

Certification Evaluation Report

Roundtable on Sustainable Biomaterials

Manildra Group of Companies (Shoalhaven Starches Pty Ltd)

SCS Certificate Code-SCS-RSB/PC-0022

160 Bolong Road, Bomaderry NSW 2540

Client Contact: John Studdert

Client Website: www.manildra.com.au

CERTIFIED	EXPIRATION
February 29, 2016	February 28, 2021

DATE(S) OF AUDIT
February 5-7, 2020
DATE OF LAST UPDATE
June 4, 2020

SCS Contact:

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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.

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SECTION A – PUBLIC SUMMARY

1.0 GENERAL INFORMATION

1.1 Operator Information

1.1.1 Name and Contact Information

Organization name	Shoalhaven Starches Pty Ltd		
Operator Number	RSB 00001		
Contact person	John Studdert		
Address	160 Bolong Road Bomaderry NSW 2540	Telephone	(02) 44238200
		Fax	(02) 44217760
		e-mail	John.studdert@manildra.com.au
		Website	www.manildra.com.au

1.2 Scope of Certificate

Please select one:	<input type="checkbox"/> RSB EU RED	<input checked="" type="checkbox"/> RSB Global
Please select boxes that apply:	<input type="checkbox"/> Pre-assessment	<input type="checkbox"/> 1st Annual Surveillance
	<input type="checkbox"/> Initial Assessment	<input type="checkbox"/> 2nd Annual Surveillance
	<input type="checkbox"/> Re-certification	<input type="checkbox"/> 3rd Annual Surveillance
	<input type="checkbox"/> Follow-Up to NCs	<input checked="" type="checkbox"/> 4th Annual Surveillance
Scope (as should appear/appears) on certificate:	Ethanol from Waste Starch of Wheat Processing	
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:		
<p><i>Note 1: If the scope is different, please contact SCS.</i></p> <p><i>Note 2: Where the client uses external organizations (public or private) to provide utilities services, such as electricity, waste disposal, water, the auditor shall check that these organizations are run according to local requirements (i.e. the law) but these organizations will not be considered in scope of the audit. Therefore no on-site visits to these utility services are required.</i></p>		
Total workers covered by scope of certification:	352	
Number of women workers	24	

INDUSTRIAL FACILITIES

Name of Facility	Shoalhaven Starches Pty Ltd
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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	Bolong Road Bomaderry NSW 2540
Geographic location (<i>Latitude & Longitude</i>)	Lat: -34.857150 Long: 150.612519
Start date of operations (initial start date)	2011
Number of processing steps	1
Description of the product or the product component that the certification covers, including, if applicable, the specification of the mass of the certified component related to the total product.	Ethanol produced from waste starch resulting from a wheat processing facility located on-site.
Annual throughput of previous 12 months (See confidential appendix)	

1.3 GHG Intensity

Primary Producers			
Raw Material:	Industrial Waste Water	GHG:	0 g Co2 eq/ dry ton raw material
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			
Final Biofuel:	Bioethanol	GHG:	35.43 g Co2 eq/ MJ
Operators who use fossil or bio-based end-of-life products or production residues			
For end-of-life products or processing residues: if avoided emissions were accounted for, specify the baseline scenario (see RSB-STD-02-001 and RSB-STD-01-010)		Avoided emissions not accounted for	
<i>Add more lines as you see fit</i>			

1.4 Standards Used

Applicable RSB-Accredited Standards

Title	Version
RSB-STD-01-001- RSB Principles & Criteria	3.0
RSB-STD-60-001- RSB Standard for risk management	3.1
RSB-PRO-50-001- RSB Procedure on communications and claims	3.3
RSB-STD-30-001- RSB Standard for Operators taking part in RSB Certification Systems (Participating Operators)	3.1

RSB-STD-01-003-01 V2.1- RSB GHG Calculation Methodology	2.3
RSB-STD-01-010- RSB Standard for Advanced Fuels	2.2
RSB-STD-20-001- RSB Standard for traceability of RSB Material (Chain of Custody)	3.1
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

