

Certification Evaluation Report

Roundtable on Sustainable Biomaterials

UPM Kymmene Corporation

SCS Certificate Code: SCS-RSB/PC-00392

Address: UPM Kymmene Oyj: Production plant: Puuportintie 186, 53200 Lappeenranta, Finland

UPM Seven Seas Oy and UPM Sales Oy: Alvar Aallon katu 1, 00100 Helsinki, Finland

Maria Puustinen - Specialist, Sustainability, Biofuels, Biorefining

www.upm.com

CERTIFIED	EXPIRATION
May 13, 2017	May 12, 2022

DATE(S) OF AUDIT
21-24 Jan 2019
DATE OF LAST UPDATE
1 April 2019

SCS Contact:

Matthew Rudolf | Manager, Biofuels
+1.919.533.4886 (direct) mrudolf@scsglobalservices.com

SCSglobal
SERVICES

Setting the standard for sustainability™

FOREWORD

SCS Global Services (SCS) is a certification body accredited by the Roundtable on Sustainable Biomaterials (RSB) to conduct evaluations of biofuel operators. Under the RSB/SCS certification system, participating operators meeting international standards of biofuel production can be certified as “sustainable,” thereby permitting the Operator’s use of the RSB endorsement and logo in the marketplace subject to regular RSB/SCS oversight.

SCS deploys interdisciplinary teams of natural resource specialists and other experts all over the world to conduct evaluations of biofuel operations. SCS evaluation teams collect and analyze written materials, conduct interviews with Participating Operator’s staff and key stakeholders, and complete field and office audits of the operation(s) identified in the certification scope. Upon completion of the fact-finding phase of all evaluations, SCS teams determine compliance to the RSB Principles and Criteria.

Please Note: An RSB certificate itself does not constitute evidence that a particular product supplied by the certificate holder is certified to RSB standards. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required RSB claim is clearly stated on-product. For more information about the RSB, visit their website at www.rsb.org.

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Roundtable on Sustainable Biomaterials. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs, and policies applied to the Participating Operator, and the results of the evaluation. Section A will be posted on the RSB Participating Operators Database (<http://rsb.org/certification/participating-operators/>). Section B contains more detailed results and information for use by the Participating Operator.

CONTENTS

SECTION A – PUBLIC SUMMARY	4
1.0 GENERAL INFORMATION	4
1.1 Operator Information	4
1.1.1 Name and Contact Information	4
1.1.2 Additional Parties Involved	4
1.2 Scope of Certificate	4
1.3 Standards Used	6
1.3.1 Applicable RSB-Accredited Standards	6
2.0 EVALUATION PLANNING & PROCESS	6
2.1 Documentation Submitted by Operator	6
2.2 Audit Type and Determination	8
2.3 Audit Team	8
2.3.1 Determination of Audit Team	8
2.3.2 Audit Team	8
2.4 Evaluation Schedule and Extent of Audit	9
2.4.1 Determination of Extent of Audit	9
2.4.2 Evaluation Itinerary and Activities	9
2.5 Evaluation of Management System	14
2.5.1 Methodology and Strategies Employed	14
2.5.2 Capacity of the participating operator to implement its management systems	15
2.5.3 Evaluation of RSB compliance claims and use of RSB trademarks	15
2.6 Stakeholder Consultation Process (for Main audits)	Error! Bookmark not defined.
3.0 RISK ASSESSMENT RESULTS	15
4.0 RESULTS OF THE EVALUATION	16
4.1 Process of Determining Compliance	16
4.1.1 Structure of Standard and Degrees of Non-Compliance	16
4.1.2 Interpretations of Major and Minor Non-compliances	16
4.1.3 Major Non-compliances	16
4.1.4 Non-compliances and Current Status	17
5.0 CERTIFICATION DECISION	17

Sub Certificate Codes (if applicable) 17

SECTION B – APPENDICES (CONFIDENTIAL)Error! Bookmark not defined.

Appendix 1 – Certification Standard Conformance TableError! Bookmark not defined.

Appendix 2 – Results of Evaluation of Operator Management System(s) ...Error! Bookmark not defined.

SECTION A – PUBLIC SUMMARY

1.0 GENERAL INFORMATION

1.1 Operator Information

1.1.1 Name and Contact Information

Organization name	UPM Kymmene Oyj		
Operator Number	APP-002095		
Contact person	Milla-Maria Vastavuo - Specialist, Sustainability, Biofuels, Biorefining		
Address	Main Office: Alvar Aallon katu 1, 00100 Helsinki, Finland Production plant: Puuportintie 186, 53200 Lappeenranta, Finland	Telephone	
		Fax	
		e-mail	Milla-Mari.Vastavuo@upm.com
		Website	

1.1.2 Additional Parties Involved

Organization name	UPM Seven Seas Oy and UPM Sales Oy		
Contact person	Milla-Maria Vastavuo - Specialist, Sustainability, Biofuels, Biorefining		
Address	Alvar Aallon katu 1, 00100 Helsinki, Finland	Telephone	+358 40 842 4454
		Fax	-
		e-mail	Milla-Mari.Vastavuo@upm.com
		Website	www.upm.com
Nature of Involvement:			
Collecting point			

1.2 Scope of Certificate

Please select one:	<input checked="" type="checkbox"/> RSB EU RED	<input type="checkbox"/> RSB Global
	<input checked="" type="checkbox"/> RSB Global Advanced Fuels and Advanced product standards	

Please select boxes that apply:	<input type="checkbox"/> Pre-assessment <input type="checkbox"/> 1st Annual Surveillance <input type="checkbox"/> Initial Assessment <input checked="" type="checkbox"/> 2nd Annual Surveillance <input type="checkbox"/> Re-certification <input type="checkbox"/> 3rd Annual Surveillance <input type="checkbox"/> Follow-Up to NCs <input type="checkbox"/> 4th Annual Surveillance
The scope assessment agrees with the scope under which the operator applied	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If no, please explain:	na
<i>Note: If the scope is different, please contact SCS.</i>	
Total workers covered by scope of certification:	99
Number of women workers	25

INDUSTRIAL FACILITIES	
Name	UPM Kymmene Oyj Production plant: Puuportintie 186, 53200 Lappeenranta, Finland
Type	<input type="checkbox"/> Agriculture Milling and/or Fermentation <input type="checkbox"/> Vegetable oil Extraction <input checked="" type="checkbox"/> Biofuel Production and/or Distribution <input type="checkbox"/> Other, please explain here:
Location/City	Puuportintie 186, 53200 Lappeenranta, Finland
Geographic location (<i>Latitude & Longitude</i>)	61.071048, 28.237049
Start date of operations (initial start date)	01.01.2015
Number of processing steps	1. Transport: From PoO to refinery, from refinery to warehouse 2. Process: Pre-treatment: purification, hydro-treatment, fractionation
Annual throughput of previous 12 months (<i>Can be moved to appendix if certain information is confidential</i>)	
Feedstock Input (Metric Ton)	73,745.92 mt
Final/Primary Product Output (Metric Ton)	Renewable diesel (RENDI) 39,948.52 mt Renewable naphtha (RENNA) 14,814.81 mt
Intermediate/by-product Output (Metric Ton)	Tall Oil Pitch (by-product) Renewable turpentine (by-product) Sodium bisulphite (by-product)
% output yield compared to input material (total output/total input)	Renewable diesel (RENDI) 0,73 Renewable naphtha (RENNA) 0,27
Amount sold as RSB certified (tons)	0

Description of Production/Processing Activities:			
UPM operates a HVO production plant that hydrogenates and deoxygenates fatty acids. Principal feedstock is Crude Tall Oil from pulp mills. Primary products are Renewable diesel (HVO) and renewable naphtha. Co-products include Tall Oil Pitch, Renewable Turpentine and Sodium bisulphate.			
For Biofuels Producers: Please state the GHG emissions occurring at the operator's sites in g CO2eq/ dry-ton for raw materials and intermediary products and g CO2eq/MJ for final biofuels (annualized, after allocation) and if applicable, achieved emission savings, and if applicable, explanation for deviation from typical GHG values			
Raw Material:		GHG	0 g Co2 eq/ dry ton raw material (considered an industrial residue)
Final Biofuel	Renewable diesel (RENDI)	GHG	605,37 kg CO₂ eq/ ton
Final Biofuel	Renewable naphtha (RENNA)	GHG	597,34 kg CO₂ eq/ ton
<i>Add more lines as you see fit</i>			

1.3 Standards Used

1.3.1 Applicable RSB-Accredited Standards

Title	Version
Principles and Criteria (RSB-STD-11-001-01-001)	3.0
RSB Standard for Traceability (Chain of Custody) (RSB-STD-11-001-20-001)	3.6
RSB Standard for Participating Operators (RSB-STD-11-001-30-001)	3.2
RSB Risk Management (RSB-STD-11-001-60-001)	3.2
Procedure on Communication and Claims (RSB-PRO-11-001-50-001)	3.3
RSB Standard for EU Market Access (RSB-STD-11-001)	3.2
RSB Waste and Residues (RSB-STD-11-001-01-010)	1.2
RSB Standard for Advanced Products	2.0
All standards employed are available on the websites of the Roundtable on Sustainable Biomaterials (http://rsb.org/sustainability/rsb-sustainability-standards/). Standards are also available, upon request, from SCS Global Services (http://www.scsglobalservices.com/).	

2.0 EVALUATION PLANNING & PROCESS

2.1 Documentation Submitted by Operator

3-2017 to 12-2017 Quantity reports ISCC and RSB compliant material	31 Jan 2017
2017 April ESMP UPM Biorefinery	13 Apr 2017

2010 21092010 Kaukas Biorefinery Environmental Assessment	2010
RSB Certification Self Risk Assessment Form UPM Biofuels Business	Jan 2018
2017 Internal Sustainability Audit report MP	1.11.-31.12.2017
Internal sustainability audit template	11.12.2018
ESPM Handbook	18.01.2019
Last internal audit report	14.11.2018
Smell external complaints	2018
UPM Kaukas website with contact, email address and phone number	actual
List of biorefinery team in Kaukas in the intranet	actual
Biofuels team in HQ in Helsinki, in the intranet	actual
UPM Biofuels Organisation. PPT Presentation	3.12.2018
GHG calculation from	18.01.2019 for 2018
List of flow meters and level indicators	07.12.2016
Calibration of truck scales: Scale 1: Nr. V172036-45 by Inspecta, calibrated till 7.2020, from 31.7.2017 Scale 2: Nr. V172036-46 by Inspecta, calibrated till 7.2020, from 31.7.2017 Scale 3: Nr. V172036-47 by Inspecta, calibrated till 8.2020, from 01.08.2017 Scale 4: Nr. V172036-48 by Inspecta, calibrated till 8.2020, from 01.08.2017 Scale 5: Nr. V172036-49 by Inspecta, calibrated till 8.2020, from 02.08.2017 Scale 6: Nr. V172036-50 by Inspecta calibrated till 8.2020, from 02.08.2017 Scale 7: Nr. V172036-51 by Inspecta, calibrated till 8.2020, from 03.08.2017 Scale 8: Nr. V172036-52 by Inspecta , calibrated till 8.2020, from 04.08.2017 Scale 9: Nr. V172036-53 by Inspecta , calibrated till 8.2020, from 04.08.2017	
Amendment agreement to supply agreement with BillerudKorsnäs	28.11.2018
Code of Conduct signed by CEO in 2016	2016
https://www.upm.com/responsibility/supply-chain/responsible-sourcing/	actual
UPM Biofuels Responsibility Rule	6.2.2018
Environmental permit Dnro ESAVI/348/04.08/2013	14.04.2015
Environmental permit Dnro ESAVI/167/04.08/2011 for refinery plant	2.12.2011
Monitoring plan	27.08.2015
Report by Eurofins, report number 18R241, 4.1.2019, emissions measurements report	actual
Procedures and instructions for handling of chemicals, document ID 437	acceptance date 27.11.2018
Biorefinery waste management guidance, document ID 600	29.10.2018

