

## Aquaculture Stewardship Council and Marine Stewardship Council

### ASC-MSC Seaweed (Algae) Audit Reporting Template

*Public Comment Draft Report (PCDR)*

**Version 1.0 (Issued 8 December 2017)**



Aquaculture  
Stewardship  
Council



#### Scheme documents:

ASC-MSC Seaweed (Algae) Standard

ASC-MSC Seaweed (Algae) Certification and Accreditation Requirements

#### This document is to be cited as:

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## 2. Executive Summary

A brief description of the scope of the audit	<p>The scope of the audit was an entirely enclosed, land-based production facility located in Blair, Nebraska USA.</p> <p>The production unit under assessment was determined to be category C<sub>ii</sub>, meaning 'Cultivation entirely in land-based systems without needing to be supplied with seeds from wild stocks'.</p>
Main strengths and weaknesses of the unit of assessment	<p><b>Strengths:</b>  Given its entirely enclosed nature and category C<sub>ii</sub> status, the production unit under assessment has essentially no impact on wild stocks of the algae species being cultured or on the wider natural environment including Endangered Threatened and Protected (ETP) species and Other species.</p> <p>Again, given its enclosed nature, the production unit is tightly controlled with outputs managed and minimized where appropriate.</p> <p>The facility's initial production capacity of Omega-3 fatty acids rich in EPA (eicosapentaenoic acid) and DHA (docosahexaenoic acid) is equivalent to that derived from 1.2 million tons of wild-caught fish. Note. EPA and DHA are long-chain omega-3 polyunsaturated fatty acids (O-3s).</p> <p><b>Weaknesses:</b>  Some of the consultation processes in place initially fell short of the very specific requirements of the ASC-MSC Standard.</p>
A summary of the major findings	<p>The production unit is largely compliant with the ASC-MSC Standard.</p> <p>A number of critical conditions and "non-critical" conditions have been raised that required action as outlined in the "Summary of Critical Conditions" and "Summary of Conditions" sections of this report.</p>
Audit determination	

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#### 4. Unit of Assessment (UoA)

The Unit of Assessment (UoA) defines the extent of the specific production unit that is to be assessed for compliance with the ASC-MSC Seaweed (Algae) Standard.

Name of the production unit	Veramaris LLC. Blair, Nebraska, United States.
Target species common name/s	No common name.
Species Latin name	Schizochytrium <i>spp.</i>
Production system	Production of omega-3 oils from marine microalgae via a fermentation process
Location of the production unit	Fermentation production facility in Blair, NE located within Evonik of Cargill's BioRefinery campus (Land Based). Blair is >1,000 km from both the Atlantic and Pacific Oceans.
Stock Region	Not applicable. The production unit is not harvesting natural populations of seaweeds (categories A, Bi and Ci).
Receiving water body	Not applicable.
Clients part of the production unit	Clients part of the production unit Evonik of Cargill's BioRefinery campus cultures the target species under contract from Veramaris LLC.
Facilities	Veramaris LLC. fermentation production facility in Blair, NE located within Evonik of Cargill's BioRefinery campus.
Unit of Certification (if different)	Not different.

## 5. Background information

Seaweed category	<p>In Accordance with Table 2 of the ASC-MSC Seaweed Standard, the production unit under assessment has been determined to fit into the following category:</p> <p><i>C<sub>ii</sub> Cultivation entirely in land-based systems: Supply of seed from wild stocks NOT required or negligible.</i></p> <p>With this being the category assigned, the PIs to be scored have been determined in accordance with Table 3 of the ASC-MSC Standard.</p>
History of the Production unit	<p>The production unit under assessment has been in operation for many years producing amino acids for the agriculture sector. In recent years a portion of the facility has been given over to the production of Omega 3 oils for use in aquaculture feed which is the production process being audited here. Veramaris selected Evonik's existing site in Blair, Nebraska, USA to take advantage of the existing fermentative production capacity at the site and the favorable site infrastructure. Veramaris' production is zero-waste with by-products being used in sustainable applications, such as biogas and cattle feed.</p>
Harvest season	<p>Operation of the production unit is year-round and not seasonal.</p>
Target species background	<p>The production unit under assessment uses a marine microalga (<i>Schizochytrium</i> spp..) to produce omega-3 oils via a fermentation process.</p> <p>Given the entirely enclosed nature of the production unit, there is no stock status as indicated by stock assessments such that a description of the assessment methods, standards, and stock indicators, biological limits, etc. is not appropriate.</p>
Harvest/ production data	<p>The Veramaris facility's initial production capacity of Omega-3 fatty acids rich in EPA &amp; DHA is equivalent to that derived from 1.2 million tons of wild-caught fish and should meet approx. 15% of the annual global demand for Omega-3 fatty acids from the salmon aquaculture sector.</p>
Ecosystem Background	<p>Again, this is an entirely enclosed production unit such that it does no impact the aquatic ecosystem.</p> <p>No endangered, threatened or protected (ETP) species or other species were identified as being impacted by the UoA.</p> <p>Given the entirely enclosed nature of the production unit under assessment, there are no specific constraints such as unwanted catch of species and as such measures taken to reduce specific constraints are not required.</p> <p>Given the entirely enclosed nature of the production unit under assessment, there are no critical environments or sources of concern and actions required to address impacts on them.</p> <p>Cumulative impacts do not need consideration within the PIs. The production unit is entirely self-contained.</p>
Management system	<p>Production is undertaken, and management measures implemented, in accordance within a legislative framework defined by various international and U.S Federal and State Laws and Regulations including the following (note this is not an exhaustive list).</p> <ul style="list-style-type: none"> <li>– <b>International Laws:</b> International Charter of Human Rights, UN Global Compact, OECD Guidelines for Multinational Enterprises, International Labor Organization (ILO).</li> <li>– <b>United States Laws:</b> US Department of Labor Laws, Fair Labor Standards Act (FLSA), Occupational Safety and Health Administration (OSHA), Civil Rights Act, US Environmental Protection Agency (EPA), Clean Air Act, Clean Water Act. State of Nebraska Labor Laws: Nebraska Wage and Hour Act.</li> <li>– <b>City of Blair Laws:</b> Local building permits &amp; City of Blair ordinances (Noise ordinance).</li> </ul> <p>Given the enclosed nature of the UoA, decision-making is geared towards internal processes and respond to technical issues and relevant scientific information. The company does not have an impact on natural seaweed populations nor direct impacts on aquatic ecosystems. Information about the production unit is available through company websites and sustainability reports. Arrangements for on-going consultations with interest groups include monthly meetings with relevant community leaders of surrounding areas.</p>

## 6. Audit plan

### 6.1. Assessment team

Assessment team	Name	Summary of qualification
Team leader	Juan Aguirre	<p>As well as being the Lead Auditor, Juan was additionally responsible for technical aspects (i.e. non-social components) of the audit.</p> <p>Juan meets the relevant competency criteria in Annex A of the ASC-MSC CAR as follows; he has:</p> <ul style="list-style-type: none"> <li>– At least a post-high school diploma or equivalent (minimum course duration of two years) in a discipline related to the scope of certification,</li> <li>– Knowledge of the purpose and procedure of conducting audits through extensive auditing experience in ASC and MSC COC.</li> <li>– Knowledge of the ASC-MSC Standard and the CAR through passing the ASC-MSC lead auditor/team member training course within the last 3 years.</li> <li>– Been trained and is competent in accordance with SAI Global procedures as needed for the role that he is undertake.</li> <li>– Completed well in excess of 25 days of site visit experience in conducting audits.</li> <li>– Undertaken well in excess of 2 satisfactory audits as an acting audit team leader, shadowed by and under the supervision of a competent team leader.</li> <li>– Conducted well in excess of five ASC audits.</li> <li>– Successfully completed a Lead Assessor training course based on ISO 9001 principles with a minimum duration of 37 hours.</li> <li>– Had an audit peer witnessed by a qualified ASC lead auditor within the last three years.</li> <li>– Led no less than 2 ASC audits in the last year.</li> </ul> <p>Juan has no conflicts of interest in relation to the production unit under assessment.</p>
Social auditor	Guillermo Ganoza	<p>Guillermo was responsible for social components of the audit.</p> <p>Guillermo meets the relevant competency criteria in Annex A of the ASC-MSC CAR as follows; he has:</p> <ul style="list-style-type: none"> <li>– At least a post-high school diploma or equivalent (minimum course duration of two years) in a discipline related to the scope of certification,</li> <li>– Knowledge of the purpose and procedure of conducting audits through extensive auditing experience including in ASC.</li> <li>– Knowledge of the Standard and CAR through passing the ASC-MSC training course within the last three years.</li> <li>– Been trained and is competent in accordance with SAI Global procedures as needed for the role that he is undertaking.</li> <li>– Completed a qualifying social audit qualification as specified in ASC CAR §A.4.1.</li> <li>– Participated in at least two audits in agriculture or aquaculture including at least two ASC social audits in the past year.</li> <li>– Knowledge of local labor and human rights legislation, familiarity with local customs, good spoken and written English (i.e. the primary local language) and is able (through his extensive experience) to manage relationships with workers and managers.</li> </ul> <p>Guillermo has no conflicts of interest in relation to the production unit under assessment.</p>

### 6.2. Site visit

Date of site visit	22 and 23 June 2020
Location	Due to the ongoing COVID-19 outbreak the site visit took place remotely in accordance with relevant ASC and MSC derogations allowing for site visits to be conducted remotely during the COV-19 pandemic.

