/archive/revised-rra-latvia/>

Detailed description of a mitigation measure

Primary Feedstock Verification

The organization identifies HCV areas and assesses compliance, using expert input when needed. Upon receiving a load, the company checks the *Ozo/s* database and verifies feedstock origin data using Cadastre Numbers from Felling Permits and purchase agreements—without a valid Felling Permit, loads are not accepted. Verification sources include the *Ozo/s* database, field inspections, supplier interviews, expert consultations, environmental databases, NGO reports, and relevant legislation. All data is documented.

If a rare or protected species habitat is identified, an on-site inspection is conducted to ensure it has not been harmed and that legal and responsible forestry practices have been followed. Expert evaluations are used if necessary. Only feedstock meeting SBP-compliant criteria, with mitigated HCV risks, is accepted.

Trees Outside Forests:

The BP had elaborated the risk assessment for feedstock that is sourced from non-forest lands in accordance with SBP Standard 2 and SBP Instruction document 1A requirements. The same criteria as for the forest feedstock have been designated "specified risk" status in BP's own risk assessment. Risk mitigation measures are similar to the forest feedstock.

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures.

Country

Latvia

Area/Sub-Scope

All

Indicator

2.1.2 Threats to and impacts on the identified key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified and evaluated.

Specified risk description

See risk description in the Regional Risk Assessment for Latvia: <https://sbp-cert.org/documents/consultation-documents/archive/revised-rra-latvia/>

Detailed description of a mitigation measure

Primary Feedstock

The organization identifies HCV areas and, if needed, conducts compliance assessments with or without expert consultation. Feedstock loads are only accepted with a valid Felling Permit. Cadastre Number data from permits and agreements is verified using the Ozo/s database to ensure accurate feedstock origin.

Verification sources include Ozo/s, field inspections, monitoring records, expert consultations, supplier interviews, NGO and government data, and relevant Latvian and EU legislation. All information is documented.

If habitats of rare or protected species are found, on-site inspections ensure they are preserved and that legal and responsible forestry practices are followed. Expert input is used when needed. Only feedstock with mitigated HCV 1 and 3 risks is accepted as SBP-compliant.

Risk mitigation includes supplier self-declarations and the “Tree Origin, Legality, and Specimen” form to ensure timely identification of non-compliant materials.

Training is provided to employees and suppliers to recognize biotopes, bird nests, and cultural/historical features, and to uphold safety standards.

Trees Outside Forest: similar risk mitigation measures are applied in the sourcing of TOF feedstock from non-forest lands. Each load of primary feedstock, regardless of FSC or PEFC certification, is verified using the national “Ozols” nature data management system. The feedstock may be accepted from non-forest HCV areas, considering that HCV values had not been impacted.

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures. See further details in the audit report.

Country

Latvia

Area/Sub-Scope

All

Indicator

2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.

Specified risk description

see the Regional Risk Assessment for Latvia (v.2.0): <https://sbp-cert.org/documents/consultation-documents/archive/revised-rra-latvia/>

Detailed description of a mitigation measure

Primary Feedstock

The organization identifies HCV areas and conducts compliance assessments if needed, with or without expert support. Loads are only accepted with a valid Felling Permit. Feedstock origin is verified using Cadastre Numbers from permits and

agreements via the *Ozols* database.

Data sources include *Ozols*, field inspections, supplier interviews, expert consultations, monitoring records, environmental databases, and national/EU legislation. All findings are documented.

If habitats of rare or endangered species are found, on-site checks ensure they are preserved and that legal and responsible forestry practices are followed. Expert opinions are used when necessary. Only feedstock with mitigated (confirmed "low risk") HCV risks is considered SBP-compliant.

Risk mitigation involves supplier self-declarations and the "Tree Origin, Legality, and Specimen" form, helping to detect and prevent non-compliant materials.

Training is provided to employees and suppliers to identify sensitive habitats, cultural features and to ensure work safety across operations.

Trees Outside Forest: similar risk mitigation measures are applied in sourcing of TOF feedstock from non-forest lands. Each load of primary feedstock, regardless of FSC or PEFC certification, is verified using the national "Ozols" nature data management system. The feedstock may be accepted from non-forest HCV areas, considering that HCV values had not been impacted.

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures.

Country

Latvia

Area/Sub-Scope

All

Indicator

3.2.3 feedstock shall not be sourced from forest areas in the Supply Base which, according to local definitions or norms, are classified as having combined attributes of high carbon stocks and high conservation value (HCV).

Specified risk description

see the Regional Risk Assessment for Latvia (v.2.0): <https://sbp-cert.org/documents/consultation-documents/archive/revised-rra-latvia/>

Detailed description of a mitigation measure

Primary Feedstock Verification

In Latvia, the risk of sourcing from High Conservation Value (HCV) areas is considered high ("specified risk") due to limited data availability and the potential overlap with high carbon stock forests. Primary feedstock must not be sourced from areas identified as having both high carbon and HCV characteristics.

Although HCV areas are monitored and recorded in the *OZOLS* database, significant risks remain. Some HCV areas lack legal protection, allowing logging permits to be issued, and protected bird nests may exist outside the recorded areas, risking habitat disturbance.

These challenges reflect broader issues in Latvia's forest conservation, including incomplete species data, insufficient legal safeguards, and tensions between conservation and commercial forestry.

The organization follows the **SBP Regional Risk Assessment for Latvia v2.0**, effective from 12 July 2024.

Trees Outside Forests feedstock: requirement not applicable as per SBP instruction document 1A

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures.