Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ Evaluation of Bio Wood UAB

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

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

© Copyright Sustainable Biomass Program Limited 2025

Table of contents

1 Overview **3**

2 Audit conclusions **4**

2.1 Certification decision 4
2.2 Open non-conformities and observations 4
2.2 Closed non-conformities 5
2.3 Actions taken by Organisation Prior to Report Finalisation 5
2.4 Notes for the next Audit 5

3 Scope of the audit and SBP certificate **6**

3.1 Description of the company 7
3.2 Site details 7
3.3 Detailed description of the Chain of Custody system and Product Groups 7

4 Specific objective of the audit **8**

5 Evaluation process **9**

5.1 Timing and duration of evaluation activities 9
5.2 Auditor team qualification 9
5.3 Description of evaluation activities 9
5.4 List of forest management units and feedstock suppliers visited 10
5.5 Describe audit sampling methodology used 11
5.6 CB stakeholder engagement 11
5.7 Stakeholder feedback and response 11
5.8 Main strengths and weaknesses of the management system and operations 12
5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation 12
5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED 12
5.11 Summary of evaluation activities for chain of custody system per Standard 4 12
5.12 Summary of evaluation activities for collection and communication of data per Standard 5 12
5.13 Summary of audit findings for competency of involved personnel 12
5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable) 13

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable) **14**

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope 14
6.2 CB evaluation of specified risk indicators and mitigation measures 14

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:	Povilas Misierauskas
Audit team members:	None
Name of the Company:	Bio Wood UAB
Company legal address:	Palangos pl. 23, Vigantiškių k., LT-88438 Telšių raj., Lithuania
Company contact for SBP:	Neda Monstavičiūtė
Company contact email:	info@biowood.eu
Company website:	www.biowood.eu
Date of installation:	
SBP Certificate Code:	SBP-01-06
Date of certificate issue:	24 Feb 2026
Date of certificate expiry:	23 Feb 2031
Audit closing meeting date:	04 Sep 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):	Kersti Kuum
Date of decision:	16 Oct 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9629 copied from 6962	NC Grading: Observation
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1
Requirement:	1.5.8 The Legal Owner shall record the most operationally specific and detailed data that is practically available. Variable data shall never be older than 18 months. The methodology used and the justification for the data selection shall be recorded in the SAR. All quantity and energy flows must be evaluated for the complete Reporting Period. Any derogation must be justified and recorded in the SAR. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The Organization reported the biofuel consumption data in the SAR as foreseen by SBP standard requirement and the Company's procedures. The analyses of data related to biofuel consumption for drying (quantity, density and moisture) to produce 1 ton. of pallets according to reference values seems too low. It is recommended the Company to adjust the methodology, calculation and monitoring of biofuel used for drying.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

none

2.4 Notes for the next Audit

none

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	
Approved Standards	SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0
Product Group IDs	☐ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☒ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☐ SBP Controlled
Includes Supply Base Evaluation (SBE)	No
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	No
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	Lithuania, Latvia
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable
Chain of custody system	☒ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	none

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.

UAB "Bio wood" is a biomass producer with production sites situated in Vigantiskiai village, Telsiai r. (with the office) and Plunge, Lithuania. In this certificate only Vigantiskiai site is included, Plunge production sites are included in separate SBP certificate scope. BP is sourcing secondary feedstock for its production. Heating pellets are produced from secondary feedstock: wood industry residues and sawdust originating from FSC certified local supplier in Lithuania and other supplier from Latvia which is FSC certified as well. All Feedstock types are delivered to the pellet plant by road transport. The sales points are trough Klaipeda port (under DAP), Liepaja port (under DAP) and EXW Vigantiskiai. Production capacity 85 000 metric tons. The BP is having FSC transfer system designated in its FSC system. For pellets production only FSC certified material is used (with claim FSC Mix Credit) from 3 suppliers (two from Lithuania and one from Latvia). The amount of biomass produced according to FSC transfer system might be sold as SBP-compliant. After the production pellets are stored in BP's production storage.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
UAB Bio wood	Palangos st. 23, Vigantiskiai village, Lithuania	Biomass 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.