### 6.3. Stakeholders interviewed

Name	Organisation	Position	Summary feedback received
Cobus Block	Nebraska Department of Economic Development	International Business Manager	They support the company with grants when they request help for a university thesis student who is researching relevant issues regarding processes or microbiology.

### 6.4. Stakeholders written submission received before PCDR

**Note:** While all written submissions from stakeholders received during the audit should be attached as a PDF Annex, there was no substance to the submissions beyond the contact details of the stakeholder. With this being the case these written 'submissions' have not been attached.

Name	Organisation	Position	Summary feedback received
Cobus Block	Nebraska Department of Economic Development	International Business Manager	Replied by email to emailed audit announcement stating that he was available for interview regarding Veramaris.  Team subsequently met with stakeholder during the site visit portion of the assessment.
Karim Kurmaly	Veramaris VOF, Sales and Marketing	CEO	This stakeholder is responsible for the sales & marketing of products originating from Veramaris LLC. As such he is part of the client group.

### 6.5. Employees interviewed

Note, according to social auditing best practice, workers' names are kept confidential by inclusion in the confidential Annexes to this report.

Name	Organisation	Position	Summary of feedback received
Worker 1	Evonik Corporation	Downstream technician	Staff including management is knowledgeable about their production systems, resource usage, waste generation and disposal, safety. The employees know the procedures if there are queries or complaints at work. They also know how to report an accident calling number 3000 to be quickly rescued. They know the correct use of fire extinguishers according to the fire to be put out. They feel comfortable with the work and the benefits that are given to them.
Worker 2	Evonik Corporation	Downstream technician	
Worker 3	Evonik Corporation	Downstream technician	
Worker 4	Evonik Corporation	Downstream technician	
Worker 5	Evonik Corporation	Fermentation technician	
Worker 6	Evonik Corporation	Fermentation technician	
Worker 7	Evonik Corporation	Fermentation technician	
Worker 8	Evonik Corporation	Fermentation technician	
Worker 9	Evonik Corporation	Fermentation technician	
Worker 10	Evonik Corporation	Fermentation technician	
Worker 11	Evonik Corporation	Fermentation technician	
Worker 12	Evonik Corporation	Project Manager	
Worker 13	Veramaris (USA) LLC.	Production Assistant/Ops Controller	
Worker 14	Veramaris (USA) LLC.	Process development Engineer Downstream Processing	
Worker 15	Veramaris (USA) LLC.	Process development Engineer Fermentation	

**6.6. Stakeholders' written submissions received during the PCDR**  
*Only required for the Final Report and Certification Report.*

Written submissions from stakeholders received during the audit are included in Appendix 1.

Name	Organisation	Position	Summary of feedback received

## 7. Assessment tree

According to ASC-MSC requirements, the final set of PIs to be included in the assessment tree shall be defined depending on the characteristics of the production unit in the UoA, as indicated in Table 3 of the ASC-MSC Standard and unless otherwise indicated, each PI shall be scored.

The applicability of each the Performance Indicator (PI) and scoring issue within the ASC-MSC Seaweed assessment tree has been assessed on the basis of the characteristics of the production unit under assessment. As Veramaris' operations fall into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible), the following PIs are not applicable to this assessment and as such have not been scored:

- PI 1.1 Stock status
- PI 1.2 Harvest strategy
- PI 1.3 Genetic impact on wild stock
- PI 2.1 Habitat
- PI 2.2 Ecosystem structure and function
- PI 2.8 Translocations
- PI 2.9 Introduction of alien species
- PI 5.4 Visibility, positioning and orientation of farms or water-based structures
- PI 5.5 Identification and recovery of substantial gear

**Note.** Only PIs where the ASC-MSC Standard makes specific allowances for non-applicability have been scored as such and all other PIs have been scored in full."

7.1. Principle 1 – Stock Status

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
1. Stock Status	1.1 Stock Status	a. Stock status relative to irreversible impact	Available information indicates that the wild stock is above the point where the harvesting impact is irreversible or very slowly reversible	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The activity does not depend on wild stocks of seaweed or on seed supplied from them.	The wild stock is at or fluctuating around a level consistent with MSY (or proxy) OR Available information indicates that harvesting impact causes insignificant change to the wild stock, which is unlikely to be detectable against natural variability for this population, or if detectable is minimal and has no impact on population dynamics.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The activity does not depend on wild stocks of seaweed or on seed supplied from them.		Not applicable	
		1.2 Harvest Strategy	a. Harvest strategy design	The harvest strategy is expected to achieve stock management objectives reflected in the stock status target (PI 1.1), based on plausible argument.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The activity does not depend on wild stocks of seaweed or on seed supplied from them.	The harvest strategy is responsive to the state of the stock and the elements of the harvest strategy work together towards achieving stock management objectives reflected in the stock status target (PI 1.1).	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The activity does not depend on wild stocks of seaweed or on seed supplied from them.		Not applicable
	b. Harvest strategy evaluation		No minimum level. Go to target level.			The harvest strategy may not have been fully tested but evidence exists that it is achieving its objectives.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The activity does not depend on wild stocks of seaweed or on seed supplied from them.		Not applicable	
	1.3 Genetic impact on wild stock	a. Genetic	The harvesting or farming activity is unlikely to impact the genetic structure of wild populations.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the activity does not require stages cultivated in hatcheries, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The harvesting or farming activity is highly unlikely to impact the genetic structure of wild populations.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the activity does not require stages cultivated in hatcheries, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
		b. Genetic impact management	There are measures in place, which are expected to maintain the genetic structure of the wild population at levels compatible with the target Genetic outcome level of performance.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the activity does not require stages cultivated in hatcheries, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	There is a partial strategy in place, which is expected to maintain the genetic structure of the wild population at levels compatible with the target Genetic outcome level of performance.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the activity does not require stages cultivated in hatcheries, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	

