Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Leag Pellets GmbH, Werk Schwedt

Second 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 11
5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation 11
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) 12

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable) **13**

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope 13
6.2 CB evaluation of specified risk indicators and mitigation measures 13

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:	Michael Kutschke
Name of the Company:	Leag Pellets GmbH, Werk Schwedt
Company legal address:	Passower Chaussee 111, Str. K, 16303 Schwedt, Germany
Company contact for SBP:	Sylwia Senczyszyn
Company contact email:	sylwia.senczyszyn@leag.de
Company website:	
Date of installation:	
SBP Certificate Code:	SBP-07-44
Date of certificate issue:	20 Jan 2025
Date of certificate expiry:	19 Jan 2030
Audit closing meeting date:	30 Jun 2026
Audit cycle:	Second 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 Serrano
Date of decision:	23 Sep 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

NC number 9728	NC Grading: Minor
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
Description of Non-conformance and Related Evidence:	
Supply Base Report has been prepared and updated including relevant annexes for SBE Standard 1 and EU RED. In relation to compliance with the EU RED, from the analysis of the document as a whole, evaluation of internal documents, interviews and field visits, it is found that LEAG has a robust management system to comply with EU RED requirements based on analysis of source and geolocation information, verification of supply and suppliers, review of online mapping and onsite verification (if necessary). However, in SBR Annex 2 the text reflects the analysis of the situation in relation to the EU RED indicators but does not always include the management system. Ex: Indicator iii on designated areas describes the designation of different areas but does not include the management system implemented by LEAG. Due to the fact that the auditor was able to verify the management system during the audit, the issue is only limited to the information provided in Annex 2 in the SBR, the impact is limited and the NCR considered minor.	
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 management procedures and internal processes
Findings for Evaluation of Evidence:	Based on the updated management procedures and interviews with the responsible staff, the auditor decided to close the relevant NCR.
NC Status:	Closed
Original Due Date:	N/A
Closing Date:	2026-09-23
Upgrade Date:	N/A
Update Date:	N/A

2.3 Actions taken by Organisation Prior to Report Finalisation

document review

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	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 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
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 1.1 Wood pellets
Feedstock origin (countries):	Poland, Germany, Czech Republic, Sweden, Finland
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.

Leag Peletts GmbH, Werk Schwedt (formally HPS), founded in 2006, is a wood pellets producer situated in the German municipality Schwedt/Oder on the Polish border. The pelletizing plant with a capacity of 120 000 tonnes a year produces 6 mm pellets according to ENplus A1 or industrial 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 Schwedt facilities include a pellet mil. 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. LEAG is sourcing primary feedstock through the SBE. Primary feedstock, from countries ourside the compay SBE, has been included in the production as SBP controlled, added in the SAR for energy calculation and excluded from the Mass Balance. Schwedt is a PEFC certified pellet producer. Its direct suppliers of feedstock are PEFC or FSC certified. Schwedt has 10 - 15 direct suppliers, indirectly the wood comes from around 40 to 50 suppliers, mainly sawmills and vertically integrated wood processors. Schwedt practically uses only secondary feedstock (wood residues such as sawdust and shavings), rarely Schwedt uses primary feedstock (stems disposed of by wood processors). Around 50% is SBP-compliant Secondary Feedstock, 50% SBP-controlled Secondary Feedstock.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Leag Pellets GmbH Werk Schwedt	Passower Chaussee 111, 16303 Schwedt/Oder	Biomassproducer	☒

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. 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.

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 STD 1 and RMM and 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	3.0
2. On-site (excl. travel time)	Michael Kutschke	10.0
3. Report writing	Michael Kutschke	3.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Michael Kutschke	Lead Auditor	M.Sc. in Forestry. Michael is a chain of custody lead auditor in FSC and PEFC and FSC Forest Management lead auditor. Michael is a FSC Trademark expert and has experience from work with Legal Sources (EUTR) and SAN.

5.3 Description of evaluation activities

The annual audit was carried out June 30th, 2026 for LEAG Schwedt in Germany. The audit was carried out through visits to the pellet as well as a visits to suppliers of secondary raw materials.

Opening meeting was conducted 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 through SBP requirements.
On June 30th, audit started with a site visit covering pellets production. 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 requirements are not applied to primary feedstock, in this case the material is considered as no-EU RED compliant and excluded from the mass balance.
Further, the audit team visited a secondary feedstock supplier as well as several harvesting sites of the primary feedstock supplier. (State Forest Mecklenburg-Vorpommern – Public Law Institution, Forest Office Schlemmin, Five forest sites where forest thinning operations had occurred)

Some of the supplier and FMUs visits were combined with other SBP Certificates
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

Site name
State Forest Mecklenburg-Vorpommern – Public Law Institution, Forest Office Schlemmin
Site location
Haupstraße 10a 18249 Schlemmin
Site description
Five forest sites where forest thinning operations had ocurred
Rationale and focus of visit
Verifying the orging and composition of roundwood supplied for LEAG Pellets
Description of audit activity
Inspection of forest plots from where material had been sourced, verification of stand ages and composition as well as the suppliers competences and knowledge level.