Biorefinery metrics for GHG inputs	actual
RSB Certificate, Low iLUC Risk Approved (RSB-STD-04-001 v. 0.3)	actual
2019.6.27_UPM Biofuels GHG 2019 Apr-May	GHG 2019 Apr-May

2.2 Audit Type and Determination

The following table summarizes the audit types for RSB Audits:

	Low risk class	Medium risk class	High risk class
Certificate validity	5 years	3 years	2 year
Main audit	Every 5 years	Every 3 years	Every 2 year
Surveillance audit	Annual	Annual	Annual

2.3 Audit Team

2.3.1 Determination of Audit Team

- Desk audits shall always be conducted by at minimum one (1) international lead auditor. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.
- Field audits shall always be led by one (1) international lead auditor.
- The lead auditor appointed shall include at minimum one (1) local auditor in the audit team. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.

2.3.2 Audit Team

Auditor Name:	Dr.-Ing. Karolina Kapsa	Auditor role:	Lead auditor
<p>Qualifications: Dr.-Ing. Karolina Julia Kapsa is a lead auditor for ISCC, REDcert, RSB, ISO 14001 / 50001 and waste management. She did her Master’s degree in Economics in 2003 and obtained PhD degree in Environmental Engineering from the Technical University of Berlin in 2010. Currently she works as an Auditor for different Certification Bodies.</p> <p>Dr.-Ing. Karolina Kapsa has extensive project management/Research/Consulting experience in energy & waste management and sustainable biomass certification with various companies worldwide.</p>			
Auditor Name:	Piero Ausonio Bianco	Auditor role:	Co-auditor
<p>Qualifications: Piero Ausonio Bianco has worked as an ISCC auditor since 2014 and has completed numerous audits in Europe and the Middle East. In addition to his work as an ISCC auditor, Piero is also approved to conduct RSB audits for waste and residue operations since 2017. Piero runs a consulting business doing work on research and development, export support, renewable energy and sustainability, quality and environment management systems and the management of health organizations. He is accredited to conduct audits to RSB, ISCC and the Italian National scheme, and has a degree in Physics from the Università degli Studi di Torino.</p>			

2.4 Evaluation Schedule and Extent of Audit

2.4.1 Determination of Extent of Audit

Total number of subsidiaries, branch offices, affiliated entities, external third parties contracted or otherwise engaged, operational structures, sites, facilities, processing and production units, and supply chain structures	3 UPM companies: UPM Seven Seas Oy – Collecting point UPM Kymmene Oyj - Production plant, Trader with storage UPM Sales Oy - Trader 8 external storage sites and 12 points of origin; Full list provided in Annex 5
Participating Operator Risk Class	Low (7)
Disputes or prior Non-compliances	none
Changes in scope since last evaluation	none
Total number of compliance claims	none

2.4.2 Evaluation Itinerary and Activities

Time	Element/Activity	Personnel Involved
Monday, 21 Jan	UPM, Alvar Aallon katu 1, 00101 Helsinki, FINLAND and Baltic Tank Oy, Kotka, Jämskäntie 1, 48310 Kotka	
Appr. 11 a.m.	<p>Opening meeting at Helsinki main office:</p> <ul style="list-style-type: none"> - Introductions – UPM, auditor, other parties involved - Introduction to certification program and assessment process - Review of scheduled activities - Client to outline production process and overall process flow. - Confirmation of scope of products to be certified and any product groupings. and clarification of all suppliers; point of origin, farms, transportation, storage <p>Lunch and drive to Hamina (~2h)</p>	Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor
2-4 p.m.	Warehouse: UPM-Kymmene Seven Seas Oy feedstock storage site Baltic tank Kotka terminal area	Specialist, Sustainability