7.2. Principle 2 – Environmental Impacts

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
2. Environmental Impacts	2.1 Habitats	a. Seaweed-habitat status	The UoA is unlikely to reduce structure and function of the habitat created by the target seaweed to a point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The UoA is highly unlikely to reduce structure and function of the habitat created by the target seaweed to a point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
		b. Other commonly encountered habitat status	The UoA is unlikely to reduce structure and function of other commonly encountered habitats to a point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The UoA is highly unlikely to reduce structure and function of other commonly encountered habitats to a point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
		c. Vulnerable marine Ecosystem (VME) status	The UoA is unlikely to reduce structure and function of the VME habitats to a point where there would be serious or irreversible harm	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The UoA is highly unlikely to reduce structure and function of the VME habitats to a point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
	2.2 Ecosystem structure and function	a. Ecosystem status	The UoA is unlikely to disrupt the key elements underlying ecosystem structure and function to the point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The UoA is highly unlikely to disrupt the key elements underlying ecosystem structure and function to the point where there would be serious or irreversible harm.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
	2.3 ETP species	a. Effects of the UoA on population/stocks within national or international limits, where applicable	Where national and/or international requirements set limits for impact on ETP species, the effects of the UoA on the population/stock are known and likely to be within these limits.	Yes	In ASC-MSC assessments, ETP species are recognized by national legislation and/or a specific list of binding international agreements and/or listed under Appendix I of CITES and/or amphibians, reptiles, birds or mammals listed in the IUCN Red list as vulnerable (VU), endangered (EN) or critically endangered (CE).The primary ETP species legislation of relevance to the production unit under assessment is the U.S. Endangered Species Act (ESA) which provides for the conservation of threatened and endangered species of fish, wildlife, plants, and the habitats for which they depend.A list of Threatened and Endangered Species in Nebraska is available on the U.S. Fish and Wildlife Service website: <a href="https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf">https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf</a> .  Veramaris has an environmental site assessment (ESA) in accordance with EPA and ASTM Standard Practice Assessment conducted on February 2017, prior to construction of Evonik's plant. Since the process is land based and entirely enclosed, operations are not expected to impact ETP species.According to the ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, if a UoA has no impact on ETP species PI 2.3 shall be considered to have met the target level; therefore, <b>the minimum level is met.</b>	Where national and/or international requirements set limits for impacts on ETP species, the combined effects of the UoAs and any other certified seaweed UoA on the population/stock are known and highly likely to be within these limits.	Yes	The production unit under assessment is expected to have no impact on ETP species. With this being the case, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3. <b>The target level is met.</b>	ESA U.S. Fish and Wildlife Service website, Threatened and Endangered Species in Nebraska: <a href="https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf">https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf</a>  Endangered, Threatened, Proposed, and Candidate Species in Nebraska by county (the production unit is in Washington County): <a href="https://www.fws.gov/nebraskaes/Library/NECountyMAY2015.pdf">https://www.fws.gov/nebraskaes/Library/NECountyMAY2015.pdf</a> .	Target	
		b. Direct effects	Known direct effects of the UoA are likely to not hinder recovery of ETP species.	Yes	As outlined above, the production unit under assessment is expected to have no impact on ETP species.  With this being the case, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The minimum level is met.</b>	Direct effects of the UoA are highly likely to not hinder recovery of ETP species.	Yes	As outlined above, the production unit under assessment is expected to have no impact on ETP species.  With this being the case, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The target level is met.</b>	ESA U.S. Fish and Wildlife Service website, Threatened and Endangered Species in Nebraska: <a href="https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf">https://www.fws.gov/nebraskaes/Library/NebraskaT&amp;ESpecies.pdf</a>  ASC-MSC Seaweed (Algae) Standard v1.01 §8.5	Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
		c. Indirect effects	No minimum level. Go to target level.			Indirect effects have been considered for the UoA and are thought to be highly likely to not create unacceptable impacts.	Yes	As outlined above, the production unit under assessment is expected to have no impact on ETP species.  With this being the case, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The target level is met.</b>	ASC-MSC Seaweed (Algae) Standard v1.01 §8.5.	Target	
		d. Management strategy in place	There are measures in place that minimize the UoA-related impact on ETP species, and it is expected to be highly likely to achieve national and international requirements for the protection of ETP species. OR Where there are no requirements for protection and rebuilding provided through national ETP legislation or international agreements, there are measures in place that are expected to ensure the UoA does not hinder the recovery of ETP species.	Yes	There are measures in place that minimize the UoA-related impact on ETP species, such as effluent and waste management, enclosed operations. Veramaris has -through Evonik, the necessary permits to comply with environmental regulations. As such the production unit under assessment is expected to have no impact on ETP species. With this being the case, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3. <b>The minimum level is met.</b>	There is a strategy in place for managing the UoA's impact on ETP species, including measures to minimize mortality, which is designed to be highly likely to achieve national and international requirements for the protection of ETP species. OR Where there are no requirements for protection and rebuilding provided through national ETP legislation or international agreements, there is a strategy in place that is expected to ensure the UoA does not hinder the recovery of ETP species.	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3. <b>The target level is met.</b>		Target	
		e. Management strategy evaluation	The measures are considered likely to work, based on plausible argument	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The minimum level is met.</b>	There is an objective basis for confidence that the measures/strategy will work, based on information directly about the UoA and/or the species involved.	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The target level is met.</b>		Target	
		f. Management strategy implementation	No minimum level. Go to target level.			There is some evidence that the measures/strategy is being implemented successfully.	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The target level is met.</b>		Target	
		g. Review of alternative measures to minimize mortality of ETP species	There is a review of the potential effectiveness and practicality of alternative measures to minimize UoA-related mortality of ETP species.	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The minimum level is met.</b>	There is a regular review of the potential effectiveness and practicality of alternative measures to minimize UoA-related mortality of ETP species and they are implemented as appropriate.	Yes	As the production unit under assessment is expected to have no impact on ETP species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level for PI 2.3.  <b>The target level is met.</b>		Target	
	2.4 Other species	a. Main species stock status	Main species are likely to be above biologically based limits OR If the main species are below biologically based limits, there are measures in place expected to ensure that the UoA does not hinder recovery and rebuilding.	Yes	In ASC-MSC assessments, "main" species are those comprising ≥5% or more by weight of the total catch of all species by the UoA, or ≥2% in the case of species classified as "less resilient" according to ASC-MSC requirements (ASC-MSC Standard §8.23).  Since the production unit under assessment is land based and entirely enclosed, operations are not expected to impact any species other than that being cultured.  According to the ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, if a UoA has no impact on Other species, PI 2.4 shall be considered to have met the target level.  <b>The minimum level is met.</b>	Main species are highly likely to be above biologically based limits OR If the main species are below biologically based limits there is either evidence of recovery or a demonstrably effective strategy in place between the UoA and any other certified seaweed UoAs which categorize these species as main, to ensure that they collectively do not hinder recovery and rebuilding.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The target level is met.</b>	Veramaris presentation. ASC-MSC Standard §8.23. ASC-MSC Seaweed §8.5.	Target	
		b. Management strategy in place	There are measures in place, if necessary, which are expected to maintain or not hinder rebuilding of main species at/to levels which are highly likely to be above biologically based limits or to ensure that the UoA does not hinder their recovery.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The minimum level is met.</b>	There is a partial strategy in place for the UoA, if necessary, that is expected to maintain or to not hinder rebuilding of the main species at/to levels which are highly likely to be above the biologically based limits or to ensure that the UoA does not hinder their recovery.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The target level is met.</b>		Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
		c. Management strategy evaluation	The measures are considered likely to work, based on plausible argument (e.g. general experience, theory or comparison with similar UoAs/species).	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The minimum level is met.</b>	There is some objective basis for confidence that the measures/partial strategy will work, based on some information directly about the UoA and/or species involved.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The target level is met.</b>		Target	
		d. Management strategy implementation	No minimum level. Go to target level.			There is some evidence that the measures/partial strategy is being implemented successfully.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The target level is met.</b>		Target	
		e. Review of alternative measures	There is a review of the potential effectiveness and practicality of alternative measures to minimize UoA-related mortality of unwanted catch of main species.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The minimum level is met.</b>	There is a regular review of the potential effectiveness and practicality of alternative measures to minimize UoA-related mortality of unwanted catch of main species and they are implemented as appropriate.	Yes	As the production unit under assessment is expected to have no impact on Other species, and in accordance with ASC-MSC Seaweed (Algae) Standard v1.01 §8.5, the production unit under assessment is considered to meet the target level.  <b>The target level is met.</b>		Target	
	2.5 Waste management and pollution control	a. Waste reduction	There are some measures in place that can help to reduce waste produced by the UoA.	Yes	The facility has a waste management plan, waste water is treated at Cargill's wastewater treatment plant, by products are utilized as animal feed ingredient and for soil remediation. Residual water is removed from the oil by centrifugation and the end result is a highly concentrated algal oil and a liquid co-product. <b>The minimum level is met.</b>	There is a strategy in place, which is expected to reduce waste produced by the UoA.	Yes	There is a company strategy to reduce waste, evidenced through waste management procedures, waste control, by-product utilization.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>	Target	
		b. Chemicals and hydrocarbon wastes	There are some measures in place that can help to reduce chemical and hydrocarbon wastes produced by the UoA.	Yes	There are some measures in place that can help to reduce chemical and hydrocarbon wastes produced by the UoA. Plant provided evidence of used oil disposal, air permit regarding modification of existing Evonik plant to produce EHA and DPA, invoices for used oil disposal e.g. Green for Life Environmental waybill for removal of 1000 gallons of used oil, on 10/15/19.  <b>The minimum level is met.</b>	There is a strategy in place, which is expected to reduce chemical and hydrocarbon waste produced by the UoA.	Yes	Veramaris has a strategy to produce algal oil through an environmentally sound process. There is description of their process in their website. <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a> and in Evonik's 2019 sustainability report, with a goal to reduce Scope 1 and 2 emissions by 50% in 2025, and Scope 3.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>  Green for Life Environmental waybill	Target	
		c. Chemicals and hydrocarbon spills	There are some measures in place that can help to prevent spills of chemicals and hydrocarbons originating from the UoA.	Yes	There are procedures in place to prevent spills of chemicals and hydrocarbons. Personnel has been trained in spill prevention, there is spill recovery equipment.  <b>The minimum level is met.</b>	There is a spill prevention and response plan in place for chemicals and hydrocarbons originating from the UoA.	Yes	During the remote video tour of the facility and through staff interviews it was evident that there is a spill prevention and response plan in place for chemicals and hydrocarbons at Evonik/Veramaris operation.  <b>The target level is met.</b>	Remote video tour.  Training calendar for 2020.  Staff interviews.	Target	
	2.6 Pest(s) and disease(s) management	a. Spread of pest(s) and disease(s)	There is a partial strategy that is expected to prevent the spread of pest(s) and disease(s).	Yes	Veramaris starts its process with pure cultures. Staff insures that cultures are clean and free of pathogens in order to obtain successful batches of the final product. There is no discharge of live organisms to the outside environment.  <b>The minimum level is met.</b>	There is a strategy that is expected to prevent the spread of pest(s) and disease(s).	Yes	A strategy to prevent diseases is essential to the operation. There is no contact between live cultured species and the environment, algae cells are destroyed in order to obtain the end product, effluent water is heat treated and goes to a treatment plant.  <b>The target level is met.</b>	Remote video tour.  Training calendar for 2020.  Staff interviews.	Target	
	2.7 Energy efficiency	a. Energy use monitoring	There is some information about energy use of the production unit.	Yes	There is information about energy use of the facility. Equipment is monitored and controlled permanently.  <b>The minimum level is met.</b>	There is evidence of energy use monitoring relative to production and ongoing effort to improve efficiency.	Yes	There is evidence of energy use monitoring relative to production, Through Evonik, Veramaris has set targets for energy use reduction.  <b>The target level is met.</b>	SuRe2, ESHQ Reporting Manual 4.0	Target	
		b. Maintenance records of equipment	There are maintenance records for equipment.	Yes	There are complete maintenance records of equipment.  <b>The minimum level is met.</b>	Maintenance records for equipment are up to date and available.	Yes	Maintenance records for equipment are up to date and available. Maintenance is managed through a software which has information about repairs, scheduled repairs. Maintenance manager explained maintenance program.  <b>The target level is met.</b>	Remote video tour.  Staff interviews.	Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
	2.8 Translocations	a. Impact of translocation activity	The translocation activity is unlikely to introduce diseases, pests, pathogens, or non-native species into the surrounding ecosystem.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	The translocation activity is highly unlikely to introduce diseases, pests, pathogens, or non-native species into the surrounding ecosystem.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
		b. Translocation management strategy evaluation	There is a partial strategy in place that is expected to protect the surrounding ecosystem from the translocation activity at levels compatible with the translocation outcome target level of performance defined in Sla (target level).	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.	There is a strategy in place that is expected to protect the surrounding ecosystem from the translocation activity at levels compatible with the translocation outcome target level of performance defined in Sla (target level).	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  Translocation does not occur, the system is land-based and there is no contact with, extraction from, or impact on the marine environment which cannot be considered negligible.		Not applicable	
	2.9 Introduction of alien species	a. Management of alien species	There is a partial strategy in place to prevent progression of ecosystem impacts from occurring due to the presence of the alien species.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The UoA does not target an alien species.	There is a strategy in place to prevent progression of ecosystem impacts from occurring due to the presence of the alien species.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  The UoA does not target an alien species.		Not applicable	

