Compliance with the SBP Framework: Public Summary Report

Control Union Certifications BV Evaluation of TDM (Pty) Ltd.

Main (Initial) 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:	Control Union Certifications BV
Primary CB contact for SBP:	Lukasz Dabrowski
Primary CB contact email:	ldabrowski@controlunion.com
Audit team leader:	Henrique Silva
Audit team members:	Ivan Muir
Name of the Company:	TDM (Pty) Ltd.
Company legal address:	2 Measroch Street, 2380 Piet Retief, South Africa
Company contact for SBP:	Neels Pienaar
Company contact email:	Neels.pienaar@nhrinvestments.co.za
Company website:	
Date of installation:	02 Apr 2026
SBP Certificate Code:	SBP-11-46
Date of certificate issue:	23 Jul 2026
Date of certificate expiry:	22 Jul 2031
Audit closing meeting date:	02 Apr 2026
Audit cycle:	Main (Initial) 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):	Robin Rosendahl
Date of decision:	01 Jul 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

N/A

2.4 Notes for the next Audit

N/A

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	
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 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
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):	South Africa, Eswatini
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	Yes
Changes in the scope	N/A - Initial audit

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.

TDM is part of Montigny group, a Swati-owned and operated diversified timber company. Founded in 1997, Montigny has grown from a small family business into the largest private timber owner-operator in Southern Africa. They service approximately 40% of the regional wet-off-saw timber market, and have diverse timber-trading interests in South Africa, Eswatini, Mozambique, Namibia, Angola, Zambia and Japan. At this moment the group owns Certified forest in Essuatini and trade from South Africa. The group also include a sawmill in Essuatini and in the new future one in South Africa. The operations are focus in Pulp but the sustainable biomass is now a objecctive to this comapny and group.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Montigny SA / NHR	Piet Retief, South Africa	Head Office	☒
Montigny (NHR)	F295+677, Bhunya, Essuatíni	Sawmill	☒
No 2 Woodchip Glade Alton Richards Bay 3900	NCT Chipping Site Address	Future Sawmill and Chipping Site	☒
Empangeni Site	Property number: 11420 Richardsbay/Empangeni Municipality: Umhlathuze KZN GO Coordinate: (Lat/Long) -28.77758 / 31.90683	Chipping 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 Organisation holds valid FSC Chain of Custody certificate. Valid COC system description and other documents exist. Critical control points of the CoC systems were evaluated also during SBP audit. The Organisation has implemented CoC credit system which is used for materials received as FSC certified and FSC Controlled wood, and feedstock verified according to the Organisation's own Controlled wood and risk assessment verification system, covering South Africa and Eswatini, in the last all the forest form the group is certified under FSC. Feedstock whose origin cannot be verified as per the established Due Diligence system, will be considered as Non-Controlled and will not be included in the production of certified products nor supplied as SBP

4 Specific objective of the audit

The specific objective of this evaluation was to confirm that the organization's process is compliant with RED III requirements. In March and April 2026, it was confirmed that the Biomass Producer’s management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification. The scope of this evaluation also covered the Supply Base Evaluation and the mitigation measures described herein. The scope of the evaluation covered: SBP S1: Feedstock Compliance Standard V2.0 SBP S2: Feedstock Verification V2.0 SBP S4: Chain of Custody V2.0 SBP S5: Collection and Communication of Data V2.0 SBP S5E: collection and Communication of Energy and Carbon data V2.1, RED III directive requirement, Instruction Document 1A (v1.0): SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF) and SBP Instruction Document Japan: Bridging Requirements for meeting Japanese sustainability, legality and GHG saving requirements.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Henrique Silva	4.0
2. On-site (excl. travel time)	Henrique Silva and Ivan Muir	30.0
3. Report writing	Henrique Silva	6.0
4. Other	Henrique Silva	22.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Henrique Silva	Lead Auditor	FSC,PEFC,SBP,SURE,GGL, and ENPLus lead auditor
Ivan Muir	Local Expert	-

5.3 Description of evaluation activities

This initial audit was conducted on MA«arch and April, 2026. The audit was conducted on the basis of meeting/interviews with relevant people of the certificate holder, relevant documents and records, and other best available information. The audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit. After this introduction, all relevant Bridging requirements of the SBP scheme for meeting REDIII were verified on compliance through the use of a report template and checklists.

