



Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Laskana-Mežs SIA

Fourth Surveillance Audit

Sustainable Biomass Program
sbp-cert.org





Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Edgars Iecelnieks
Audit team members:	0
Name of the Company:	Laskana-Mežs SIA
Company legal address:	Brivostas str. 40, LV-3405 Liepāja, Latvia
Company contact for SBP:	Ojārs Zeme
Company contact email:	ojars.zeme@laskana.lv
Company website:	www.laskana.lv
Date of installation:	
SBP Certificate Code:	SBP-01-71
Date of certificate issue:	25 Apr 2022
Date of certificate expiry:	24 Apr 2027
Audit closing meeting date:	08 Apr 2026
Audit cycle:	Fourth Surveillance Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Liene Suveizda
Date of decision:	06 Jul 2026
Other comments:	TOF 2A category added to the scope. Product: 4.1 Roundwood included in the scope. Minor NCR raised during RRA process.

2.2 Open non-conformities and observations

NC number 9302 NC Grading: Minor	
Standard:	Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413 v2.0
Requirement:	3.3.10 The start and end of the period shall be aligned with the calendar year or, where applicable, the four quarters of the calendar year. As an alternative to the calendar year, economic operators may also use the economic year that they use for bookkeeping purposes, provided that the choice is clearly indicated and applied consistently. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The Organisation maintains a mass balance system covering processing residues (category 4A) and primary feedstock (category 1A). Both categories have been used for biomass production in audit period. Quarterly accounting periods are applied for both categories. As material accounting begins in December 2024 (aligned with the audit period), the RED mass balance account does not align with the calendar year quarters required for consistent RED reporting. Due to this shortcoming, a minor non-conformity report (NCR) has been raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Pending
Findings for Evaluation of Evidence:	Pending
NC Status:	Open

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

No actions were taken by organisation.

2.4 Notes for the next Audit

No notes for next audit

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 v2.0; Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF) v1.0
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)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	No
Products	WB 2.1 Wood chips, WB 4.1 Roundwood
Feedstock origin (countries):	Latvia
SBP-endorsed Regional Risk Assessments used: Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/	SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	Adding to the scope of the SBP certificate the TOF feedstock (2A) and SBP Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF). Product group roundwood included in the scope.

3.1 Description of the company

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

The BP is a biomass (wood chips; roundwood) producer and trader with the office located in Liepāja, and biomass storage facilities situated in the Rīga, Liepāja ports and Roja harbor. The BP is producing wood chips from primary feedstock originating from the forest. Wood chips are also produced from different types of low-quality wood and firewood delivered with FSC or PEFC claims or verified according to the Supply Base Evaluation (SBE) or the BP's own Controlled Wood verification system for Latvia. However, by now, a very small amount of feedstock verified through SBE, the system maintained if any significant increase in SBP-compliant biomass demand. Other countries are not included in the Controlled Wood verification or the SBP SBE system implemented by the BP. The BP ships the biomass (woodchips) from the Liepāja port, where the facility is located, as well as Rīga port and Roja harbor facilities (FOB). The SBP certificate scope covers the office in Liepāja, and wood chips production, and storage facilities in Liepāja harbor. The BP also trades chips from storage sites located in Rīga port and Roja harbor on FOB Incoterm conditions. All energy data for SAR regarding these ports are collected by BP. The BP has purchased and sold (traded) a small amount of SBP-compliant wood chips during the last audit period. The scope of this evaluation is based on SBP standards No. 1; 2; 4; and 5. The scope of the certificate includes evaluation for compliance with RED requirements for primary and secondary feedstock.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
SIA Laskana Mežs	Brīvostas iela 40, Liepāja, LV-3405	Office	☒
SIA Laskana Mežs	Brīvostas iela 40, Liepāja, LV-3405	Liepāja port storage site	☒
SIA Laskana Mežs	Flotes iela 11/14, Rīga LV-1016	Rīga port storage site	☒
SIA Laskana Mežs	Selgas iela 1L, Roja, Rojas pag., Talsu nov., LV-3264	Roja harbour storage site	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

The BP is a woody biomass (wood chips; roundwood) producer and trader. BP is buying feedstock from FSC and PEFC certified or FSC Controlled wood certified suppliers. Wood chips are also produced from different types of low quality wood and firewood delivered as FSC or PEFC certified or verified according to the BP's own Controlled Wood verification system for Latvia. Only Latvia included in Controlled Wood verification system implemented by the BP. Organization holds valid FSC chain of custody (PBN-COC-013256) and Controlled Wood (PBN-COC-013256) certificates log/ firewood procurement, storage and selling as wood as wood chips procurement, production from logs and sales. BP implements both FSC transfer and FSC credit system. FSC Credit system is applied to storage sites in ports. Feedstock received with FSC 100%/FSC Mix claims, FSC Controlled Wood claim and controlled material that is verified according to company's own FSC Controlled Wood verification procedures is stored together. SBP Transfer system applied to biomass. PEFC certified material is segregated in port storage yard as it may contain PEFC Controlled Sources material without FSC Controlled Wood risk mitigation measures applied. Other feedstock, which is excluded from the SBP certification scope and is segregated and stored separately. All feedstock is delivered to port storage sites by truck (Latvia), where the chips are stored and log chipping is taking place. Wood chips for

export are transported with vessels from Liepāja port and from Riga and Roja based on FOB Riga and FOB Roja Incoterms. Organization's SBP product group includes 6 product groups: roundwood (1A), roundwood (2A), chips produced from low-grade roundwood (1A), chips produced from logging residues (1A), chips produced from TOF feedstock (2A) and chips produced from processing residues (4A). The product group 1A – chipped low-grade roundwood is produced onsite at Liepāja port, though in relatively small volume, and relates to decayed roundwood as a feedstock. Product groups 1A - Chips produced from logging residues are produced in “forest gate”. Product group 4A - Processing residues – chips of primary wood processing byproduct are sourced from few suppliers – sawmills and sold through Liepāja port. SBP's mass balance system is used to control the claims and physical stock in port storage sites. Separate mass balance systems are implemented in each port. All biomass sourced and stored in Riga and Liepāja ports and Roja harbor is SBP-Compliant, hence no physical segregation. All feedstock and biomass received shall be RED compliant, which is ensured through the SBP RED SBE process. Wood chips are sold on FOB incoterm from Liepāja and Riga ports and Roja harbor with SBP-Compliant and RED-Compliant status claims. Product group 4.1 – Roundwood is sold in small quantities in very few instances, when company has extra stock of roundwood material, that can be degraded when stored for too long period. This kind of material can be sold from harbours in which roundwood is delivered for chipping.

4 Specific objective of the audit

The specific objective of the annual surveillance is to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of the specified SBP Standards added to the scope of organization's SBP certificate.

Evaluation of the practical implementation of the requirements of the applicable standards, including:

- Review of the BP's management procedures;
- Review of the production processes,
- Review of chain of custody system critical control points;
- storage site visits (ports);
- Interviews with responsible staff;
- Review of the records, calculations, and conversion factors;
- GHG data collection analysis and review of the applicable reports;
- Review of the BP's management procedures, including requirements designated in SBP standard SBP Standard #1 V2.0; SBP Standard #2 V2.0; SBP Standard #4 V2.0;
- Assessing compliance against SBP Standard #5 V2.0 and accompanying Instruction Document 5E;
- Review of the reports and records, including DTS system information.
- Review of the updated Supply Base Report;
- Evaluation of mitigation measures implemented for primary feedstock,
- Field visits of FMU to evaluate the risk mitigation measures;
- Evaluation of mitigation measures, including evidence of inspections of suppliers of primary (at FMU level);
- Review of risk mitigation measures records.
- review of compliance with SBP Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF)
- review of the BP's management procedures, primarily covering the requirements of SBP RED Bridging Requirement.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	Auditors	Auditor hours
1. Preparation	Edgars Iecelnieks	3.0
2. On-site (excl. travel time)	Edgars Iecelnieks	9.5
3. Report writing	Edgars Iecelnieks	15.0
4. Other	N/A	

5.2 Auditor team qualification

Auditor qualification		
Auditor name	Role	Qualification
Edgars Iecelnieks	Audit team leader	In 2018, obtained a professional bachelor's degree in engineering and qualified as a forestry engineer. In 2020, obtained a master's degree in forest science from the Faculty of Forestry at Latvia University of Agriculture (LLU). Two years of experience at the Latvian State Forest Research Institute "Silava" as a forestry technician. More than two years of experience at the Forest Consulting Services Center as a forestry project manager.