7.3. Principle 3 – Effective management

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
3. Effective management	3.1 Legal and/or customary framework	a. Compatibility of laws or standards with effective management	There is an effective national legal system and a framework for cooperation with other parties, where necessary, to deliver management outcomes consistent with the Principles of this standard.	Yes	<p>Scoring here is focused on whether or not there is an appropriate and effective legal and/or customary framework capable of delivering sustainability in accordance with P1 and P2, and responsible operations in accordance with P4 and P5.</p> <p>The production unit under assessment is not subject to international cooperation.</p> <p>The UoA operates under the law of the USA, Nebraska and Blair county and must abide by conditions in regulations and permits. From an environmental perspective, the facility is governed both from a state level and a federal level.</p> <p>EPA and the Nebraska Department of Environmental Quality (NDEQ) share regulatory oversight of the facility. For example, NDEQ is generally the lead agency on air and water permitting, whereas EPA is responsible for chemical accident provisions of the Clean Air Act section 112(r) and the Emergency Planning Community Right-to-Know Act.</p> <p>Example evidence of compliance with regulations: A review of the existing permits for the Green Ocean/Veramaris project concluded that based on the details, the project did not require a construction permit modification, and the project did not require a construction permit prior to installation/implementation. A meeting between Evonik, NDEQ, and HDR took place February 22, 2017 regarding the Green Ocean project and the findings of the January 2017 permit applicability memo. At the time, NDEQ agreed that the Green Ocean project would likely not require any changes to Evonik's air permits and that submitting a voluntary minor permit revision would be helpful but not required due to the information provided (NDEQ Permit File Memo, 02/22/2017).</p> <p>No change to the prior assessment by the NDEQ is anticipated due to a similar decrease in emissions resulting from the newest pilot testing data.</p> <p>As mentioned above, a new permit was not required, but submitting a voluntary minor permit revision was completed. This permit was reviewed by auditor.</p> <p>Also, a building occupancy permit was issued showing that the guidelines were followed for the construction of the Veramaris (Green Ocean) plant. This occupancy permit is not given until all open permits are completed along with necessary inspections. This is essentially an end of project confirmation that the city is approves the finished project.</p> <p>Veramaris/Evonik is regulated by the Nebraska Air Quality Regulations (Title 129) and the Clean Air Act of 1970. Because of the new Veramaris plant, Evonik applied to the State of Nebraska for a voluntary minor permit revision which was granted in 2019. Prior to start-up of the plant the air emissions were estimated using small scale runs (evidence provided). Stack testing was recently completed, and results showed (official report pending) that emissions were lower than what is allowed in the current air permit.</p> <p>Management is consistent with that of a private industrial operation and is appropriate to the context, size, scale and intensity of the UoA.</p> <p><b>The minimum level is met.</b></p>	<p>There is an effective national legal system and organized and effective cooperation with other parties, where necessary, to deliver management outcomes consistent with the Principles of this standard.</p>	Yes	<p>The UoA operates under various State and Federal Laws of the USA, the State of Nebraska and Blair County and must abide by conditions in regulations and permits.</p> <p>State and Federal structures provide for organized cooperation between entities where necessary and Veramaris/Evonik cooperate with agencies as appropriate.</p> <p>In addition to justification for the minimum level, there is evidence of cooperation with other parties to deliver outcomes consistent with this standard, there are communication and interactions between community and Evonik/Veramaris:</p> <p>Evonik and Veramaris are active within the community. There are multiple ways in which the community can communicate with Evonik and Veramaris. One way is directly through a face to face visit, phone call, or email. Another way is via community wide meetings. P.C., Evonik Site Manager, is a member of the Washington County Gateway Development Board (supporting local business development) and attends meetings regularly (bimonthly meetings). Recently, Veramaris spoke at the Washington County Chamber Ag Related Business Day and interacted with business leaders within the community. The Evonik site contributes monetarily to the community. (Monetary amount kept confidential by auditor).</p> <p>Further evidence of cooperation is that the plant was visited by the governor of Nebraska to thank the company for its contribution to the economy of the state through the investments made and creation of job opportunities.</p> <p><b>The target level is met.</b></p>	<ol style="list-style-type: none"> <li>USA, Nebraska and Blair county Laws and Regulations.</li> <li>EPA and Nebraska Department of Environmental Quality (NDEQ) websites.</li> <li>Clean Air Act section 112(r) and Emergency Planning Community Right-to-Know Act.</li> <li>Review of permits for the Veramaris project.</li> <li>NDEQ Permit File Memo, 02/22/2017).</li> <li>Veramaris building occupancy permit.</li> <li>Nebraska Air Quality Reg.s (Title 129) and the 1970 Clean Air Act.</li> <li>Evidence of community wide interactions including visits to facility.</li> </ol>	Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
		b. Respect for rights	The management system has a mechanism to generally respect the legal rights created explicitly or established by custom of people dependent on harvesting or farming for food or livelihood in a manner consistent with the objectives of Principles of this standard.	Yes	State and Federal structures include mechanism to respect the rights of people dependent on harvesting or farming for food or livelihood.  With this being said, the UoA is located in a site that has been used for industry for decades. There is no harvesting for food or farming in the site and the operation does not impact farming.  <b>The minimum level is met.</b>	The management system has a mechanism to observe the legal rights created explicitly or established by custom of people dependent on harvesting or farming for food or livelihood in a manner consistent with the objectives of Principles of this standard.	Yes	Management structures include mechanisms to observe the rights of people dependent on harvesting or farming for food or livelihood.  The facility is located in a site that has been used for industry for decades. There is no harvesting for food or farming in the site. Operation does not impact farming. Company abides by applicable laws and retains legal counsel.  <b>The target level is met.</b>	1. U.S. State and Federal structures.  2. Evonik ESA Report	Target	
	3.2 Decision-making processes	a. Objectives	Objectives to guide decision-making, which are consistent with achieving the outcomes expressed in the Principles of this standard, are implicit within the production unit specific management system.	Yes	Given the enclosed nature of the production unit, numerous outcomes expressed in the various Principles of the Standard are not particularly relevant. Objectives of relevance are there focused primarily in the area of the social Principles. Company objectives are efficient and profitable production of algal oil from microalgal cultures. This objective guides management decision and operations consistent with achieving the outcomes expressed in relevant principles of the ASC-MSC standard.  <b>The minimum level is met.</b>	Short and long-term objectives, which are consistent with achieving the outcomes expressed in the Principles of this standard, are explicit within the production unit specific management system	Yes	Short- and long-term objectives, such as increasing efficiency of oil production, with less energy usage and less waste and emissions are explicitly stated in company website, presentation and evidenced by interviews with managers.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>  Green for Life Environmental waybill	Target	
		b. Decision-making process	There are some decision-making processes in place that result in measures and strategies to achieve the production unit specific objectives.	Yes	As expected for a private enterprise, there is an organizational structure and decision-making processes in place that result in measures and strategies to achieve the production unit specific objectives.  <b>The minimum level is met.</b>	There are established decision-making processes that result in measures and strategies to achieve the production unit specific objectives.	Yes	Company structure is geared to optimal production of oil while minimizing waste, thus decisions are based on technical and financial issues.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>	Target	
		c. Responsiveness of decision-making processes	Decision-making processes respond to serious issues identified in relevant research, monitoring, evaluation and consultation, in a transparent, timely and adaptive manner and take some account of the wider implications.	Yes	Decision making is geared towards internal processes and respond to technical issues and relevant scientific information. The company does not have an impact on natural seaweed populations nor direct impacts on aquatic ecosystems.  <b>The minimum level is met.</b>	Decision-making processes respond to all issues identified in relevant research, monitoring, evaluation and consultation, in a transparent, timely and adaptive manner and take account of the wider implications of decisions.	Yes	Decision making is geared towards internal processes and respond to technical issues and relevant scientific information. The company does not have an impact on natural seaweed populations nor direct impacts on aquatic ecosystems.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>	Target	