The Organisation holds valid FSC Chain of Custody PBN-COC-022170 certificate covering pellet production. FSC transfer system is used for materials received as FSC certified. Feedstock from Latvia and Lithuania is delivered by FSC certified suppliers. Supplier list is maintained. Number of suppliers is small (3). After the reception, incoming feedstock is unloaded into piles according to type of feedstock and load is registered into the recordkeeping system. All data is maintained in the recordkeeping system of the Organisation. The BP is implementing FSC transfer system and mass balance. The amount of the biomass produced according to FSC system and can be sold as SBP-compliant claim. Their product groups for the FSC CoC certification include wood pellets and briquets, however for SBP certified products only industrial pellets are considered.

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. Evaluation of the practical implementation of the requirements of the applicable standards.
The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of the production processes, production site visit;
- Review of FSC system critical control points, analysis of the existing

FSC CoC system;

- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- Review of the updated Supply Base Report;
- Evaluation of mitigation measures implemented for secondary feedstocks;
- SAR and profiling data collection analysis;
- Instruction Document 5E Dynamic Batch Sustainability Data, including DTS and sales
- Compliance with the SBP Framework related to REDIII scheme

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Povilas Misierauskas	4.0
2. On-site (excl. travel time)	Povilas Misierauskas	8.0
3. Report writing	Povilas Misierauskas	8.0
4. Other	Povilas Misierauskas	1.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Gerimantas Gaigalas	SBP auditor (witness auditor)	Gerimantas Gaigalas has Master's degree on Forestry (graduated in Lithuanian Academy of Agriculture), BSc degree in Law and Master's degree in International Law (graduated in University of Mykolas Romeris) and diploma in programming (Electronic College in Vilnius). He has experience leading the International Relations and Agreements Division in the Ministry of Environment as well as experience working in United Nations Development Program (UNDP) Papua New Guinea regional office and Institute of Environment Sustainability of EU Commission in Italy. Gerimantas has successfully passed Forest Management and Chain of Custody lead auditor training. Gerimantas is working in UAB"NEPCon LT" as deputy director since 2013. Since 2014 he is implementing PEFC CoC audits, in 2013 completed PEFC CoC auditor training according to the new Chain of Custody standard. In addition, he has SBP, SURE and Legal Source auditor qualification.
Povilas Misierauskas	SBP auditor (team leader under witness audit)	P. Misierauskas is NEPCon certification manager (auditor – apprentice). P. Misierauskas hold Bachelor degree in Ecology and Environment and Master in Forest Ecology. He graduated from the Lithuanian University of Agriculture. Mr Misierauskas taught laboratory work to Forest Ecology faculty dendrology discipline's students Forest Ecology faculty, implemented planting and green space inventory. He assessed green areas in 22 town and region municipalities. P. Misierauskas has a lot of experience in assessing preserved trees, identifying their state and value and implementing dendrological (decorative trees and bushes) expertise. He has been working as certification manager at NEPCon since 2013. Completed SBP auditor training course and acquired SBP auditor qualification in 2020.

5.3 Description of evaluation activities

The audit was focused on management system evaluation: division of the responsibilities, document and system, input material classification (reception and registration), analysis of the existing FSC system and FSC system control points as well as GHG data availability and REDIII module requirements.
Description of the audit:
September 4, 2026.
Auditor was welcomed in UAB Bio wood office in Vygantiskiai, Telsiai r. Auditor started with an opening meeting attended by Commercial Manager and Chief Accountant. Auditor provided information about audit plan, methodology, auditor qualification, confidentiality issues, auditing methodology and clarified the audit scope. During the audit, the auditor evaluated existing production. After that auditor went through all applicable requirements of the SBP standards No. 2, 4, 5, existing chain of custody and management system, CoC, record keeping / mass balance requirements, emission, energy data, and categorization of input and verification of SBP compliant feedstock/ biomass, purchasing and sales documents, receiving and storage point, segregation and processing procedure was checked, REDIII requirements, all CCP and the processes as such were evaluated. During the process, overall responsible person for SBP system and over responsible staff having key responsibilities within the system were interviewed.
After a roundtrip around BP's pellet production was undertaken. During the production site tour applicable records were reviewed, production staff was interviewed. One secondary supplier field verification was conducted together with SH. Two others were done as desk -based. No issues have been identified. At the end of the day the preliminary results were presented.