Interviews described on the checklist

The audit was completed by filling in the audit report and discussing the audit results. Critical Control points were evaluated and found to be sufficiently managed and a closing meeting was performed.

5.4 List of forest management units and feedstock suppliers visited

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

Site name
Usutu Forest (compartment D23)
Site location
Eswatini
Site description
FSC certified Eucalyptus forest with operations
Rationale and focus of visit
This visited was based in interviews and observation of the contracter acting during the harvesting.
Description of audit activity
During the visit the operators presented the team, all the labor condicions were compliant. The manager had the map updated and the evaluation of the CM was compliant with real situation onsite.

Site name
Witkop Plantation compt. J003A
Site location
South Africa
Site description
Pine plantation being harvested
Rationale and focus of visit
The visit was planed to inspect the contractor onsite and verify the evalutation form the QM
Description of audit activity
During this isnpection all the requirements related to labor condicions were compliant. The evaluation by the QM was correct. During this visit graves were identified and preserved by the operators and a " local of interest" , not HCV as the local definition.

5.5 Describe audit sampling methodology used

During the audit 2 out 3 FMU's (SR(3)*0,8= 1,3) were visited, and one WaR suppliers visited (only one supplier at the moment)

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

The audit of Organization demonstrated a good level of compliance with the required criteria of Standard 1, 2, 4 and 5. There was reasonable evidence provided to indicate compliance for the requirements of RED III where Non-Conformities were not detected. The existence of FSC Chain of Custody system in combination with the SBP are considered a strength with respect to TDM overall conformity with the relevant SBP standards. An integration of a consultant is also an important advance.

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 supply base has been clearly established. 3 different feedstock categories are being used:

1. forestry feedstock (low grade logs from plantations)
2. Trees outside Forests from landscape (harvest for nature conservation purposes)
3. Processing Residues from own Sawmills

Except for conducting a desk analysis to identify potential risks, specific supply base verifiers are specified and a pre-harvest assessment is conducted within the harvesting areas.
Since there are no TOF harvesting at the moment the inspection was not possible.

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

The only Sawmill was visited during the audit, also a new site on construction was visited. The Saw mill visited and consume FSC certified feedstock form the group own areas.

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

COC system is straight forward: all material goes over the weighbridge. Here material is only accepted when the truck is loaded at a location of which a contract is available, which is an FSC certified FMU with who TDM has a contract, or if the SBE was evaluated as compliant; otherwise material does not enter.
All material is measures and classified according to SBP details based on visual inspection and contract details (e.g. species).
There is one volume overview for all material accounting for all incoming and outgoing material.
All the primary feedstock is chipped in one of of the sites avaiabel to do it.
All steps could be verified by documentation, knowledge of responsible people and observations.

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

The SBP Audit Report (SAR) on Energy and Carbon Data for Woodchips with Stationary Chipping (V3.0) has been completed according to the standard and all data provided by the BP were verified for their consistency and accuracy. TDM do have in depth procedures for this and have supplied and communicated actual data, as well as provided a good overview of the requirements for data collection. During the audit it was observed that the period of report was not compliant and because if that the SAR in not aproved until the updating.

5.13 Summary of audit findings for competency of involved personnel

Internal staff members and one external consultant are involved in the SBP system management and implementation. All interviewed responsible staff demonstrated awareness of their responsibilities within SBP system. The external Consultant who is contracted for forest matters, which includes sourcing the forest based material and field visits and reports for SBP Std.#1. All involved personnel, including responsible staff at suppliers and sub-suppliers have demonstrated good knowledge in relevant fields (recognition and identification of HCVF,

familiarity with health and safety requirements, timber origin verification) during the site visits. Relevant certificates and diplomas were presented during the assessment and scope change audits. Qualification requirements for personnel involved in the SBE system are provided in documented procedures of the BP. In overall, auditors evaluate the competency of main responsible staff to be sufficient for implementing the SBP system with both primary and secondary material sourced within the SBE. This has been based on interviews, review of qualification documents, training records and set of procedures and documents that were composed for the SBP system as well as field observations during the assessment and audits.

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

Control Union Certifications assessed the risk for each indicator in accordance with the guidance set out in Section 11 of SBP Framework Standard 2: *Verification of SBP-compliant Feedstock*. The risk assessment was carried out with the support of a technical expert and considered both the likelihood of non-compliance occurring and the potential impact of such non-compliance. The evaluation was conducted at both regional level and individual forest level. As a result, the assessment identified 18 specified risk indicators in South Africa and 3 in Eswatini covered by the supply base, which require the implementation of specific control systems or mitigation measures.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
South Africa
Area/Sub-Scope
N/A
Indicator
1.1.1 Operations related to feedstock sourcing and biomass production shall comply with all existing applicable laws and regulations.
Specified risk description
This risk does not apply to FSC certified plantations. It applies to non-certified plantations and Trees Outside Forests (Landscape). Questions for each sourcing area are: who has the lawful right to use/manage the land (and the biomass), and is that right undisputed; if the land is communal/traditional-authority land, can the supplier prove the right-holder and consent/allocation from the recognised community/traditional structure and that there is no active dispute/claim affecting the right. For this SBE and the EU RED assessment it is needed to know when the plantation (or land-use change) was lawfully established/expanded and if it is lawfully operated today. Harvesting planted tree stands does not require a harvesting licence and no trading/transport permits are legally required for timber transport. Requesting these evidences is due diligence. On disturbed landscapes, alien invasive trees are regulated through a legal duty on landowners/users to prevent spread and to control or remove listed invasive species. Where infestations are left unmanaged, the invasive trees spread and increase and water consumption and deteriorate the environment.
Detailed description of a mitigation measure
Proof is gathered on land rights and the relevant authorisations/registrations, including verification of waterlicence approval or documented proof of application and progress. Proof of land ownership / lawful land use can be shown through a title deed (or deeds-office property record), a long-term lease or servitude, or a written land-use/management agreement authorising the land user to manage the area. Also gathered are site-specific establishment approvals—especially DWS water-use authorisation and/or water-user registration for afforestation as a Stream Flow Reduction Activity (or ELWU recognition plus registration for older plantations), and any

required environmental authorisation/EIA (and other site-triggered approvals such as heritage/biodiversity where applicable). If a DWS licence/verification is not finalised, proof is needed that a formal process is actively in progress with DWS and that continued operation is lawful while it is concluded. For TOF landscape, proof is also gathered on land use rights. The landowner needs to provide the required authorisation, an invasive-species management plan, and proof of the presence and location of invasive species on the land (maps with species identification). The sale of biomass itself relies on the usual commercial/tax documents (including a VAT tax invoice where the seller is VAT-registered) and practical traceability documentation (delivery note/waybill). Payments are only made by bank transfer.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

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

This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and TOF biomass from landscape clearing. Key biodiversity features and areas of HCV are generally not expected in planted compartments or in disturbed landscapes overgrown by alien invasive trees, but they can occur or develop over time. If these (unexpected) values are not adequately identified before harvesting/clearing, sourcing could affect them and proceed without required permits (TOPS permit for threatened/protected species; protected-tree licence for protected tree species). "Areas of HCV" also include areas with HCV5 (communal rights), although this is very rare in our supply base.

Detailed description of a mitigation measure

Before each harvest, suppliers screen the site for biodiversity values and areas of HCV (including, for example, HCV5 where relevant) using available information and a targeted walkover. Findings are mapped and kept as documented evidence. Where a permit is required, work starts only once it has been obtained. Suppliers are checked routinely on a risk basis, and new suppliers are visited and evaluated before approval. The risk mitigation measures focus mainly on the non-eucalypt plantations, as in practice the eucalypt stands do not have any high biodiversity values.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field

visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
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
This risk does not apply to FSC certified plantations. It applies to non-certified plantations and Trees Outside Forests (Landscape). Biodiversity values and areas of HCV that are present and mapped, including features that develop unexpectedly in plantations, or occur within a TOF clearing area, can deteriorate if an impact evaluation is missing or weak. Harvesting could disturb protected flora/fauna, habitats and buffer zones, or proceed without implementing required EMPr conditions.
Detailed description of a mitigation measure
If biodiversity values and/or HCV areas were found (indicator 2.1.1) suppliers perform a documented impact evaluation before harvesting. Evidence on the impact assessment is kept. Suppliers are checked routinely on a risk basis, and new suppliers are visited and evaluated before approval.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
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
"This risk does not apply to FSC certified plantations. It applies to non-certified plantations and Trees Outside Forests (Landscape). If biodiversity values and areas of HCV were identified, but the

management response is weak, these values can deteriorate. This also applies to controlling and preventing the spread of invasive species."

Detailed description of a mitigation measure

For planted tree stands and invasive-species clearing areas where biodiversity values and areas of HCV
were identified, evidence is kept that the planned management measures were implemented. Records
demonstrate that harvesting/clearing was carried out in line with the produced impact evaluation and its mitigation measures.

Detailed description of CB evaluation of mitigation measure and its conclusions

For planted tree stands and invasive-species clearing areas where biodiversity values and areas of HCV
were identified, evidence is kept that the planned management measures were implemented. Records
demonstrate that harvesting/clearing was carried out in line with the produced impact evaluation and its mitigation measures.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.

Specified risk description

This risk applies to FSC certified plantations, non-certified plantations, and Trees Outside Forests (Landscape). Feedstock could originate from lands that were covered with forest, wetland, peatland, or highly biodiverse grassland in January 2008 and has since been converted or degraded. The concrete site of planned biomass sourcing (plantations and TOF landscapes) may fail this indicator and the similar one of the EU RED unless the land-cover in January 2008 is not investigated.

Detailed description of a mitigation measure

Compliance is verified case by case by determining the land-cover type in January 2008 for the sourcing area. For plantations, this refers to production tree stands, including any recently extended tree-farming area. For TOF landscapes, this refers to the clearing area of invasive species. The indicator is considered met only if the area was not forest, wetland, peatland, or highly biodiverse grassland in January 2008. In practice this means the tree plantations were already established, and the landscape was already overgrown in January 2008. Several evidence pathways can demonstrate compliance. The most efficient pathway is sufficient. There is no need to conduct multiple parallel routes. This usually is proven by a combination of supplier documents

(see indicator 1.1.1) and a source of historic land-cover evidence, such as historic imagery or data around 2008. There can be credible dated authorisations or management records. In case of pine, the age the trees can predate 2008. Any area that fails the EU RED assessment is also treated as non-compliant in the SBE.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

2.2.5 Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.

Specified risk description

This risk does not apply to FSC certified plantations and Trees Outside Forests (Landscape). It only applies to non-certified plantations. The specified risk is that biomass is sourced from sites that are not lawfully operated under the water and environmental framework, or that harvesting/clearing is planned and executed without adequate waterprotection measures, leading to reduced water availability (quantity) and/or increased sediment/erosion impacts to downstream waters (quality).

Detailed description of a mitigation measure

Suppliers must provide proof of lawful water use and water protection controls. This usually is the DWS water-use authorisation and/or registration for plantation forestry as a streamflow reduction activity (or ELWU recognition plus water-user registration and proof of lawful historic afforestation where applicable), and compliance with any other applicable environmental authorisation and EMPr requirements for water protection. If an (updated) DWS authorisation/licence is pending, the requirement is considered met where the supplier can show documented proof of a formal application. Operational planning and implementation records must demonstrate that roading, harvesting and site preparation follow these water-protection measures. If needed, our company will investigate the validity of the authorisations/claims the supplier makes. For TOF landscape, suppliers must show that the invasive-species clearing plan is designed to maintain or enhance water functions, including erosion and sediment controls, protection of sensitive features and buffer zones. Where work affects watercourses, wetlands or regulated zones, applicable DWS requirements must be met. Documentation is retained as evidence.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field

visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
2.2.7 Pesticides shall only be used as part of an Integrated Pest Management (IPM) plan in compliance with national legislation, chemical safety data sheets and industry best practice. Banned pesticides shall not be used.
Specified risk description
This risk does not apply to FSC certified plantations and Trees Outside Forests (Landscape). It only applies to non-certified plantations. Non-certified plantations may use pesticides without a documented Integrated Pest Management (IPM) plan, without full compliance with safety data sheets and chemical safety rules, or with active ingredients that are banned or otherwise not allowed under SBP "industry best practice". This could lead to non-compliant pesticide selection.
Detailed description of a mitigation measure
Non-certified plantations need to provide evidence of a documented IPM plan and pesticide controls that comply with South African law (only products registered under Act 36 and used in line with the label; compliance with occupational health and safety requirements, including safety data sheets, training and PPE). In addition, pesticide selection is checked against internationally recognised best-practice sources, and substances listed as WHO Class 1A/1B and those covered by the Stockholm Convention, the Rotterdam Convention (PIC) and the Montreal Protocol are not used. This is verified through on-site review of the IPM plan, spray records and product information, including confirmation that products are applied according to manufacturer specifications and safety data sheets.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
2.2.10 Harvested areas shall be regenerated

Specified risk description
In South Africa there is no legal requirement to regenerate every harvested plantation compartment within a set period. In practice, private commercial plantations quickly re-establish harvested areas as standard business practice. Some state-managed plantation estates in the supply base, however, have been reported to have substantial replanting backlogs and lower success in establishing new tree stands, linked to weak protection and timber theft.
Detailed description of a mitigation measure
The company verifies whether a supplier is one of the reported underperforming state-run plantation estates. Underperforming suppliers are ruled out.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
2.2.11 The impacts of natural processes such as fires, pests and diseases shall be managed.
Specified risk description
Some state-managed plantation estates in the supply base have been credibly reported to have weak practical control (protection gaps, timber theft, replanting backlogs, etc.), which increases exposure to fires and reduces effective monitoring and response to pests and diseases. As a result, prevention and control of these natural processes may be insufficient.
Detailed description of a mitigation measure
The company verifies whether a supplier is one of the reported underperforming state-run plantation estates. Underperforming suppliers are ruled out.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa

Area/Sub-Scope
N/A
Indicator
3.2.1 All feedstock sourcing shall be consistent with either of these two options: Option A. Feedstock may be sourced from Supply Bases where an assessment of the Supply Base shows that the forest carbon stocks are stable or increasing, or Option B. Feedstock may be sourced, if the assessment shows that the forest carbon stocks are declining in the Supply Base, provided that the decline is due to natural processes (fire, pests etc.), and sourcing of feedstock has the aim to recover feedstock that would otherwise be lost or to assist regeneration.
Specified risk description
This indicator is not applicable to Trees Outside Forests (Urban or Landscape). It applies to plantations, including FSC certified and uncertified plantations. South African law does not require monitoring or reporting of plantation carbon stocks, growing stock, yield trends, rotation productivity, or soil fertility to continue plantation harvesting, so legal compliance alone does not confirm stable or growing carbon stocks. In practice, commercial plantations in the supply base have stable stocks and yield rates, but credible reporting indicates that some state-run plantation estates have large areas left unplanted or understocked for long periods, linked to timber theft and weak protection/capacity. This can reduce average standing stock and yield and weaken carbon-stock stability.
Detailed description of a mitigation measure
TThe long-term stability of the plantations (including soil fertility) and standard operational procedures are assessed during the initial supplier approval investigation. Any reports of insufficient management and/or deterioration of stocks and yields trigger additional research. This topic is not analysed in the EU RED Level B report for the supply base, because South Africa passed EU RED Level A. However, SBP requires continued monitoring of EU RED 29(6)(iv) and on-site field investigations, during which poor management and declining performance would become apparent.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
4.1.1 Freedom of association and the right to collective bargaining shall be respected in the workplace.
Specified risk description
This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and Trees Outside Forests (Urban and Landscape). Although South African law protects freedom of

association and collective bargaining, country-level reporting indicates regular violations, and union presence in parts of the forestry value chain is limited. At uncertified sites, workers, especially casual, seasonal or contractor labour, may face practical obstacles to joining unions or bargaining collectively, including limited union access and representation on site, shortterm or fragmented employment that discourages organising, limited awareness of rights and grievance routes, and, in some cases, pressure, intimidation or retaliation that deters union activity.

Detailed description of a mitigation measure

The company communicates a clear policy requirement to all uncertified suppliers that freedom of association and the right to collective bargaining must be fully respected, including for casual and contractor workers, without intimidation, interference or retaliation. A grievance procedure must be available in the languages commonly used by the workers. Suppliers are informed that any stakeholder, including their contractors and workers, can raise a concern with our company about the supply chain through our publicly available Stakeholder Engagement Plan and Comment and Complaints Procedure. If a credible allegation, or an ongoing case indicates restriction of these rights, the biomass does not pass the SBE. Failure to resolve the issue leads to suspension and, ultimately, termination of cooperation with the supplier.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

4.1.4 Workers shall not be discriminated in hiring, remuneration, access to training, promotion, termination or retirement.

Specified risk description

This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and Trees Outside Forests (Urban and Landscape). Although South African law prohibits workplace discrimination and provides remedies, national monitoring shows persistent discrimination and weak employer compliance. At uncertified sites, especially where outsourcing, small contractors, labour brokers and temporary/lowskilled work are common, controls over fair hiring, equal pay, access to training and promotion, and fair termination can be weak.

Detailed description of a mitigation measure

The company communicates a clear policy requirement to all uncertified suppliers that workers must not be discriminated against in hiring, remuneration, access to training, promotion, termination or retirement, including for casual and contractor workers. A grievance procedure must be available in the languages commonly used by the

workers. Suppliers are informed that any stakeholder, including contractors and workers, can raise a concern about the supply chain through the publicly available Stakeholder Engagement Plan and Comment and Complaints Procedure. If a credible allegation or an ongoing case indicates discrimination or an unfair labour practice, the biomass does not pass the SBE. Failure to resolve the issue leads to suspension and, ultimately, termination of cooperation with the supplier.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

4.1.5 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

Specified risk description

This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and Trees Outside Forests (Urban and Landscape). Although South Africa has a statutory National Minimum Wage, non-compliance occurs in low-wage and contractor-heavy work. At uncertified sites, especially where work is short-term, outsourced, informal or weather dependent (delays), there is a risk that workers are paid below the legal minimum wage and/or that pay is not evidenced with basic labour documentation.

Detailed description of a mitigation measure

The company requires uncertified suppliers (and any contractors/labour brokers they use) to pay at least the National Minimum Wage and to be able to demonstrate compliance with basic payroll evidence for each work package.
If credible concerns arise through monitoring or complaints, SBP acceptance is suspended while the supplier is investigated and must provide documented clarification; unresolved non-compliance leads to suspension or termination of cooperation. Proof of compliance can include time records, wage statements, and proof of payment, supported by contracts/work orders where applicable.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
4.1.6 Working hours shall comply with legal requirements.
Specified risk description
This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and Trees Outside Forests (Urban and Landscape). Although South African law sets binding limits and pay rules for ordinary hours, overtime, rest periods and Sunday/public-holiday work, national compliance reporting shows that working-time non-compliance persists, especially where timekeeping and supervision are weak. The risk is highest in contractor-driven, seasonal and task-based work (including short-term TOF crews and communal/smallholder contexts), where excessive hours, weak records and unpaid overtime can occur. Th topic is governed by laws and regulations. It, however, might happen that workers are discriminated against in the workplace due to lack of management control.
Detailed description of a mitigation measure
This topic is part of the supplier monitoring and stakeholder engagement programmes. Wages are verified through interviews conducted with workers and employment contracts onsite. If doubts arise due to complaints or reported incidents, the case is investigated and the supplier must provide documented clarification. Suppliers (and their contractors/labour brokers) should be able to show the availability of time records and wage statements for the relevant workers. Overtime, rest periods and related pay practices must comply with the BCEA and the Forestry Sectoral Determination.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
South Africa
Area/Sub-Scope
N/A
Indicator
4.1.7 Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation
Specified risk description
The risk is for all suppliers, but practically all points are covered by FSC certification. This indicator concerns whether workers in feedstock production have access to social protection (health care, sickness, retirement, invalidity, death benefits and workers' compensation). In South Africa, public health services are generally available, but benefit access depends on employer-side registrations

and contributions. The specified risk is that workers—especially temporary, seasonal, casual or subcontracted workers—lack verifiable coverage (notably UIF for unemployment/sickness-related mechanisms and COIDA for work injury/death) and lack a credible retirement, invalidity and death-benefit mechanism beyond work-injury cases. Risk is lowest in large companies with formalised operations and stable direct employment where compliance is auditable; it increases where contractors, labour brokers and subcontracting are used (including TOF invasive-species clearing). By law, all employers should register for UIF and Workman's compensation (WCA). However, it might occur that contractors working in uncertified plantations are not monitored do not not comply.