		d. Use of precautionary approach		Yes	No minimum level is specified for this PI.	Decision-making processes use the precautionary approach and are based on best available information.	Yes	Decision-making in terms of the production process is based on best available information. A precautionary approach in the intent of conservation and management objectives is not required for this land based, enclosed facility with no direct contact with aquatic ecosystems.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>	Target	
		e. Accountability and transparency of management system and decision-making process	Some information on the production unit's performance and management action is generally available on request to stakeholders.	Yes	Information about the production unit is available through company website and sustainability reports. According to Evonik Code of Conduct, it is committed to open, timely, uniform and reliable communication with all stakeholders. Since this is a private enterprise operating in a land-based facility, with proprietary information, information available to stakeholders is deemed sufficient. <b>The minimum level is met.</b>	Information on the production unit's performance and management action is available on request, and explanations are provided for any actions or lack of action associated with findings and relevant recommendations emerging from research, monitoring evaluation and review activity.	Yes	Information about the production unit is available through company website and sustainability reports. Veramaris - through Evonik stated that providing transparent information and engaging in dialog is part of its environmental responsibility and considers this as essential elements of corporate conduct. Evonik informs its customers of the correct use and possible impact of its products on people and the environment in compliance with legal requirements. The company also cooperates as appropriate with state agencies and educational institutions. Since this is a private enterprise, it is appropriate that certain proprietary information is not shared, but the information that is shared is deemed sufficient.  <b>The target level is met.</b>	<a href="https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf">https://corporate.evonik.com/Downloads/Corporate/BPK/Evonik_Sustainability_Report_2019.pdf</a>  <a href="https://www.veramaris.com/what-we-do-detail.html#fermentative">https://www.veramaris.com/what-we-do-detail.html#fermentative</a>  Evonik Code of Conduct	Target	
		f. Approach to disputes	Although the management authority or production unit may be subject to continuing court challenges, it is not indicating a disrespect or defiance of the	Yes	Company has had no disputes since it began operations according to interviews and records.  <b>The minimum level is met.</b>	The management system or production unit is attempting to comply in a timely fashion with judicial or administrative tribunal decisions arising from any legal challenges.	Yes	Company retains legal counsel. There are no current nor have there been any legal challenges. Company has had no disputes since it began operations according to interviews and records.		Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
			law by repeatedly violating the same law or regulation necessary for the sustainability of the production unit.					<b>The target level is met.</b>			
	3.3 Compliance and enforcement	a. MCS implementation	Monitoring, control and surveillance (MCS) mechanisms exist, and are implemented in the production unit and there is a reasonable expectation that they are effective.	Yes	Veramaris as part of Evonik abides by the corporate compliance management system. There is permanent 24hr, 7 days a week monitoring and control. Company has internal regulations and codes of conduct, as well as production targets, and KPI. Compliance is implemented through corporate structure and chain of command. <b>The minimum level is met.</b>	A monitoring, control and surveillance system (MCS) has been implemented in the production unit and has demonstrated an ability to enforce relevant management measures, strategies and/or rules.	Yes	There are corporate measures and strategies which include Code of conduct for employees, suppliers, a whistle-blower policy. There is evidence, after reviewing records and interviews with staff, that there is permanent 24hr, 7 days a week monitoring and control. Company has internal regulations and codes of conduct, as well as production targets, and KPI. Compliance is implemented through corporate structure and chain of command. Evonik site Blair has certifications that apply to and cover the algal oil that is produced for Veramaris. The certifications that Evonik site Blair has that applies to Veramaris are: FAMI-QS, ISO 9001, ISO 14001, and RC 14001. <b>The target level is met.</b>	Veramaris Code of Conduct. Evonik Sustainability report.	Target	
		b. Sanctions	Sanctions to deal with non-compliance exist and there is some evidence that they are applied.	Yes	<p>Since the Veramaris plant started construction in the summer of 2017 and started production in May 2019 and up to the time of the audit, there have not been any disciplinary actions given to any of the Veramaris/Evonik employees, and site rules or the Code of Conduct have not been violated.</p> <p>Veramaris/Evonik does have a disciplinary protocol but it hasn't ever been needed in the Blair, Nebraska plant. In addition, if the Code of Conduct is violated, consequences are as follows: Veramaris has a Code of Conduct which is an integral part of the employment relationship with every employee. Violating this Code of Conduct can have serious consequences for employees, for example, disciplinary action under employment law, including termination of employment, or claims for compensation by Veramaris or third parties. If violating this Code of Conduct also constitutes a criminal offense, such violation may also result in criminal proceedings, which could lead to the employee being fined or imprisoned. Since Evonik site Blair produces for Veramaris, Evonik site Blair is responsible to make sure that they comply with the relevant regulations for effluent and emissions. For example, if Evonik doesn't comply with conditions in the air permits issued by the Nebraska Department of Environmental Quality (NDEQ) or if water effluent exceeds the Cargill limits, then any fines or sanctions issued to Evonik site Blair because of Veramaris would then get passed along to Veramaris.</p> <p>Veramaris provided evidence that laws are enforced and that there are effective mechanisms for enforcement by citing two cases where actions have been taken by regulators against other companies in the state of Nebraska for non-compliance: an energy company received several notices and orders to come into compliance for infractions under the purview of the Nebraska Department of Environmental Quality and EPA; another company, a food processor, was heavily fined for U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) violations.</p> <p><b>The minimum level is met.</b></p>	Sanctions to deal with non-compliance exist, are consistently applied and thought to provide effective deterrence.	Yes	<p>Veramaris' parent company Evonik has a House of Compliance structure which has been established to define minimum Group-wide standards for the relevant compliance management systems to ensure that these standards are implemented. Decision-making, exchange of experience, and coordination of the joint activities all take place in the Compliance Committee, which is comprised of the heads of the individual departments, who are independently responsible for their subject area, and the head of Corporate Audit. The Chief Compliance Officer is the chair of the Compliance Committee and coordinates its activities.</p> <p>The topics of environment, safety, and health are combined in a separate corporate division. The Code of Conduct is an integral part of the employment relationship with every employee. (See 3.3b minimum level evidence).</p> <p>Veramaris investigates all alleged violations and treats all information with the greatest possible confidentiality. Veramaris does not tolerate any disadvantage to employees who report possible or actual violations or cooperate in the investigation of such violations.</p> <p><b>The target level is met.</b></p>	<ol style="list-style-type: none"> <li>1. Veramaris Code of Conduct.</li> <li>2. Veramaris/Evonik disciplinary protocol.</li> <li>3. Evidence of Nebraska Department of Environmental Quality and EPA enforcement proceedings.</li> <li>4. Evidence of U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) violations.</li> </ol>	Target	
		c. Compliance	Production units comply with the management system under assessment, including, when required, providing information necessary for effective management.	Yes	Production unit is part of a corporate structure and management system are involved directly in day to day 24-hour operations. See also 3.3b. <b>The minimum level is met.</b>	Some evidence exists to demonstrate production units comply with the management system under assessment, including, when required, providing information of importance to the effective management of the production unit.	Yes	Production unit is part of a corporate structure and management systems are involved directly in day to day 24-hour operations. Important information is monitored and provided permanently by staff. See 3.3 b also. <b>The target level is met.</b>		Target	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
		d. Systematic non-compliance		Yes	<p>There is no evidence of systematic non-compliance.</p> <p>Veramaris/Evonik hasn't received any fines, sanctions, or regulatory offenses to date. Since the Veramaris plant started construction in the summer of 2017 and started production in May 2019 all rules and regulations have been followed and there is no record of any offenses. An internet search conducted by the auditor for possible lawsuits or reports of infractions committed by Veramaris did not reveal any such findings.</p> <p><b>The minimum level is met.</b></p>	<p>There is no evidence of systematic non-compliance.</p>	Yes	<p>There is no evidence of systematic non-compliance.</p> <p>Auditor also reviewed the 2019 Corporate Governance report of Veramaris' parent company Evonik (headquartered in Germany), which includes a declaration of compliance with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act. This report also includes descriptions of internal compliance mechanisms and goals, code of conduct, whistleblower policies.</p> <p><b>The target level is met.</b></p>	<p>5. 2019 Evonik Corporate Governance report.</p> <p>6. Internet search for evidence of non-compliance.</p> <p>7. Information provided by client.</p>	Target	