5.4 List of forest management units and feedstock suppliers visited

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

Site name
JSC "Kietasis biokuras" (Lithuania)
Site location
56.01209693032667, 22.16232118256319
Site description
Secondary supplier of sawdust
Rationale and focus of visit
RED III verification
Description of audit activity
Supplier audit was witnessed by CB on-site. Supplier audit focused on origin of the material, documentation and how it is controlled by BP. BP controlled the origin documents on a sample bases and verified how the supplier system works. No non-conformance identified by the auditors.

Site name
JSC "Juodeliai" (Lithuania)
Site location
54.58527951804964, 23.41372068248671

Site description
Secondary supplier of sawdust
Rationale and focus of visit
RED III verification
Description of audit activity
Supplier audit was done remotely and was witnessed by CB. Supplier audit focused on origin of the material, documentation and how it is controlled by BP. BP controlled the origin documents on a sample bases and verified how the supplier system works. No non-conformance identified by the auditors.

Site name
SIA Pata AB (Latvia)
Site location
56.96479280004577, 24.13916689795918
Site description
Secondary supplier of sawdust
Rationale and focus of visit
RED III verification
Description of audit activity
Supplier audit was done remotely and was witnessed by CB. Supplier audit focused on origin of the material, documentation and how it is controlled by BP. BP controlled the origin documents on a sample bases and verified how the supplier system works. No non-conformance identified by the auditors.

5.5 Describe audit sampling methodology used

Production facilities were checked without any exclusion. Reviewing of documents was based on sampling approach - several months were randomly selected (waybills and invoices for the selected months). All responsible personnel was interviewed. To cover REDIII scope 3 of 3 suppliers were evaluated.

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.

Stakeholder consultation was carried out in the period of 14.08.2025-14.09.2025. No comments were received.

5.7 Stakeholder feedback and response

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

Stakeholder consultation was carried out in the period of 14.08.2025-14.09.2025. No comments were received. During the auditing period no comments or requests have been received from SH.

5.8 Main strengths and weaknesses of the management system and operations

Main strengths: all processes have been well documented; main database for material balances is well maintained and all relevant information can be reported. Small number of suppliers. Efficient recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members. All inputs are SBP-compliant feedstock.
Weaknesses: not observed.

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

UAB Bio wood implements a supplier verification and monitoring system covering all providers of secondary feedstock (processing residues). Each supplier is registered with details including name, address, type (e.g. sawmill), feedstock category, and FSC certification status. All suppliers are required to sign a self-declaration confirming that the feedstock qualifies as processing residues in accordance with RED and SBP definitions and contains no primary material. The company collects supporting evidence such as invoices with claim codes, and feedstock origin data, check FSC certificates information. One secondary supplier field verification was conducted together with CH. Other two were done as desk -based. No issues have been identified.

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

During the audit, a valid CoC system description and other documents associated with FSC CoC certification was reviewed. Critical control points of the CoC system were evaluated also during SBP audit. The Company has a Chain of Custody system where they have implemented a Mass Balance system for SBP and RED III requirements. In case there would be any non-compliant material it would be kept physically separated in the harvest/chipping/storage site. For RED III scope, the Company implements a mass balance system with 3 months balancing period.

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

BP has a system to gather and record Greenhouse Gas emissions. During the audit, BP made detailed overview of the systems and databases to gather and record such data. Evidence was provided to auditors. he organization has compiled emission data as a part of preparation process for the SBP annual audit. Systems and databases (internal registers and sources of information) to collect and record Greenhouse Gas data were reviewed during the audit. All related evidence with regard to GHG calculation and assumptions were provided to auditor.

5.13 Summary of audit findings for competency of involved personnel

Overall responsible person for implementing SBP is Commercial Manager. SBR was reviewed by Director and Commercial Manager. The peer review of SBR was done by Janis Rozitis, Pasaules Dabas Fonds (WWF associated partner)- experience in sustainable forestry practice and Sigitas Girdziušas- Lithuanian Agricultural University, Master of Forestry, forestry specialists.

Overall responsible person has all required competences, education and work experience from timber and industry sector, but these requirements are not described in procedures.

According to interviews, review of biomass producer sales manager's CV and set of procedures and documents that were composed for the SBP system, auditors evaluated the competency of main responsible staff to be sufficient. In addition, the Company hired external consultant to assist preparing SBR, SAR and other relevant documentation.

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