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

Strength: The BP has a small team of dedicated workers. The team has a good understanding of the SBP requirements. The BP has a strong supply system. It is also a very convenient location of the plant, since it is an established industrial area, where deliveries of material can be combined.

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

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

Orgainzation has developed a comprenhensive SBE with a risk assessment and Risk Mitigation Measures to evaluate Specified risk indicators. Same approach is implemented as Management System for EU RED requirements.
The general steps for mitigating the specified risks of the SBE and EU RED Level B report are:
1) Supplier / initial information: suppliers are evaluated; geolocations and basic stand data are provided. Non-compliance increases the supplier's risk level and may add conditions. Additional investigations are triggered by: forests with old trees, heathland, valuable tree species, indications of high biodiversity and habitats, and young stands (after 2007).
2) Procurement check: verify legality and plausibility (location, rights, tree species, ownership type, supply chain, certification claims, biomass type). If possible, obtain evidence about forest type and age.
3) Online map and database review: the sustainability manager cross-checks supplier data, screens for biodiversity values, and reviews for identified areas with conservation value. If needed, documents are requested.
4) On-site verification (when needed): field inspections to clarify habitat type. Where the assessment leave doubts, sourcing areas are non-compliant.

Auditor evaluated the 4 steps describes above with desk review and on site visit at the 11.06.2026 of the only supplier of primary material (state forest of Mecklenburg Vorpommern).

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

CH evaluated processing residues supplier with combined activities (desk evaluation and onsite visits). The evaluation is conducted as part of the compnay DDS to evaluate origins, feedstock classification, production processes, etc. Internal auditors evaluate processing residues for EU RED requirements focussing on feedstock classification as processing residues.
Auditor conducted desk review of 3 suppliers and one on site visit of one processor supplying processing residues

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

The organization has a certification responsible. Mass balance system is correctly implemented by Product Group; additions, deductions, stock ana mass balnae management has been evaluted during the audit. Invoicing and deliver notes have been check to assess whether they correlate with the datasystem and mass balance..

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

The organization has had an energy engineer in the team who implemented the system for collection of the emission and energy data. The company supplied the auditor with actual data on Greenhouse Gas emissions where needed and has used default values where allowed. All data are well recorded and accessible.

5.13 Summary of audit findings for competency of involved personnel

The organization has had an energy engineer in the team who implemented the system for collection of the emission and energy data. The company supplied the auditor with actual data on Greenhouse Gas emissions where needed and has used default values where allowed. All data are well recorded and accessible.

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

Orgainzation has developed a comprenhensive SBE with a risk assessment and Risk Mitigation Measures to evaluate Specified risk indicators. Same approach is implemented as Management System for EU RED requirements.
The general steps for mitigating the specified risks of the SBE and EU RED Level B report are:
1) Supplier / initial information: suppliers are evaluated; geolocations and basic stand data are provided. Non-compliance increases the supplier's risk level and may add conditions. Additional investigations are triggered by: forests with old trees, heathland, valuable tree species, indications of high biodiversity and habitats, and young stands (after 2007).
2) Procurement check: verify legality and plausibility (location, rights, tree species, ownership type, supply chain, certification claims, biomass type). If possible, obtain evidence about forest type and age.
3) Online map and database review: the sustainability manager cross-checks supplier data, screens for biodiversity values, and reviews for identified areas with conservation value. If needed, documents are requested.
4) On-site verification (when needed): field inspections to clarify habitat type. Where the assessment leave doubts, sourcing areas are non-compliant.
Auditor evaluated the 4 steps describes above with desk review and on site visit at the 11.06.2026 of the only supplier of primary material (state forest of Mecklenburg Vorpommern).

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Germany
Area/Sub-Scope
Germany
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
The SBE must consider the minimum performance level in the supply base, not the usual or average level. Law-enforcement structures exist, but capacity constraints limit the frequency of inspections. Small private owners are usually exempt from producing management plans and environmental impact assessments. In private forests, harvesting decisions could be shaped by economic considerations and limited specialist knowledge. Small private forest owners can be participating in PEFC group certification. An SBP benchmark of PEFC indicated that PEFC-certified forests may lack sufficient impact assessment.
Detailed description of a mitigation measure
Low risk for FSC certified areas. Specified risk for non-certified areas and PEFC certified private forests. Given the procedures applied in government forestry, government-owned and -managed PEFC-certified areas are assessed as low risk.