7.4. Principle 4 – Social responsibility

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)	
4. Social responsibility	4.1 Child labor	a. Child labor	No incidences of child labor or young worker abuse are found to have occurred.	Yes	In accordance with Evonik Corporation policies and fear of not complying with US federal or state laws, the company hidden the full name of 15 workers in the operator's licenses, drive licenses, and passport IDs submitted copies. The auditor cross-information with an Excel table provided by the company to check the dates of birth. No evidence of younger worker than 15 years old were observed.  <b>The minimum level is met.</b>	There is evidence that the risk of child labor and young worker abuse has been minimized.	No	No Policy was presented, stating that the organization is against child labor and will not hire any child under 15 years of age. The company attached the Evonik Code of Conduct document, where it is mentioned that the company follows the principles of the ILO against all forms of child labor and forced labor. However, the information is insufficient to meet the target level.  <b>The target level is not met.</b>	1. US federal or state laws. 2. Records of dates of birth of employees.	Minimum		
	4.2 Forced, bonded or compulsory labor	a. Incidences and risk of forced, bonded or compulsory labor	No incidences of forced, bonded or compulsory labor are found to have occurred.	Yes	The Contract Agreement presented by the company as evidence was an Offer letter duly signed by 15 workers before going through the control exams to be hired. The document shows two items that mention a Pay Time Off-PTO policy and a Global Compensation Plan to meet the requirements detailed in the minimum level on not withhold any part of the salary, freedom to leave the workplace when not working and manage their own non-working time.  <b>The minimum level is met.</b>	There is evidence that the risk of forced, bonded or compulsory labor has been minimized.	No	There was no evidence of a Policy against forced, bonded and compulsory labor in place. The Evonik Global Social Policy briefly mentions the word Freedom of engagement and that the company opposes any use of forced or compulsory labor. However, the target level requests a Policy that details the subject to be shared with the workers through training that was not evidenced.  <b>The target level is not met.</b>	1. Contract agreements signed by workers.	Minimum		
	4.3 Discrimination	a. Incidences and risk of discrimination	No incidences of discrimination are found to have occurred.	Yes	There were no cases of job promotion. People are hired in a position already established by the company as mentioned in the Offer letter. No records of discrimination complaints were found.  <b>The minimum level is met.</b>	There is evidence that the risk of discrimination covering all aspects of potential discrimination has been minimized.	Yes	A Policy entitled: Anti-Harassment, Anti-Discrimination, Anti-Retaliation and Anti-Bullying Policy, version N # 4, June 2020 was evidenced. The document presents the mechanism of Incident reporting and Investigation process on page 4 of the policy. An induction with topics of interest is given to new workers by human resources.  15 records of the "New Hire Orientation Checklist & Acknowledgment" were attached, detailing that a training was carried out on all company policies (Evonik Anti-Harassment/Anti-Bullying, Equal Employment Opportunity, Paid Time Off, Substance Abuse, Smoking & Tobacco). In addition, there is also a policy entitled: Equal employment opportunity.  <b>The target level is met.</b>	1. Offer letters. 2. Anti-Harassment, Anti-Discrimination, Anti-Retaliation and Anti-Bullying Policy, version N # 4, June 2020 3. Induction processes, "New Hire Orientation Checklist & Acknowledgment". 4. Equal employment opportunity policy.	Target		
	4.4 Health, safety and insurance	a. Safe and healthy working and living environment for workers		The employer provides a safe and healthy working and living environment (where accommodation is provided) for workers.	Yes	In the virtual tour of the facilities, it was possible to observe the emergency exits duly marked, the fire extinguishers hanging at a regulatory height with signage, the evacuation assembly point near the parking area, emergency lights, first aid kit, safe drinking water, correct use of protective equipment - PPEs in downstream and fermentation areas.  Accommodation is not provided for workers.  <b>The minimum level is met.</b>	No target specified for this PI. If minimum in met the target should be considered met.	Yes	No target is specified for this PI. As the minimum is met, the target is considered met.  <b>The target level is met.</b>	1. Virtual tour of facility.	Target	
			b. Health and safety records and corrective action	There is evidence that health and safety related accidents and violations are recorded and corrective action is taken when necessary. No immediate and serious dangers to personnel health or safety were identified.	Yes	The head of the Environment, Safety, Health (ESH) area showed evidence of 03 incidents or accidents that occurred in the company's facilities (downstream and fermentation plant) so far this year 2020. The root cause, the preventive and corrective actions were evidenced e.g. First Aid for employee who cuts on the top of right knuckle while cutting graphite gasket, prevention talks and the purchase of a new scissor for handling with the use of gloves.  <b>The minimum level is met.</b>	Hazards to personnel health and safety are known. Accidents are analyzed for root causes. The root causes are addressed and remediated to prevent future accidents of a similar nature. All incidences including minor accidents are included. Records are complete and accurate.	Yes	The root cause, the preventive and corrective actions were evidenced e.g. First Aid for employee who cuts on the top of right knuckle while cutting graphite gasket, prevention talks and the purchase of a new scissor for handling with the use of gloves.  <b>The target level is met.</b>	1. Records of incidents or accidents that occurred in company's facilities. 2. Root cause, preventive and corrective actions related to incidents/accidents.	Target	
		c. Occupational health and safety assessment and personnel training	There is evidence that personnel are trained effectively on health and safety topics related to their role, responsibilities and activities.	Yes	OHS trains two different topics every month for Fermentation and Downstream operations e.g. Troubleshooting dust collectors, chillers, hybrid system operation.  <b>The minimum level is met.</b>	Formal and regular training courses are undertaken. Risk assessments are documented and/or certified. Personnel are appointed to apply health and safety risk assessment, which may include an overseeing management committee, first aiders and/or fire marshals. Special risks associated with changing workplace	Yes	The internal risk assessment is basically carried out for the correct use of the machinery and equipment used in the two audited areas. It was checked that damages can occur to the workers who operate the machines. The document was not attached in the shared folder files, the auditor had to review it through the screen shared by the client. OSHA	1. Records of training.	Target		