Detailed description of a mitigation measure

Suppliers are assessed during initial approval and then monitored on a risk basis, with increased scrutiny where contractors, labour brokers, seasonal crews or invasive-species clearing teams are involved. Suppliers, including contractors and labour brokers, must confirm benefit coverage through non-personal evidence suitable for due diligence. This includes a signed Supplier Declaration, relevant contract clauses requiring compliance with labour law and benefit obligations, and company-level proof of active registrations/coverage (for example UIF and COIDA registrations/letters, certificates, or equivalent insurer/administrator confirmations), plus documented arrangements for retirement, death and invalidity benefits where applicable. Documentation to proof registration with WCA and UIF are required and verified. Unmanaged subcontracting is not permitted; subcontractors require prior approval and the same requirements must apply. For FSC-certified suppliers, available audit reports and corrective-action records are reviewed as supporting evidence. Suppliers are informed about our policy on this topic and that the Stakeholder Engagement Plan and the Comment and Complaints Procedure are public and open to all, including supplier contractors and workers. This topic is discussed with stakeholders. If doubts arise, additional clarification and evidence is requested. Where evidence is weak or gaps are identified, corrective actions and deadlines are agreed upon.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

4.1.9 Mechanisms shall be in place for resolving grievances and disputes in the workplace.

Specified risk description

This risk does not apply to FSC-certified plantations. It applies to uncertified plantations and Trees Outside Forests (Urban and Landscape). At uncertified sites, especially where subcontractors and seasonal crews are used, workplace grievance and dispute-resolution mechanisms may be informal, inconsistently applied or undocumented. Workers may lack clear, trusted channels to raise

concerns, may fear retaliation, and complaints may not be addressed effectively in practice.

Detailed description of a mitigation measure

During the initial supplier investigation, known and trusted sources are consulted for any indications of inconsistencies or poor complaint handling. Our company requires uncertified suppliers and their subcontractors to have and implement written grievance and dispute-resolution procedures, including a clear no-retaliation statement, clear steps and timelines, record keeping, and communication to workers in a form and language they understand. Suppliers are informed that our publicly available Stakeholder Engagement Plan and Comment and Complaints Procedure is open to all stakeholders, including supplier contractors and workers (with confidentiality provided where needed) and where effective grievance mechanisms and credible non-retaliation safeguards cannot be demonstrated, the biomass is treated as non-compliant, and the cooperation suspended.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

South Africa

Area/Sub-Scope

N/A

Indicator

4.1.10 Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.

Specified risk description

This risk does not apply to FSC-certified plantations. South Africa has a functioning legal and institutional framework for occupational health and safety. It requires employers (including principal contractors) to identify hazards, put risk controls in place, provide information and instruction, ensure safe working procedures and correct use of PPE, and to report and investigate serious incidents, with inspections and enforcement by the Department of Employment and Labour. The specified risk is related to practical implementation. In large, formalised plantation operations with stable direct employment and demonstrable health-and-safety systems, safeguards are usually in place and applied. Risk increases where biomass supply depends on contractors, subcontractors and seasonal labour, because safeguards may exist in procedures but be inconsistently applied on site, such as weak task-based supervision, inconsistent PPE discipline, gaps in competence assurance and refresher training, poor incident and near-miss learning, and weak enforcement of stop-work rules. Trees Outside Forests invasive-species clearing is also treated as specified risk because work is often short-term and dispersed with variable supervision and documentation, and published evidence reports gaps in training and occupational health-and-safety practice in field operations.