RSB Risk Assessment Tool Version 3.2.1 – 2020 Audit.xls	RSB-GUI-01-002-02_Screening-Tool – 2020.pdf
RSB GHG Calc FY 2019 – RSB desk top audit – sent to RSB.xls	Various product transfer documents
Various wheat receipts	Coal delivery transfer notes
Ethanol Loading Flow Meter Calibration Jun 2019.pdf	Weighbridge Calibration Sep 2019.pdf
Natural gas invoices	Traceability of RSB Certified Material COC procedure
Grievance Policy	Complaints procedures
Management representative CV	RSB Risk Management Plan 2020
Training Needs Analysis Employees – 31 Jan 2020	All training last 12 months – 05 Feb 2020
Bullying and Harassment Training – 05 Feb 2020	Worker & Contractor Induction 9.0
GMP-Enviro Induction with questions_25 Nov 2019	RSB COC Training Record
Copy of Ethanol Training Matric for SAR 2019 Employee Training Matrix – 2019-09	EMS ISO 14001-2015 Certification Updated Certificate
Employee Listing 05-02-20.xls	RSB Principle 3 Greenhouse Gas Emissions procedure
RSB Standard Operating Procedure	Manildra Group of Companies Org Chart 2020
Organisational Chart for Shoalhaven Starches	RSB Product Sales.xlsx
Aquifer Map	Water KPIs
Cooling Water Release Monitoring	Wastewater Management Plan
Water Savings Action Plan	Landscape & Vegetation Management Plan
Various 3 rd party contracts	Code of Conduct & Ethics
EEO Policy	Manildra Group Employment Agreement
New Supplier Information	Annual Environmental Management Report 2019
Dry Activated Yeast Product Specification	Raw Material Listing
Waste Management Plan	Air Quality Monitoring Plan
Plant Notice EPA Fine Start Overflow	Cooling water total flow epa.xls

Weekly wastewater storage 2018-19	Farm monitoring report
Daily Irrigation 2018-19	EPA Annual Return Submitted 2018-19
SS Response to EPA Show Cause Letter	Corrective_Action_Report ENVNC070
Environmental Obligations Procedure	SS Self-evaluation against RSB P&Cs – 2020
RSB ESMP	

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.
- For field audits of participating operators in High Risk class shall always the lead auditor appointed shall appoint at minimum
 - one (1) local auditor and
 - one (1) technical expert on social issues to evaluate compliance with social requirements and the risk of non-compliance due to social issues and
 - one (1) technical expert on environmental issues to evaluate compliance with environmental requirements and the risk of non-compliance due to environmental issues.
 - 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:	Robert Earley	Auditor role:	Lead Auditor
Qualifications: Robert Earley is an auditor of RSB and ISCC certifications, and a certified verifier of the California Low Carbon Fuel Standard, and has been trained in ISO 9001:2015 auditing. Additionally, he is currently an expert consultant on UN, EU, charitable foundation and NGO projects focused on			

sustainable transportation and air pollution. Prior to becoming a consultant, Robert was the Transport Program Manager of Manila-based Clean Air Asia, promoting clean and efficient freight and logistics across Asia, and before that was the Director of the Clean Transportation Program at the Innovation Center for Energy and Transportation (iCET), which developed standards for lifecycle GHG emissions assessment for biofuels in China, and which became the first member of the RSB in China. He is currently on the board of the Beijing Energy Network as well as the China Carbon Forum. Mr. Earley, who has lived in China since 2005 and is fluent in Mandarin Chinese, studied environmental science at the University of Calgary and Urban and Regional Planning at the University of Waterloo in Canada. His coursework at the University of Calgary included impacts of agriculture and conservation in agricultural areas in southern Alberta

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	1
Participating Operator Risk Class	Low
Disputes or prior Non-compliances	6 NCs (All closed by the time of the 4 th surveillance)
Changes in scope since last evaluation	No
Total number of compliance claims	None

2.4.2 Evaluation Itinerary and Activities

Time	Element/Activity	Personnel Involved
Day 1 5 Feb 2020	Online / Phone	
9:00 a.m.	Opening Meeting and General Requirements <ul style="list-style-type: none"> - Introduction to certification program and assessment process to on-site staff - Review of scheduled activities - Review of RSB Procedures; confirm roles, responsibilities and processes - Confirmation of scope of products to be certified - Clarification of all suppliers; i.e. farms, blending, transportation, storage - Client to outline production process and overall process flow - Review site map(s) - Update from client and any social or environmental changes to the operation 	Management and all relevant RSB – related management / senior management

	<ul style="list-style-type: none"> – Follow up on implementation of any corrective action plans from desk audit or previous initial field audit 	
10:00	<p>Document Review: Participating Operator/ Standards Checklist</p> <ul style="list-style-type: none"> – Review of training procedures and records – Review of Grievance Mechanism – Review of traceability method and implementation (including acquiring, handling, and forwarding sustainable material) – Analysis of material balances and records – Review of records 	<p>Management Supply Chain Staff HR / safety (training) staff</p>
1:00	Lunch Break	
2:00	<p>Document Review: Participating Operator/Standards Checklist continued</p> <ul style="list-style-type: none"> – Review of GHG inputs – Communications and Claims – Requirement for Advanced Fuels/ Advanced Products 	Management
4:45	<p>Report Writing</p> <ul style="list-style-type: none"> – Auditor(s) take time to consolidate notes and confirm audit findings 	
5:00 p.m.	End of Day 1	