For uncertified forests and privately owned PEFC-certified forests, evidence is required that biodiversity values were identified and that the threats and impacts of harvesting were assessed before operations began (field inspections). This can include documental evidence that protected species and habitats were identified before harvesting and/or on-site evidence that operations were low-impact or unavoidable. For example, salvage operations in stands of low biodiversity value outside the nesting season are likely to be compliant.

Detailed description of CB evaluation of mitigation measure and its conclusions

Auditor evaluated origins included in the SBE scope.
Origin documentation and certification records were verified.
All origins are from state forest with PEFC FM Certificate. Benchamark between SBP and PEFC concludes the indicator is partically covered
Field visits conducted to a sample of compartments, HCV idetification was evaluated.

Country

Germany

Area/Sub-Scope

Germany

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

Additional evidence is required that an assessment is made on the threats and possible impacts of the operations, covering protected species and other biodiversity values. See indicator above.

Detailed description of a mitigation measure

Low risk for FSC certified areas.
Specified risk for non-certified areas and PEFC certified private forests. Given the procedures applied in government forestry, government-owned and -managed PEFC-certified areas are assessed as low risk.
For uncertified forests and privately owned PEFC-certified forests, evidence is required that biodiversity values were identified and that the threats and impacts of harvesting were assessed before operations began (field inspections). This can include documental evidence and/or on-site evidence that operations were low-impact or unavoidable.
Low-grade wood used as biomass – including low-grade stemwood of low biodiversity value, thinnings from simplified or heavily degraded stands, low-grade salvage wood and forest wastes and residues typically comes from forest maintenance, salvage and sanitation operations that, when properly executed, support biodiversity conservation. The tree species, type of biomass, and management operation are considered in the risk mitigation process.

Detailed description of CB evaluation of mitigation measure and its conclusions
Auditor evaluated origins included in the SBE scope. Origin documentation and certification records were verified. All origins are from state forest with PEFC FM Certificate. Benchamark between SBP and PEFC concludes the indicator is partically covered Field visits conducted to a sample of compartments, HCV idetification and threats to species and HCV was evaluated. No impacts identified on site due to harvesting activities

Country
Germany
Area/Sub-Scope
Germany
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
The SBE considers the minimum performance level in the supply base (not the usual or average level). Nearly half of Germany's forests are privately owned, often in small parcels; many small private owners are exempt from formal management planning. Often a harvesting permit is not required either. Advisory services and cooperatives provide support, but not all owners participate. Enforcement capacity is uneven between the regions, and inspections can be infrequent. NGOs report cases of violations, such as logging during the breeding season of protected species or inadequate consideration of sensitive habitats. Regarding both private and public forests, there can be tension between management objectives: either converting forests to increase resilience, or maintaining recognised HCV forest habitats (such as harvesting old beech forests).
Detailed description of a mitigation measure
Low risk for FSC Regarding uncertified forests, additional evidence is required that the area was managed in a way that respects protected species, biodiversity values, and HCV areas. This can include documental evidence and/or on-site evidence that operations were low-impact or unavoidable. Relevant are also the tree species sourced, the feedstock quality, and type of forest operation. Unlike the procurement of quality roundwood, procuring low-grade stemwood, salvage wood, and forest residues does not create an economic incentive to reduce the area and quality of the habitat types.
Detailed description of CB evaluation of mitigation measure and its conclusions
Auditor evaluated origins included in the SBE scope. Origin documentation and certification records were verified. All origins are from state forest with PEFC FM Certificate. Benchamark between SBP and PEFC concludes the indicator is fully covered. Field visits conducted to a sample of compartments, HCV idetification was evaluated.

Country
Germany
Area/Sub-Scope
Germany
Indicator
2.2.2 Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.
Specified risk description
Germany adjusted its approach to monocultures too late, and the consequences are now evident: extensive conifer stands have collapsed, salvage wood has dominated harvests, growing stock has fallen sharply, and net increment has declined. These outcomes were predicted, federal strategies warned for decades, and yet, to date, forest legislation and mandatory regulation remain behind. Many forests still have low resilience, for example planted monoculture spruce stands.
Detailed description of a mitigation measure
Low risk for FSC and PEFC certified areas. Sourcing low-grade wood and forest residues is an essential element in the way forward after many years of premature forest downfall. However, it is also needed that adaptation measures are implemented and forests with a significant resilience are cultivated. Regarding uncertified forests, the regeneration method will be investigated. Inadequate management plans will make the biomass non-compliant.
Detailed description of CB evaluation of mitigation measure and its conclusions
Auditor evaluated origins included in the SBE scope. Origin documentation and certification records were verified. All origins are from state forest with PEFC FM Certificate. Benchamark between SBP and PEFC concludes PEFC fully cover the indicator. Field visits conducted to a sample of compartments,