5.3 Description of evaluation activities

The annual surveillance audit began on March 19 with an opening meeting attended by the responsible personnel of the biomass producer - the Production Manager and the Quality Manager. Auditors introduced themselves, mentioned auditor qualification and role in the audit, provided details about the audit plan, work schedule, and methodology, confidentiality issues, assessment methodology, and clarified the scope of verification. A need to collect objective evidence through a combination of document review, interviews, and discussions was stressed, and the importance of the sampling aspect of the auditing process was underlined. Auditors rehearsed the non-conformity (non-conformity reports) grading aspects and mentioned that NCRs are expected in the process designed to help the organization strengthen its procedures and processes. Discussed and confirmed the audit itinerary, based on the audit plan that was provided to the organization before the audit.

After the opening meeting, the responsible staff informed about progress in the organization's production processes and the SBP/SBE system. Further, as part of the office audit, auditors went through and evaluated all applicable requirements of the new v.2.0 SBP standards No. 1 and No. 2, and instruction documents covering the SBE system regarding sourcing of both primary and processing residues feedstock, including requirements designated in the SBP Framework Instruction Document RED: Bridging requirements of the SBP scheme for meeting RED and the overall BP management system. During the process overall responsible person for the SBP

system and over responsible staff (responsible person – the Production Manager and the Quality Manager), having key responsibilities within the SBP/SBE system, were interviewed. Documented procedures for primary and processing residues feedstock supplies with the SBE system, contracts with suppliers containing requirements on health and safety, as well as requirements on evaluation and protection of high conservation values, have been evaluated and discussed with the responsible staff at the organization. Later, an analysis of documents of four processing residues suppliers - sawmills supplying processing residues feedstock – chips and sawdust to BP. Auditors, were reviewed documented procedures for secondary feedstock supplies, delivery notes, accounting system records, list of suppliers were reviewed. Auditor also reviewed roundwood sourcing documentation and checked the risk mitigation measure records, and interviewed responsible persons. The auditor reviewed the Supply Base Report and interviewed the responsible person regarding the Supply Base Report.

Auditors went through all applicable requirements of the SBP standard No., 5 (v.2.0) and instruction document 5E (v.2.1) covering input clarification, existing chain of custody and controlled wood systems, management system, CoC, recordkeeping/mass balance requirements, emission and energy data and categorization of feedstock inputs and verification of SBP compliant and SBP Controlled feedstock/ biomass. The overall responsible person for the SBP system and other responsible staff who have key responsibilities within the system were interviewed during the process.

In the second half of the day, auditors reviewed the SBP chain of custody system, material acceptance, and recording. Reviewed credit system, conversion factors.

Compliance with SBP Standard 4 (v2.0) and Chain of Custody system implementation was reviewed, focusing on the Critical Control Points. In particular, it was verified that reception of the material and its classification, identification of feedstock origin, production process with the conversion factors associated, mass balance, final product storage, and sales

Further on the auditors evaluated the SBP (SBE) system – effectiveness, monitoring, supplier review, evaluation of suppliers, and risk mitigation measures.

Liepāja port storage where the wood chips are produced and stored was visited in the same day, evaluating the critical control points, feedstock reception procedure, SBP-Compliant biomass storage conditions, physical segregation of biomass, and health and safety conditions at the site. Responsible personnel - the Production Manager and the feedstock receptionist were interviewed during the site tour.

Other two storage sites in Riga port and Roja harbor were visited before the audit as part of organization's FSC Chain of Custody audit. The SBP auditor visited both storage sites, evaluated the feedstock reception procedures, observed the feedstock reception procedure, critical control points, SBP-Compliant biomass storage conditions, inspected the storage of SBP-Compliant biomass. Also, the health and safety procedures and systems were evaluated during the onsite inspection.

Field inspections to evaluate the risk mitigation measures also were conducted by the SBP auditor prior to the office audit. The purpose of the audit was to evaluate the efficiency of risk mitigation measures implemented by the BP. Auditor selected logging site with HCV attributes and assessed if the risk mitigation measures are implemented in line with BP's procedures.

Additional remote meetings were held on March 23 and March 31. During those meetings the outstanding questions were clarified and BP's procedures in relation to TOF (2A) feedstock and risk assessment were evaluated.

A closing meeting was conducted on April 8. Closing meeting was held remotely in a MS Teams meeting. During the closing meeting a summary of audit results was presented and audit findings conveyed to the BP's responsible personnel. Audit findings were summarized, and audit conclusions delivered based on the use of the 3-angle evaluation.