Time	Element/Activity	Personnel Involved
<i>Day 2</i> 6 Feb 2020	Online / Phone	
9:00 a.m.	<p>Document Review: Compliance with Principles and Criteria</p> <p>Principle 1:</p> <ul style="list-style-type: none"> – Review of all relevant business licenses – Review of land and water use permits <p>Principle 2:</p> <ul style="list-style-type: none"> – Review screening tool – Review environmental and social management plan – Review impact assessments, if applicable <p>Principle 4:</p> <ul style="list-style-type: none"> – Work conditions, piece work and living wage, equality issues, unions – Review of contracts, policies and training records grievances – Training and occupational health and safety record – Records for freedom of association mechanism 	<p>RSB Management Environment Management Engineering Management</p>

	<p>Principle 5: (If Identified in screening tool)</p> <ul style="list-style-type: none"> - Social and economic development <p>Principle 7:</p> <ul style="list-style-type: none"> - Conservation values, ecosystems, buffers, water rights <p>Principle 9:</p> <ul style="list-style-type: none"> - Water permits, water management in ESMP <p>Principle 10:</p> <ul style="list-style-type: none"> - Air permits, air management in ESMP <p>Principle 11:</p> <ul style="list-style-type: none"> - Use of technology: GMO, fertilizers, pesticides - Integrated waste management - Resource and energy usage, and efficiency 	
1:00 p.m.	Lunch Break	
2:00	<p>Document Review: Participating Operator/Standards Checklist/P&C</p> <ul style="list-style-type: none"> -Remaining document provision and discussion 	Management
4:45	<p>Report Writing</p> <ul style="list-style-type: none"> - Auditor(s) take time to consolidate notes and confirm audit findings 	
5:00 p.m.	End of Day 2	

Time	Element/Activity	Personnel Involved
<i>Day 3</i> 6 Feb 2020	Online / Phone	
9:00 a.m. / TBD	<p>Closing Meeting</p> <ul style="list-style-type: none"> - Presentation of General audit finding - Presentation of all non-compliances and opportunities for improvement - Fix timetables for corrective actions - Reiterate SCS appeal policy - Questions 	Senior Management, RSB management, RSB-related management
	End of Day 3	

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.

2.5.2 Capacity of the participating operator to implement its management systems

Shoalhaven Starches Pty Ltd is accurately and faithfully implementing a management system that includes procedures, practices and internal checks that ensure consistent compliance with the requirements of the RSB standards and procedures. The company has allocated sufficient financial, technical, management, and human resources to maintain and implement the RSB certification requirements. Additionally, personnel interviewed maintain relevant qualifications and competencies to effectively and thoroughly implement RSB certification systems and standards.

2.5.3 Evaluation of RSB compliance claims and use of RSB trademarks

The RSB short claim, as defined in RSB-PRO-50-001	Draft materials indicate: “Product mix contains Roundtable on Sustainable Biomaterial (RSB) compliant material”. This claim is associated with use of the mass balance method. Material sold was 100% certified and not mixed with uncertified material.
Any other claims used as per RSB-PRO-50-001	None
Does Operator use RSB trademarks on off-product or on-product claims?	None

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:	Auditor’s evaluation
Low (3)	Low

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 Findings

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.

Opportunity for Improvement is an observation made which does not fully impact compliance but could potentially affect the PO’s ability to comply with RSB requirements in the future.

4.1.3 Major Non-compliances

<input 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 checked="" 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.
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4.1.4 Non-compliances and Current Status

Summary of Non-compliances and Current Status				
Non-compliance Number	Type of Non-compliance	Relevant RSB Standard & Indicator No.	Summary of Finding and Evidence Collected	Status of Non-compliance (Open/Closed)
2020-1	minor	RSB-STD-01-001 Section 3.b.	<p>Ethanol flow meter found to be out of calibration according to calibration certificate.</p> <p>Action plan with root cause analysis submitted and approved by SCS. Action plan indicated corrective action has already been implemented; will be reviewed at next audit.</p>	<p>Due Date: Next audit</p> <p>Status: Open</p>
2020-2	Major	RSB-STD-01-001 Section 3.b	<p>Fermentation chemicals reported in GHG calculation could not be verified</p> <p>Action plan with root cause analysis submitted and approved by SCS.</p> <p>Update: Updated GHG calculation submitted was reviewed and all fermentation chemicals were verified by the GHG reviewer.</p>	<p>Due Date: May 7, 2020</p> <p>Status: Closed</p>

5.0 CERTIFICATION DECISION

Certification Recommendation		
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 checked="" type="checkbox"/> No <input type="checkbox"/> No Major NCs issued <input 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 the RSB Standards listed in Section 1.4
	Certification decision by:	Inna Kitaychik
	Date of decision: For initial or continued certification	May 11, 2020
	Surveillance schedule:	Re-certification Audit: November 2020
	Notes:	