	Afterwards: Drive to Hamina (30 min) Night in Hamina	Senior Specialist, Sustainability and Quality development auditor Warehouse representatives: Terminal Manager Sales and Marketing manager (Baltic tank)
Time	Element/Activity	Personnel Involved
Tuesday, 22 Jan	Warehouse: UPM-Kymmene Oyj product storage site Teboil Hamina, Öljysatamantie 8, Hamina, FINLAND	
9-11 a.m.	Opening Meeting <ul style="list-style-type: none"> - Introductions - Introduction to certification program and assessment process - Review of scheduled activities - Client to outline production process and overall process flow. Confirmation of scope of products to be certified and any product groupings. and clarification of all suppliers; farms, blending, transportation, storage	Specialist, Sustainability Senior Specialist, Sustainability and Quality development Supply Chain operator auditor Warehouse representatives: Terminal manager Supply and chartering manager
	Site Walk-through <ul style="list-style-type: none"> - Layout plan, - Technical equipment; - Examples of incoming and outgoing registrations; - Observe storage facilities and critical control points - Interviews with key staff by risk category in absence of supervisors - Evaluation of amount of material contained on selected tanks (for verifying coherence with inventories) 	Specialist, Sustainability Senior Specialist, Sustainability and Quality development Supply Chain operator auditor Warehouse representatives: Terminal manager Supply and chartering manager
	Document Review <ul style="list-style-type: none"> - Review facility permits, plans, layouts 	Specialist, Sustainability

	<ul style="list-style-type: none"> - Review contracts, list of suppliers, list of customers, with particular attention to ISCC Economic Operators; - Review delivery note, weighbridge tickets, tracking documents, bookkeeping - Analysis of accounting system and records; - Analysis of a sample of transactions (coherence among inventory, periodical reporting, incoming and outgoing documents, contracts with UPM group); - Weighbridge Calibration; - Reporting of sustainable material - only for the option "Mass Balance" of the chain of custody: Mass balance calculations; - only for the option "Physical segregation" of the chain of custody: evidences of not mixing of sustainable and not sustainable materials.) 	<p>Senior Specialist, Sustainability and Quality development</p> <p>Supply Chain operator auditor</p> <p>Warehouse representatives:</p> <p>Terminal manager</p> <p>Supply and chartering manager</p>
	<p>Closing Meeting</p> <ul style="list-style-type: none"> - Review of non-compliances and opportunities for improvement - Timetables for corrective actions - Questions 	<p>Specialist, Sustainability</p> <p>Senior Specialist, Sustainability and Quality development</p> <p>Supply Chain operator auditor</p> <p>Warehouse representatives:</p> <p>Terminal manager</p> <p>Supply and chartering manager</p>
11 a.m. – 2 p.m.	Drive to Lappeenranta (1,5h) and lunch	
2 p.m. – 5 p.m.	Audit at Scandic Patria hotel meeting room, Skype option to Helsinki (general sustainability management, contracts, sourcing, sales and logistics related topics)	<p>Specialist, Sustainability</p> <p>Senior Specialist, Sustainability and Quality development auditor</p> <p>Supply Chain operators, Sourcing Manager and Sales manager as needed via Skype</p>
	<p>Document Review</p> <ul style="list-style-type: none"> - Review of procedures; confirm roles, responsibilities and processes, training plan, internal audit plan - Review contracts, list of suppliers, list of customers - Review delivery note, weighbridge tickets, tracking documents - Analysis of accounting system, material balances and records 	<p>Specialist, Sustainability</p> <p>Senior Specialist, Sustainability and Quality development auditor</p> <p>Supply Chain operators, Sourcing Manager and</p>

	<ul style="list-style-type: none"> - Reporting of sustainable material - Mass balance calculations - GHG calculations – input production values 	Sales manager as needed via Skype
	<p>GHG introduction and set-up for documents to check at the refinery</p> <ul style="list-style-type: none"> - Auditor(s) take time to review documents, consolidate notes, identify any additional information needed and confirm audit findings 	Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor
	<p>Closing intermediate meeting</p> <ul style="list-style-type: none"> - Presentation of general audit finding - Review of non-compliances and opportunities for improvement - Timetables for corrective actions - Reiterate SCS appeal policy - Questions 	Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor
Time	Element/Activity	Personnel Involved
Wednesday, 23 Jan	Point of Origin: UPM Kaukas Pulp Mill Hyötiöntie 2, 53200 Lappeenranta	
9-11 a.m.	<p>Opening Meeting</p> <ul style="list-style-type: none"> - Introductions - Introduction to certification program and assessment process - Review of scheduled activities - Confirmation of scope: PO of waste/residues 	Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor Pulp mill representatives: Production manager Terminals manager Department secretary Coordinator, chem. pulp
	<p>Site Walk-through</p> <ul style="list-style-type: none"> - Observe process - critical control points 	Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor Pulp mill representatives: Production manager Terminals manager Department secretary Coordinator, chem. pulp