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
						or worker condition, such as expectant mothers, will have due consideration.		administers the Occupational Safety and Health Act (OSH). Safety and health conditions in most private industries are regulated by OSHA or OSHA-approved state plans. Nebraska is under federal OSHA jurisdiction that covers most private sector workers within the state.  <b>The target level is met.</b>			
		d. Organisation responsibility and insurance provided for personnel accident or injury	No incidences of workers having to cover their own work-related medical expenses.	Yes	No incidents of workers having to cover their own medical expenses. 80% of the Interviewees mentioned that they are part of Aetna Medical Plan and all is included by the insurance.  <b>The minimum level is met.</b>	Organisation is responsible and there is proof of insurance (accident or injury) for personnel medical costs in a job-related accident or injury, unless otherwise covered. This includes all seasonal workers.	Yes	The company provides private insurance for its workers with different Medical Plans. Options are shared through the Annual Enrolment Booklet 2019-2020 that talks about benefits programs. Medical Plans options include Aetna and UnitedHealthcare (UHC). Certificate of Liability Insurance with Liberty Mutual Insurance Company was presented currently until 1/1/2021.  <b>The target level is met.</b>	1. Annual Enrolment Booklet 2019-2020.	Target	
	4.5 Fair and decent wages	a. Fair and decent wages	The organization pays at least the legally required minimum wage. Deductions in pay for disciplinary actions are not allowed and payments are made in a manner convenient to workers.	Yes	Posters outlining State and Federal Labor laws which are posted within the facility by the breakroom and elevators and in the packaging warehouse breakroom. These show the federal minimum wage to be US \$7.25 per hour (effective July 24, 2019) while the minimum wage in Nebraska is higher at US \$9.00 per hour (effective January 1, 2016). During interviews conducted as part of the site visit portion of this assessment, interviewees stated that they earned more than the minimum.  Initially, during the site visit portion of this assessment, the company did not want to give workers wage records for fear of breaking a national standard of the United States of America however, the company later provided payroll records from 2 paydays including employee numbers and hourly wages—all employees earned in excess of the legally required minimum wage.  <b>The minimum level is met.</b>	The organization pays a living wage and there are no labor-only contracting relationships.	Yes	The company submitted the living wage calculation for Douglas County, Nebraska. The result was US \$11.37 per hour living wage for an adult with zero children. The result for two adults with zero children was US \$9.47 per hour. Payroll records provided by the company show that employees earn in of the calculated living wage.  Interviewed employees assured that there are no labor-only contracting relationships.  <b>The target level is met.</b>	1. US federal or state laws. 2. Spreadsheet with payroll details. 3. Corresponding pay slips for 5 sample employees. 4. Details of work schedule for Evonik employees.	Target	
	4.6 Freedom of association and collective bargaining	a. Freedom of association and collective bargaining	There are no incidences of the production unit restricting worker access to associate or bargain collectively.	Yes	The company describes in its Evonik Global Social Policy about the freedom of association. The Offer letter mentions that the company complies with policies, procedures, and other documents of internal interest of the company. A copy of the Global Social Policy is posted on the notice board near the dining room.  <b>The minimum level is met.</b>	There is evidence that the risk of restrictions to freedom of association and collective bargaining has been minimized.	Yes	The company makes the effort to receive feedback from its employees at monthly meetings where different topics of interest are discussed. A Performance Improvement Plan (PIP) provides an opportunity for the employee and his supervisor to define the expectations of the job and to monitor the progress toward reaching established goals. This PIP has been developed to help attain acceptable performance and to coach in meeting the expectations that have been set forth in the job.  <b>The target level is met.</b>	1. Evonik Global Social Policy. 2. Offer letters. 3. Performance Improvement Plan (PIP).	Target	
	4.7 Disciplinary practices	a. Disciplinary practices	There is a policy in place to ensure against abusive disciplinary practices. No incidences of tolerated abuse have taken place.	Yes	The same evidence in PI 4.3 is presented to comply the indicator. Anti-Harassment, Anti-Discrimination, Anti-Retaliation and Anti-Bullying Policy, version N # 4, June 2020. An annually signed copy of the Evonik Corporation North America Compliance Program is attached in the employee's folders file. This compliance is to help employees understand how they can meet the standards and principles of the Code of Conduct and other company Policies.  <b>The minimum level is met.</b>	The risk of potential abuse around discipline have been minimized. There are clearly outlined procedures to raise, file and respond to a complaint of abuse in an effective manner. Management and workers are clear on the policy and procedures. Training is provided to supervisors on acceptable disciplinary measures.	Yes	There were no records of harassment in the Human Resources area. None of the 15 interviewees stated that they had complains or queries about harassment issues.  <b>The target level is met.</b>	1. Anti-Harassment, Anti-Discrimination, Anti-Retaliation and Anti-Bullying Policy, version N # 4, June 2020. 2. Signed copies of the Evonik Corporation North America Compliance Program.	Target	
	4.8 Working hours	a. Working hours	The organization abides at least to the legally required working and overtime laws. All overtime is voluntary.	Yes	The Evonik Global Social Policy talks about the working hours at page 7, declaring that they observe all applicable national labor laws, regulations and collective agreements concerning working hours. In absence of any local provision stipulating other working hours, they restrict their employees' routine scheduled working hours—in accordance to the International Labor Organization—to 48 hours per week and they aim to provide at	The organization abides by industry norms. Overtime is not regular. Workers are provided with at least one day off following every six consecutive days of working.	No	It was observed the same employee N# 800006, in a working hour summary, with 2 payrolls from May 8th and 22nd exceeding the overtime allowed biweekly payment hours. The total amount of overtime hours for the first payroll is 42 hours and the second is 50 hours. Against ILO you can do 24 hours of extra time in 2 weeks. A collective agreement with the workers was not observed, as indicated in the clarification	1. Evonik Global Social Policy. 2. International Labor Organization requirements on working hours.	Minimum	1

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
				Yes	<p>least 24 consecutive hours of free time per week; full time employees are entitled to receive paid annual vacation.</p> <p>The Evonik Blair site operates continuously 24hrs a day 365 days a year. In order to do this a number of different working schedules are necessary:</p> <ul style="list-style-type: none"> <li>Operational support staff/management: work Monday – Friday (8am – 5pm).</li> <li>Operational technicians: work a rotating shift schedule on 1 of 4 crews (A, B, C &amp; D) working 12 hr days (8am – 8pm). <ul style="list-style-type: none"> <li>Technicians are allotted an extra paid ½ hr per day to change clothes in preparation for their workday.</li> <li>The client provided the shift calendar showing scheduled work shifts for the entire 2020 year.</li> <li>Technicians work a rotating schedule 2 days working, 3 days off, 2 days working, 2 days off, 3 days working, 2 days off.</li> </ul> </li> <li>Overtime is paid for the hourly workers at 1.5 times their regular wage for the overtime hours worked.</li> <li>If an hourly employee is scheduled to work on a holiday, they receive 2 times their regular wage for the hours worked that day.</li> </ul> <p><b>The minimum level is met.</b></p>		No	<p>guide on this issue, to meet the target level of the indicator. The finding was a screenshot picture of an excel page taken by the auditor in the audit process.</p> <p>Information provided by the client is confidential and accessible only to SAI Global and, upon request, to the ASC, the MSC or the ASC-MSC's appointed accreditation body (currently Assurance Services International (ASI)).</p> <p><b>The target level is not met.</b></p>			
	4.9 Environmental and social training	a. Environmental awareness and training	Information is delivered to production unit workers about environmental and social issues included in this standard such as disposal of waste, and prevention and management of chemical and hydrocarbon spills, grievance procedure.	Yes	<p>An Environmental, Safe, Healthy (ESH) training, Process development Update (also Biolys), Business Update, CAPEX, maintenance, updates in fermentation &amp; downstream evidence were observed as a result table of trainings.</p> <p><b>The minimum level is met.</b></p>	There is evidence of environmental and social awareness and training, in production unit workers, sufficient for them to properly dispose of waste, and prevent and manage chemical and hydrocarbon spills, or to lodge a grievance.	No	<p>No evidence of a policy to ensure continuing education of workers was observed.</p> <p><b>The target level is met.</b></p>	Training and other records including Environmental, Safe, Healthy (ESH) training, Process development Update (also Biolys), Business Update, CAPEX, maintenance, updates in fermentation & downstream.	Minimum	2