5.4 List of forest management units and feedstock suppliers visited

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

Site name
FMU Lielrudesmeņģi
Site location
Cad. No. 64860060019, block 3, comp. No. 17
Site description
Habitat of specially protected species have been identified in the FMU, where the feedstock had been sourced from.
Rationale and focus of visit
The focus of the inspection: evaluating BP's approach in implementing the risk mitigation measures for SBP risk indicators 2.1.1, 2.1.2, 2.1.3 according to SBP revised RRA for Latvia (July 12, 2024) related to identification and protection of HCVs of category 1 .
Description of audit activity
Auditor visited the FMU, observed the locations where the forest management activities had been conducted and evaluated how HCV are protected with the focus of assessing how BP identifies and preserves the HCV at the forest level. Auditor conclusion: the HCVs had been preserved in line with SBP standard requirements and national legislation requirements.

5.5 Describe audit sampling methodology used

Description of sampling During the office audit auditor conducted the sampling of the suppliers and FMUs for field inspections. Auditor made a plan for field inspections based on sampling, selecting for inspection feedstock suppliers included into Supply Base Evaluation: The following considerations have been taken into account to establish as sample and the sampling intensity: 1) Geographical area; 2) Type of the operations and activities; 3) Risk mitigation measures related to origin and mixing. Geographical area: BP is sourcing the primary feedstock included in the scope of the Supply Base Evaluation from Latvia. The BP is sourcing feedstock from Latvia. So, FMUs and properties of forest and non-forest lands from the sourcing region shall be included in the sample. Type of operations and activities: The SBE covers primary feedstock (logging residues, branches, low quality roundwood etc.) from forest (product group 1A). Thus, FMUs in forest lands shall be included in the sample. Risks identified in the SBP risk assessment for Latvia: Regarding the feedstock origin for Latvia, the following risks are considered as "specified" in Regional Risk Assessment endorsed by SBP: 2.1.1. Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified. 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. 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. 3.2.3. Primary 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). To evaluate the risk mitigation measures implemented by BP for indicators 2.1.1, 2.1.2, 2.1.3 and 3.2.3 sites after harvesting were included in the sample. Sampling intensity: Auditors sampled the feedstock origin data covering the audit period for the presence of HCVs using desk tools and selected for field inspections FMUs that contain HCV attributes (compartments of HCV in felling permit, HCV

border/topology issues etc). This approach in the auditor's opinion is more efficient and sensible by selecting only those FMUs/compartments that have reason to inspect in the field. It is considered sufficient to cover all major risk aspects and provide a sufficient level of assurance for compliance with the standard. Desk-based analysis of primary feedstock origin data at FMU level was conducted to identify FMUs with HCV attributes such as High Conservation Value Forests category 3 – forest habitats of Latvian and EU importance, High Conservation Value Forests category 1 objects - RTE species locations and High Conservation Value Forests category 6 objects - objects of nature/cultural heritage value. Desk analysis revealed 1 site where the harvesting has been conducted in HCV and feedstock sourced during the audit period. Auditors included this site in field inspections. Auditor selected this FMUs to evaluate 2.1.3 for harvesting activities and 2.1.1. for the pre-screening and identification of HCV in field inspections. The documents related to SBP Standards No. 2, No. 4 and No. 5 were sampled using a general, Preferred by Nature adopted random sampling approach. During audit period company has purchased secondary feedstock from 3 suppliers. Square root from 3 = approximately 1,7. During this audit no suppliers were visited, because it was done in recent scope change audit (16.10.2025). During audit company's supplier audit, suppliers self declarations, supplied amount of secondary material was reviewed.

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.

As per SBP standard No. 2 (v.2.0) requirements, the BP had not conducted the stakeholder consultation, since this is regular surveillance audit. However CH is regularly having a contact with stakeholders that are specialists in nature and bird protection, to have their opinions on company's risk mitigation measures.

5.7 Stakeholder feedback and response

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

See 5.6. See the Supply Base report for details on stakeholder feedback.

5.8 Main strengths and weaknesses of the management system and operations

Strengths: the organization is managing a simple system without processing of biomass, which is supported by other certification schemes. A large share of the feedstock inputs are with SBP-recognized certification scheme claims.

A small number of the management staff and clearly designated responsibilities within the staff members. Close cooperation and access to information with the forest management company – supplier of primary feedstock Laskana Mežs SIA. Strong commitment in the implementation of the SBP system and a positive approach have been observed.