	<p>Document Review</p> <ul style="list-style-type: none"> - Review contracts, list of customers – self declaration - Review delivery note, weighbridge tickets, tracking documents - Technical infrastructure management (calibration) - Production reports; - Yield calculations 	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p> <p>Pulp mill representatives: Production manager Terminals manager Department secretary Coordinator, chem. pulp</p>
	<p>Closing Meeting</p> <ul style="list-style-type: none"> - Review of non-compliances and opportunities for improvement - Timetables for corrective actions - Questions 	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p> <p>Pulp mill representatives: Production manager Terminals manager Department secretary Coordinator, chem. pulp</p>
12 a.m. – 4 p.m.	UPM Lappeenranta Biorefinery (UPM-Kymmene Oyj)	
	<ul style="list-style-type: none"> - Biorefinery documentation review Permits, layouts, automation system and reporting - Collection of data for GHG calculation - 	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p> <p>HSE engineer Maintenance manager /automation engineer</p>
	<ul style="list-style-type: none"> - RSB ESMP related topics, other topics where production manager is not needed 	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p> <p>HSE engineer</p>
Time	Element/Activity	Personnel Involved
Thursday, 24 Jan	UPM, Alvar Aallon katu 1, 00101 Helsinki, FINLAND	

9 a.m.	<p>Remaining issues: Production mgr. and production planning mgr. responsible for production quantity reporting available only this day</p>	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development Production Manager Production planning manager auditor</p>
	<p>Site Walk-through – whole site</p> <ul style="list-style-type: none"> – Observe production process and critical control points <p>Interviews with key staff by risk category in absence of supervisors</p>	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development Production Manager Production planning manager auditor</p>
	<p>Report Writing Auditor(s) take time to review documents, consolidate notes, identify any additional information needed and confirm audit findings</p>	<p>auditor</p>
12 p.m.	<p>Lunch Break and return to Helsinki by train</p>	
3 p.m.	<p>Follow-up on open issues in Helsinki</p>	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p>
	<p>Closing Meeting</p> <ul style="list-style-type: none"> – Presentation of general audit finding – Review of non-compliances and opportunities for improvement – Timetables for corrective actions – Reiterate SCS appeal policy <p>Questions</p>	<p>Specialist, Sustainability Senior Specialist, Sustainability and Quality development auditor</p>

2.5 Evaluation of Management System

2.5.1 Methodology and Strategies Employed

SCS deploys interdisciplinary teams with expertise in agriculture, ecology, forestry, social sciences, natural resource economics, and other relevant fields to assess an Operator’s compliance to RSB standards and policies. Evaluation methods include document and record review, implementing

sampling strategies to visit a broad number of site and facility types, observation of implementation of management plans and policies, and stakeholder analysis. When there is more than one team member, team members may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant site observations, stakeholder comments, and reviewed documents and records. Where consensus between team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section.

A team of two auditors with diverse backgrounds and knowledge was deployed to conduct the audit utilizing a variety of methods, including phone and on-site interviews and documentation reviews. GHG analysis was conducted using a GHG specialist at the main office, with support from the RSB Lead Auditor. Management documents were reviewed during the audit, including the following primary documents:

- UPM Biofuels Sustainability management system
- RSB Environmental and Social Management Plan (ESMP)

2.5.2 Capacity of the participating operator to implement its management systems

Note: include an overall evaluation of the participating operator’s responsiveness and ability to consistently and effectively implement its management system based on the financial, technical, and human resources available.