Detailed description of a mitigation measure

Suppliers and their subcontractors are required to implement formal, written health-and-safety procedures. These include clear assignment of tasks and supervision, hazard identification and risk controls, mandatory use and maintenance of PPE, incident and near-miss reporting, and role-appropriate training with records.
Requirements must be communicated to workers in a language and form they understand.
Suppliers are monitored through document checks and field inspections of operational performance.
Suppliers are informed that our public Stakeholder Engagement Plan and the Comment and Complaints Procedure are open to all. Where effective safeguards and credible implementation cannot be demonstrated, the biomass is treated as non-compliant.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country

Eswatini

Area/Sub-Scope

N/A

Indicator

2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.

Specified risk description

This indicator is not covered by FSC certification. Feedstock could originate from lands that were covered with forest, wetland, peatland, or highly biodiverse grassland in January 2008 and has since been converted or degraded.

Detailed description of a mitigation measure

In practice our company checks if the area was already a tree plantation in January 2008. This includes any extention of the compartments.
Several evidence pathways can demonstrate compliance and the most efficient one is chosen.
This usually is proven by a combination of supplier documents and a source of historic land-cover evidence. There can be credible dated (water) authorisations. In case of pine, the age of the trees can predate 2008 (this is also evidence). Any area that fails the EU RED assessment (it has similar but more strict requirements) is also treated as non-compliant in the SBE.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field

visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
Eswatini
Area/Sub-Scope
N/A
Indicator
3.2.1 All feedstock sourcing shall be consistent with either of these two options: Option A. Feedstock may be sourced from Supply Bases where an assessment of the Supply Base shows that the forest carbon stocks are stable or increasing, or Option B. Feedstock may be sourced, if the assessment shows that the forest carbon stocks are declining in the Supply Base, provided that the decline is due to natural processes (fire, pests etc.), and sourcing of feedstock has the aim to recover feedstock that would otherwise be lost or to assist regeneration.
Specified risk description
SBP does not recognise FSC certification as sufficient to cover this indicator. FSC does not provide information on carbon stocks and sinks. Monitoring plantation carbon stocks, growing stock, yield trends, rotation periods and productivity, and soil fertility are not required by law. An owner could also stop the plantation business.
Detailed description of a mitigation measure
The long-term stability of the FSC-certified plantations in Eswatini (including soil fertility) and standard operational procedures are assessed during the initial supplier approval investigation. Any reports of insufficient management and/or deterioration of stocks and yields trigger additional research. Additionally, SBP requires continued monitoring of EU RED 29(6)(iv) and on-site field investigations, during which indications of poor management and declining fertility and performance are assessed.
Detailed description of CB evaluation of mitigation measure and its conclusions
The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.

Country
Eswatini
Area/Sub-Scope
N/A
Indicator
4.1.7 Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation
Specified risk description

SBP recognises FSC certification as partially covering this indicator, because the FSC standard does not specifically require all social benefits mentioned in the SBP indicator. FSC explicitly requires compensation that corresponds to sickness and invalidity benefits. Most aspects are covered by law. Risk is lowest in large companies with formalised operations and stable direct employment where compliance is auditable; it increases where contractors, labour brokers and subcontracting are used.

Detailed description of a mitigation measure

Suppliers are assessed during initial approval and then monitored on a risk basis (at least yearly), with increased scrutiny where contractors, labour brokers, and seasonal crews are involved.
Suppliers, including contractors and labour brokers, must confirm benefit coverage through non-personal evidence suitable for due diligence. This includes a signed Supplier Declaration, relevant contract clauses requiring compliance with labour law and benefit obligations, and company-level proof of active registrations/coverage, such as UIF registration and WCA registration. For FSC-certified suppliers, available FSC audit reports are reviewed for any related non-conformances.
Suppliers are informed of our policy on this topic and that our Stakeholder Engagement Plan and the
Comment and Complaints Procedure are public and open to all. This topic is discussed with stakeholders. If our company obtains complaints or is informed about an unsolved incident, or if doubts arise, additional clarification and evidence is requested. Where evidence is weak or gaps are identified, corrective actions and deadlines are agreed upon. Unsolved issues result in halting cooperation with suppliers.

Detailed description of CB evaluation of mitigation measure and its conclusions

The mitigation measures are presented as robust and effective, demonstrating a strong capacity to address and mitigate the identified risks. This assessment is based on field visits, the auditor's professional experience, and the valuable input provided by the local expert.