Weaknesses: no weaknesses detected.

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 organisation is implementing the Supply Base Evaluation process for primary feedstock originating from Latvia or received without SBP-approved Forest Management Scheme claim, SBP-approved Forest Management partial claim, or SBP-approved Chain-of-Custody (CoC) System claim. Risk mitigation measures have been elaborated and are being implemented for feedstock originating from forest land (material sourced under FSC Controlled Wood system).

The BP is applying the SBP-endorsed regional risk assessment for the feedstock supply base covering SBE – the Republic of Latvia. Based on the “specified risks” in the risk assessment, the organization has elaborated mitigation measures, which were consulted with relevant stakeholders before implementing. Risk mitigation measures are relevant in addressing risks. It was evaluated at the time of the assessment audit that the BP had evaluated options for risk mitigation measures and selected the appropriate and effective risk mitigation measures out of those referenced in the risk assessment.

The BP had undertaken the implementation of the mitigation measures for individual SBP standard indicators. The mitigation measures were designed in cooperation with external experts - nature/forest habitat experts, and experts on health and safety issues. The stakeholder consultation process has been conducted through the notification of stakeholders and distributing the SBR report to stakeholders as well as individual, direct consultations with several acknowledged experts. The BP is keeping records of communication with stakeholders.

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

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

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

The chain of custody system was reviewed during the onsite audit. Critical control points have been evaluated during the annual surveillance audit and the most important critical control points, such as port storage sites (terminals) have been visited onsite. BP's documented control system has been reviewed during the annual surveillance audit and discussed with BP's responsible personnel. BP's accounting system was reviewed and information in the CoC registers was verified.

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

The BP has established a system to record and collect data. During the audit, the BP had made a detailed overview of the systems and databases together and recorded such data. Evidence was provided to auditors. Data is collected from suppliers about the distances from where material is transported, all production data is recorded in the BP production database, and information about fossil fuels used is based on invoices and production logs. Transportation distances from suppliers to the port and volumes are recorded in the BP's ERP systems. Default GHG values are used for activities related to primary biomass sourcing - harvesting, forwarding etc.

GHG-related information is compiled in the SAR document. All evidence was provided to the auditor by the person responsible for GHG data evaluation. Auditor considers it sufficient to fulfill the SBP/RED requirements.

5.13 Summary of audit findings for competency of involved personnel

There is a number of staff members who are directly involved into the SBP system management and implementation. Those are: Production director, who is the overall responsible for the SBP system at the organization, the Certification specialist who is ensuring the daily operation of the SBP system, forest foremen, who are conducting verification of the feedstock sustainability at the sourcing site level, receptionists who are ensuring the feedstock reception at ports, data entering, evaluation of feedstock and biomass stock management; and Financial Manager, whose responsibility is to compile the data on feedstock and biomass.

It has been confirmed during the audit, with interviewed personnel, that the staff is aware of their responsibilities within the SBP system.

Auditors evaluate the competency of responsible staff to be sufficient for implementing the SBP requirements. This has been based on interviews, review of qualification documents, training records, and a set of procedures and documents that were composed for the SBP system.

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

1. SBP Standard No. 1, primary feedstock (forest based)

The SBP certification system includes a Supply Base Evaluation (SBE) program, which is based on a regional risk assessment and the mitigation of identified risks. Feedstock that undergoes risk mitigation measures described in the SBE program meets the requirements for SBP-certified material (SBP-Compliant). To reduce the risk of sourcing from high conservative-value forests and meet the demand for SBP-compliant biomass, the organization has undertaken a supply base evaluation for primary feedstock originating from Latvia according to the SBP Framework Standard 1: Feedstock Compliance Standard and Standard 2: Verification of SBP-compliant Feedstock.

The risk assessment of the SBE is based on the Revised Regional Risk Assessment for Latvia V2.0 as published on 12 July 2024. Risk assessments are available on the SBP homepage: <https://sbp-cert.org/documents/normative-documents/version-2/risk-assessments/>

The organization has developed risk mitigation measures so that feedstock can be sourced and sold as SBP-compliant feedstock. For more details, see the section Specified risk indicators and mitigation measures.