Details in Appendix 2 of Main Report

The company is very professional and well-organized and has sufficient financial, technical, and human resources to serve the needs of RSB system.

2.5.3 Evaluation of RSB compliance claims and use of RSB trademarks

Type (compliance claim, trademark use)	Description	Findings
At the moment no sales under RSB EU system		
Off Product (General Claims) including use of RSB trademarks	RSB trademarks used on UPM website	Trademarks used correctly

3.0 RISK ASSESSMENT RESULTS

Based on the most recent self-risk assessment (no older than 3 months from the audit date) the PO’s risk assessment results are:	Corresponding risk class (low, medium, high):
7, submitted May 2019	Low risk

4.0 RESULTS OF THE EVALUATION

4.1 Process of Determining Compliance

4.1.1 Structure of Standard and Degrees of Non-Compliance

RSB-accredited biofuel standards consist of a three-level hierarchy: the principle, the criteria that correspond to that principle, and then the performance indicators that elaborate upon each criterion. Consistent with SCS Sustainable Biofuels Program evaluation protocols, the team collectively determines whether or not the subject operation is in compliance with every applicable indicator of the relevant sustainable biofuel standard. Each non-compliance must be evaluated to determine whether it constitutes a major or minor non-compliance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-compliance. The team therefore must use their collective judgment to assess each criterion and determine if the Operator is in compliance. If the Operator is determined to be in non-compliance at the criterion level, then at least one of the applicable indicators must be in major non-compliance.

4.1.2 Interpretations of Major and Minor Non-compliances

Major Non-compliances, either alone or in combination with non-compliances of other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant RSB Criterion. These non-compliances must be resolved or closed out before a certificate can be awarded. If Major NCs arise after an operation is certified, the timeframe for correcting these non-compliances is typically no more than three months. Certification is contingent on the operator’s response to the NCs within the stipulated time frame.

Minor Non-compliances are typically limited in scale or can be characterized as an unusual lapse in the system. Most minor NCs are the result of a non-conformance at the indicator-level. Non-compliances must be closed out within a specified time period of award of the certificate.

4.1.3 Major Non-compliances

<input checked="" type="checkbox"/>	No major NCs were issued to the Operator during the evaluation. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation, which have all been closed to the satisfaction of the audit team and meet the requirements of the standards. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation and the Operator has not yet satisfactorily closed all major NCs.

4.1.4 Non-compliances and Current Status

None identified

5.0 CERTIFICATION DECISION

Certification Recommendation		
For Initial and Re-certifications: Operator to be awarded RSB certification subject to the minor non-compliances stated in Section 4.2.5.	Yes <input type="checkbox"/> No <input type="checkbox"/>	
For Surveillance Audits: Operator is to continue as an RSB certified Participating Operator subject to the minor non-compliances stated in Section 4.2.5.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
The SCS evaluation team makes the above recommendation for certification based on the full and proper execution of the SCS Responsible Biofuels Program evaluation protocols. If certification is recommended, the Operator has satisfactorily demonstrated the following without exception:		
Operator has addressed any Major NC(s) assigned during the evaluation.	Yes <input type="checkbox"/> No <input type="checkbox"/> No Major NCs issued <input checked="" type="checkbox"/>	
Operator has demonstrated that their system of management is capable of ensuring that all of the requirements of the applicable standards are met over the sites and facilities covered by the scope of the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Operator has demonstrated that the described system of management is being implemented consistently over the sites and facilities covered by the scope of the certificate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Comments and/or details of any issue which was difficult and/or impossible to evaluate:		
To be completed by Certification Decision-Making Entity	Technical Review by: If different to decision-maker	Inna Kitaychik
	Certification decision:	Continued certification against RSB standards
	Certification decision by:	Inna Kitaychik
	Date of decision: For initial or continued certification	April 1, 2019
	Surveillance schedule:	Notes: By Jan 21, 2020

Sub Certificate Codes (if applicable)

Legal Entity/Operational Site	Sub-Certificate Code
UPM Seven Seas	
UPM Sales	