Country
Germany
Area/Sub-Scope
Germany
Indicator
2.2.11 The impacts of natural processes such as fires, pests and diseases shall be managed.
Specified risk description
See SBE indicator 2.2.2. Although Germany has a well-developed legal and institutional forest-protection system, it is nevertheless facing a forest health crisis driven by fires, pests, and diseases, because long-term management choices have not sufficiently reduced the risks. Forest resilience received insufficient attention

Detailed description of a mitigation measure
Low risk for FSC and PEFC certified areas. For uncertified forests, management plans must explicitly consider natural-disturbance risks when selecting regeneration methods and planning the development of stand structure.
Detailed description of CB evaluation of mitigation measure and its conclusions
Auditor evaluated origins included in the SBE scope. Origin documentation and certification records were verified. All origins are from state forest with PEFC FM Certificate. Benchamark between SBP and PEFC concludes the indicator is partically covered Field visits conducted to a sample of compartments, HCV idetification was evaluated.

Country
Germany
Area/Sub-Scope
Germany
Indicator
3.3.1 Feedstock sourcing shall be in compliance with the principles of cascading use, high quality stem wood shall not be used as feedstock if it is in substantial demand for long-lived products in the Supply Base.
Specified risk description
Biomass end-users in both Germany and abroad participate in market instruments to promote renewable energy production. These instruments increase their purchasing power. The demand for biomass has coincided with high levels of salvage logging. Under these conditions, there is a risk that wood ends up as biomass what could have been used in a more sustainable manner (in long-lived products). The combination of non-binding cascading principles, significant market incentives, and crisis driven harvesting, results in classifying this indicator as Specified Risk. Given the strong growth of the processing and biomass sectors over the past decade, and the loss of stands in the 61–80-year age class (BWI), this issue is likely to become more pressing in the coming years. The use of biomass shall not create sourcing issues with wood processing facilities producing “long-lived” wood products.
Detailed description of a mitigation measure
Biomass procurement excludes quality roundwood (Stammholz) and avoids assortments where regional wood-processing companies have reported unresolved supply constraints. The specified risk is mitigated by using "Industrieholz" and low-grade assortments, preventing competition with regional processors, and monitoring market prices to avoid assortments showing price spikes. LEAG commits to taking any concerns from regional wood processors seriously and to promptly discuss and address them. Given Germany’s salvage operations with local oversupply, quality roundwood from salvage must be identified and offered to the processing industry. Only wood of reasonable quality that cannot be feasibly supplied due to oversupply and full storage capacity may be treated as SBP-compliant biomass.

Detailed description of CB evaluation of mitigation measure and its conclusions
Feedstock classification and cascading principle was evaluated on site during Forest Management inspections. Logging site visits were conducted, interviews with responsible operators and raw material observations. Auditor confirmed that only low grade material was sourced and used as SBP compliant biomass

Country
Germany
Area/Sub-Scope
Germany
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
German law does not ensure the unconditional exclusion of biomass from forests with high carbon stock and high conservation value. While some forests are left to natural development (without interventions), many such forests remain under a maintenance regime. Any biomass sourced from such forests is non-compliant. Forests that combine high carbon stock and high conservation value and Old-Growth-Forests are similar concepts. SBP does not mention heather or heathland in any of its standard, guidance documents, or normative interpretations, but it is also one of the EU RED unconditionally no-go areas.
Detailed description of a mitigation measure
Specified risk applies to the unconditional no-go areas, as defined more clearly in the EU RED, regardless of forest owner or certification status. The general steps for mitigating the specified risks of the SBE and EU RED Level B report are: 1) Supplier / initial information: suppliers are evaluated; geolocations and basic stand data are provided. Non-compliance increases the supplier's risk level and may add conditions. Additional investigations are triggered by: forests with old trees, heathland, valuable tree species, indications of high biodiversity and habitats, and young stands (after 2007). 2) Procurement check: verify legality and plausibility (location, rights, tree species, ownership type, supply chain, certification claims, biomass type). If possible, obtain evidence about forest type and age. 3) Online map and database review: the sustainability manager cross-checks supplier data, screens for biodiversity values, and reviews for identified areas with conservation value. If needed, documents are requested. 4) On-site verification (when needed): field inspections to clarify habitat type. Where the assessment leave doubts, sourcing areas are non-compliant.
Detailed description of CB evaluation of mitigation measure and its conclusions

Auditor evaluated implementation of points 1, 2 and 3 during office audit using documents and database reviews. Field visits were also conducted to a sample of forest origins where direct observations and interviews with foresters confirmed a good understanding of the no-go areas and implmentation of this specific requirement.