2. SBP Standard No. 1, Primary feedstock, Trees Outside Forest (2A)

During audit company has decided to add 2A TOF input material to their scope. The organization had elaborated the risk assessment for Trees Outside Forest feedstock sourced within the process of Supply Base Evaluation. The risk assessment has been developed as per requirements of SBP Instruction Document 1A. The organization had evaluated several indicators "specified risk" status (2.1.1, 2.1.2, 2.1.3) and developed risk mitigation measures so that feedstock can be sourced as "low risk" SBP-compliant feedstock. For more details, see the section Specified risk indicators and mitigation measures.

3. Primary feedstock, RED sustainability requirements (EU Renewable Energy Directive EU/2023/2413)

As of the audit date there is Level A risk assessment for Latvia available. The risk assessment ("Ilgtspējas kritēriju atbilstība tiesību aktiem un uzraudzības un izpildes sistēmām: RED II un RED III") elaborated by the Ministry of Agriculture, endorsed by the SBP is covering the sustainable harvesting criteria as defined by the Article 29(6).

The following risk designations have been determined in the SBP endorsed RED Level A Risk Assessment for Latvia (Forest):

- (i) The legality of harvesting operations: **"Level A"**.
- (ii) Forest regeneration of harvested areas: **"Level A"**.
- (iii) Areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes: **"Level A"**.
- (iv) That harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts and ecologically appropriate retention thresholds for deadwood extraction: **"Level A"**.

- (v) Harvesting maintains or improves the long-term production capacity of the forest: **"Level A"**.
- (vi 1) Biomass fuel shall not be made from raw material obtained from the primary forest (there is no clearly visible indication of human activity) and old-growth forest (signs of former human activities may be visible) (no-go area): **"Level A"**.
- (vi 2) Biomass fuel shall not be made from raw material obtained from highly biodiverse forests unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes: **"Level A"**
- (vi 3) Biomass fuel shall not be made from raw material obtained from natural, highly biodiverse grassland or non-natural, highly biodiverse grassland unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as non-natural, highly biodiverse grassland (no-go area for natural): **"Level A"**.
- (vi 4) Biomass fuel shall not be made from raw material obtained from heathland (nogo area): **"Level A"**.
- (vi 5) Biomass fuel shall not be made from raw material obtained from land that had the status of wetlands in 2008, and no longer has that status: **"Level A"**.
- (vi 6) Biomass fuel shall not be made from raw material obtained from peatland unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil: **"Level A"**.
- (vii) That installations producing biomass fuels issue a statement of assurance that the forest biomass is not sourced from the lands referred to in point (vi): **"Level A"**
- LULUCF criteria 29(7): Is a Party to the Paris Agreement: **"Level A"**
- LULUCF criteria 29(7): Has submitted a nationally determined contribution (NDC): **"Level A"**
- LULUCF criteria 29(7): Has national or sub-national laws in place in accordance with Article 5 of the Paris Agreement: **"Level A"**

The BP is also implementing the RED SBE for secondary feedstock sourced from Latvia, complying with the requirements of the RED Article 29(1) – Exemption for processing residues and post-consumer feedstock (wastes and residues)

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Latvia
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
see the Regional Risk Assessment for Latvia (v.2.0): https://sbp-cert.org/documents/consultation-documents/archive/revised-rra-latvia/
Detailed description of a mitigation measure
Risk mitigation measures are applicable for forest and TOF 2A input materials. The organization identifies HCV areas and assesses compliance, using expert input when needed. Upon receiving a load, the company checks the <i>Ozo/s</i> database and verifies

feedstock origin data using Cadaster Numbers from Felling Permits and purchase agreements—without a valid Felling Permit, loads are not accepted. Verification sources include the *Ozo/s* database, field inspections, supplier interviews, expert consultations, environmental databases, NGO reports, and relevant legislation. All data is documented.

If a rare or protected species habitat is identified, an on-site inspection is conducted to ensure it has not been harmed and that legal and responsible forestry practices have been followed. Expert evaluations are used if necessary. Only feedstock meeting SBP-compliant criteria, with mitigated HCV risks, is accepted. Risk mitigation includes supplier self-declarations and the “Tree Origin, Legality, and Specimen” form, helping to ensure compliance with SBP standards. Laskana Mežs also provides training for staff and suppliers to identify sensitive habitats and ensure safety and responsible forestry practices identifies HCV areas and assesses compliance, using expert input when needed. Upon receiving a load, the company checks the *Ozo/s* database and verifies feedstock origin data using Cadaster Numbers from Felling Permits and purchase agreements—without a valid Felling Permit, loads are not accepted. Verification sources include the *Ozo/s* database, field inspections, supplier interviews, expert consultations, environmental databases, NGO reports, and relevant legislation. All data is documented.

If a rare or protected species habitat is identified, an on-site inspection is conducted to ensure it has not been harmed and that legal and responsible forestry practices have been followed. Expert evaluations are used if necessary. Only feedstock meeting SBP-compliant criteria, with mitigated HCV risks, is accepted. Risk mitigation includes supplier self-declarations and the “Tree Origin, Legality, and Specimen” form, helping to ensure compliance with SBP standards. Laskana Mežs also provides training for staff and suppliers to identify sensitive habitats and ensure safety and responsible forestry practices

Detailed description of CB evaluation of mitigation measure and its conclusions

The feedstock origin data for primary feedstock was validated by screening deliveries from areas with HCVs - forest habitats and RTE species. Desk review of feedstock origin data and field inspections by the certification body did not reveal discrepancies. Review of the BP audit records did not reveal controversial findings or disputes that would require additional field verification by the certification body.

Country

Latvia

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

see the description of specified risk in the SBP Revised Risk Assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf

Detailed description of a mitigation measure

Risk mitigation measures are applicable for forest and TOF 2A input materials. The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests. Laskana Mežs conducts audits of suppliers/forest managers and conducting assessment of threats to HCVFs and HCV areas, and compliance verification opinion with or without expert advice. The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, communication with experts from the Nature Conservation Agency, maps, interviews, regional, publicly available data from trusted third parties, environmental NGO reports and maps, relevant websites of the State Forest Service, the Nature Conservation Agency and EU agencies, relevant Latvian national and EU legislation, laws and regulations

Detailed description of CB evaluation of mitigation measure and its conclusions

The feedstock origin data for primary feedstock was validated by screening deliveries from areas with HCVs - forest habitats and RTE species. Desk review of feedstock origin data and field inspections by the certification body did not reveal discrepancies. Review of the BP audit records did not reveal controversial findings or disputes that would require additional field verification by the certification body.

Country

Latvia

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

See the description of the specified risks in the revised SBP risk assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf

Detailed description of a mitigation measure

Risk mitigation measures are applicable for forest and TOF 2A input materials. The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests. Laskana Mežs conducts audits of suppliers/forest managers and conducts

assessment of threats to HCVPs and HCV areas, and compliance verification opinion with or without expert advice.

The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, communication with experts from the Nature Conservation Agency, maps, interviews, regional, publicly available data from trusted third parties, environmental NGO reports and maps, relevant websites of the State Forest Service, the Nature Conservation Agency and EU agencies, relevant Latvian national and EU legislation, laws and regulations

Detailed description of CB evaluation of mitigation measure and its conclusions

The feedstock origin data for primary feedstock was validated by screening deliveries from areas with HCVs - forest habitats and RTE species. Desk review of feedstock origin data and field inspections by the certification body did not reveal discrepancies. Review of the BP audit records did not reveal controversial findings or disputes that would require additional field verification by the certification body.

Country

Latvia

Area/Sub-Scope

N/A

Indicator

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

Specified risk description

see the description of specified risks in the Revised Regional Risk assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf

Detailed description of a mitigation measure

Risk mitigation measures are applicable for forest and TOF 2A input materials.

The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests

Laskana Mežs conducts audits of suppliers/forest managers and conducts assessments of threats to HCVPs and HCV areas, and compliance verification opinions with or without expert advice.

The BP shall not buy biomass if it originates as a result of deforestation activities, or if biomass is sourced from wetlands and the management activities had an impact on the quality of the wetland. In such cases, the biomass shall not be considered SBP-compliant.

During the review of the reference period, no biomass purchases from high-carbon areas were identified.

The following sources of information are used: records of field inspections carried

out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, communication with experts from the Nature Conservation Agency, maps, interviews, regional, publicly available data from trusted third parties, environmental NGO reports and maps, relevant websites of the State Forest Service, the Nature Conservation Agency and EU agencies, relevant Latvian national and EU legislation, laws and regulations

Detailed description of CB evaluation of mitigation measure and its conclusions

The feedstock origin data for primary feedstock was validated by screening deliveries from areas with HCVs - forest habitats and RTE species. Desk review of feedstock origin data and field inspections by the certification body did not reveal discrepancies. Review of the BP audit records did not reveal controversial findings or disputes that would require additional field verification by the certification body.