7.5. Principle 5 – Community relations and interaction

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
5. Community relations and interaction	5.1 Community impacts	a. Community impact	An assessment of the production unit community impact is conducted, and if determined necessary by the assessment, an independent p-SIA is conducted.	No	The company presented as evidence an Environmental Impact Study, the indicator requests an assessment of the production unit and community impact as the minimum requirement. No study or report was observed that talks about community impacts induced by the company.  Meeting agendas are done monthly with relevant community leaders of surrounding living areas as Washington county, Omaha, Harrison, Blair. The purpose of these meetings is to introduce themselves as neighbors and meet their needs to see if they can be supported with a charitable donation. Last year Evonik had an annual budget of US\$ 10,585 to spend in donations.  The company does not restrict access to vital community resources.  <b>The minimum level is not met.</b>	Recommendations of the production unit's community impact assessment are being implemented and the production unit is shown to have positive social benefits for the community.	—	In accordance with ASC-MSC CAR §Guidance 17.11.6, as this scoring issue does not meet the minimum it has not been further scored at the target levels.  <b>Not scored.</b>	1. Agendas of monthly meetings with relevant community leaders. 2. Records of Evonik annual charity budget.	<Minimum	3
		5.2 Conflict resolution	a. Resolution of disputes	The management system incorporates or is subject by law to a mechanism for the resolution of legal disputes arising within the system.	No	There is evidence of agendas and minutes of meetings held with the communities. However, nothing is written about complaints or suggestions. The stakeholder interviewed explained that complaints they may have about the company and its operations are not an item on the agenda.  <b>The minimum level is not met.</b>	The management system incorporates or is subject by law to a transparent mechanism for the resolution of legal disputes, which is considered to be effective in dealing with most issues and that is appropriate to the context of the UoA.	—	In accordance with ASC-MSC CAR §Guidance 17.11.6, as this scoring issue does not meet the minimum it has not been further scored at the target levels.  <b>Not scored.</b>	1. Agendas of monthly meetings with relevant community leaders. 2. Stakeholder interviews.	<Minimum
		b. Roles and responsibilities	Organisations and individuals involved in the management process have been identified. Functions, roles and responsibilities are generally understood.	Yes	The meeting agendas are done monthly with relevant community leaders of surrounding living areas as Washington county, Omaha, Harrison, Blair and other Stakeholders as universities, Nebraska government departments, others.  <b>The minimum level is met.</b>	Functions, roles and responsibilities are explicitly defined and well understood for key areas of responsibility and interaction/s.	Yes	The meeting agendas are done monthly with relevant community leaders of surrounding living areas as Washington county, Omaha, Harrison, Blair and other Stakeholders as universities, Nebraska government departments, others.  <b>The target level is met.</b>	1. Agendas of monthly meetings with relevant community leaders. 2. Stakeholder interviews.	Target	
		c. Consultation process	The management system includes consultation processes that obtain relevant information from the main affected parties, including local communities and knowledge, to inform the management system.	No	There is evidence of agendas and minutes of meetings held with the communities. However, nothing is written about relevant information or comments issued by the community.  <b>The minimum level is not met.</b>	The management system includes consultation processes that regularly seek and accept relevant information, including local communities and knowledge. The management system demonstrates transparency and consideration of the information obtained.	—	There is evidence of agendas and minutes of meetings held with the communities. However, nothing is written about relevant information or comments issued by the community.  <b>Not scored.</b>	1. Agendas of monthly meetings with relevant community leaders. 2. Stakeholder interviews.	Minimum	5
		d. Participation	The consultation process provides opportunity for all interested and affected parties to be involved.	No	There is no consultation process about the production unit community impacts. It exists meetings with the community, but this topic is not mentioned.  <b>The minimum level is not met.</b>	No target specified for this PI. If minimum in met the target should be considered met.	—	In accordance with ASC-MSC CAR §Guidance 17.11.6, as this scoring issue does not meet the minimum it has not been further scored at the target levels.  <b>Not scored.</b>	1. Agendas of monthly meetings with relevant community leaders. 2. Stakeholder interviews.	Minimum	6
	5.3 Rights of indigenous people	a. Rights of indigenous people	There is evidence that the rights of indigenous people are respected by the production unit (where applicable to growing area) and attempts are made to accommodate their needs.	Yes	There are no indigenous peoples applicable to growing area.  The San tee Sioux Indian Reservation is at the North East state line Nebraska with South Dakota. The Winnebago and Omaha Indian Reservation is also at the North East state line Nebraska with Iowa. The city of Blair is at Center East border line with Iowa far away more than 100 miles from the nearest Indian reservation land area.  <b>The minimum level is met.</b>	No target specified for this PI. If minimum in met the target should be considered met.	Yes	No target is specified for this PI. As the minimum is met, the target is considered met.  <b>The target level is met.</b>		Target	
	5.4 Visibility, positioning and orientation of production units or water-based structures	a. Compliance with navigational rules and regulations	Production units allow access for other resource users as prescribed by custom or law.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.	Production units proactively facilitate access for other water users.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.		Not applicable	
		b. Positioning of production unit sites	Visible structures of production units are arranged in an orientation and position as prescribed by custom or law.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).	Visible structures of production units are arranged in a uniform orientation and position, except where specified by law.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).		Not applicable	

Principle	PI	Scoring Issue	Minimum	Met?	Justification	Target	Met?	Justification	References	Level	Condition (if relevant)
					It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.			It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.			
	5.5 Identification and recovery of substantial gear	a. Identification of substantial gear	There is evidence that all substantial gear is identifiable to production unit.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.	No target specified for this PI. If minimum in met the target should be considered met.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.		Not applicable	
		b. Gear recovery	There is evidence that gear recovery is conducted by the production unit.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.	The production unit ensures that they maintain the proper equipment and /or mechanisms for recovering lost gear.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.		Not applicable	
		c. Float use	Float use is recorded by the production unit. Floats are securely attached so that they do not become loose.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.	No target specified for this PI. If minimum in met the target should be considered met.	NA	Not applicable due to Veramaris' operations falling into the Cii seaweed production category (cultivation entirely in land-based systems, supply of seed from wild stocks NOT required or negligible).  It is a land-based system and the activity does not require the use of substantial gear or structures in the wild aquatic environment.		Not applicable	
	5.6 Noise, light and odor	a. Noise, light and odor	There are some measures that can help minimize operational noise, light and odor as appropriate to local custom.	Yes	The production unit prepared a graphic showing the noise generated by each machinery of downstream and fermentation area. <b>The minimum level is met.</b>	There is evidence that noise, light and odor originating from the production unit are minimized in areas where it may impact others or as prescribed by law.	No	The noise measurement values are shown in Decibels of the areas where the equipment and machinery are located. However, no written explanation or interpretation of results is presented to know if the noise has been managed to minimize and meet the target level of the indicator.  <b>The target level is not met.</b>	1. Records of noise generated. 2. Records of locations of machinery.	Minimum	7
	5.7 Abandoned production units	a. Abandoned production units	There is a mechanism in place for clearing up any unused production units.	Yes	There are no abandoned or unused production units on land or any water-based structure requiring clearing up.  <b>The minimum level is met.</b>	No target specified for this PI. If minimum in met the target should be considered met.	Yes	No target is specified for this PI. As the minimum is met, the target is considered met.  <b>The target level is met.</b>		Target	

## 8. Summary of scoring table

Principle	Performance Indicator		At Client Draft report			At Public Comment Draft Report (PCDR)		
			Level	No. of Conditions	Pass?		No. of Conditions	Pass?
1	PI 1.1	Stock Status	Not applicable	NA	NA	Not applicable	NA	NA
	PI 1.2	Harvest strategy	Not applicable			Not applicable		
	PI 1.3	Genetic impact on wild stock	Not applicable			Not applicable		
2	PI 2.1	Habitat	Not applicable	0	Yes	Not applicable	0	Yes
	PI 2.2	Ecosystem structure and function	Not applicable			Not applicable		
	PI 2.3	ETP species	Target			Target		
	PI 2.4	Other species	Target			Target		
	PI 2.6	Pest(s) and disease(s) and management	Target			Target		
	PI 2.7	Energy efficiency	Target			Target		
	PI 2.8	Translocations	Not applicable			Not applicable		
PI 2.9	Introduction of alien species	Not applicable	Not applicable					
3	PI 3.1	Legal and/or customary framework	Target	0	Yes	Target	0	Yes
	PI 3.2	Decision-making processes	Target			Target		
	PI 3.3	Compliance and enforcement	Target			Target		
4	PI 4.1	Child labor	Minimum	4	No (total conditions above permitted level)	Target	2	Yes (no critical conditions and total conditions within permitted levels)
	PI 4.2	Forced, bonded or compulsory labor	Minimum			Target		
	PI 4.3	Discrimination	Target			Target		
	PI 4.4	Health, safety and insurance	Target			Target		
	PI 4.5	Fair and decent wages	Target			Target		
	PI 4.6	Freedom of association and collective bargaining	Target			Target		
	PI 4.7	Disciplinary practices	Target			Target		
	PI 4.8	Working hours	Minimum			Minimum		
	PI 4.9	Environmental and social training	Minimum			Minimum		
5	PI 5.1	Community impacts	<Minimum	3 (2 critical)	No (critical conditions and total conditions above permitted level)	Target	1	Yes (no critical conditions and total conditions within permitted levels)
	PI 5.2	Conflict resolution	<Minimum			Target		
	PI 5.3	Rights of indigenous groups	Target			Target		
	PI 5.4	Visibility, positioning and orientation of farms or water-based structures	Not applicable			Not applicable		
	PI 5.5	Identification and recovery of substantial gear	Not applicable			Not applicable		
	PI 5.6	Noise, light and odor	Minimum			Minimum		
	PI 5.7	Decommissioning of abandoned farms or water-based structures	Target			Target		

ASC-MSC Standard §Table 4. Maximum number of conditions allowed for a certified UoA.

Principle	Production system category (as in Table 2)				
	A	B <sub>i</sub>	B <sub>ii</sub>	C <sub>i</sub>	C <sub>ii</sub>
P1	1	1	0	1	0
P2	2	2	2	2	2
P3	1	1	1	1	1
P4	2	2	2	2	2
P5	2	2	2	1	1

## 9. Summary of critical conditions

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Client response	Rationale for closing conditions
1	<p>1. The client must provide evidence of an assessment of the production unit's community impacts.</p> <p>2. Thereafter, and if deemed necessary by the assessment of the production unit's community impacts, the client must provide evidence of an independent p-SIA having been conducted.</p>	<p><b>3 months</b> (from date Critical Conditions are sent to the client)</p> <p><b>+ 3 months</b> if an independent p-SIA is required</p>	PI 5.1	a	No	<p>1. The client provided an assessment of the production unit's community impacts conducted as part of the client action plan for this critical condition.</p> <p>2. Additional document provided in support of closing the critical condition included:</p> <ul style="list-style-type: none"> <li>o A summary of a Safety, Health, and Environmental (SHE) Assessment conducted prior to the construction of the site.</li> <li>o Several press releases from the local newspapers documenting the positive social impact of Veramaris.</li> <li>o Certificate of Occupancy from the City of Blair issued after all buildings and permits were reviewed and deemed acceptable.</li> </ul> <p>Not applicable. The assessment of the production unit's community impacts did not deem an independent p-SIA to be necessary.</p>	<p>The critical condition was closed on the basis there is now evidence of the client's having assessed the production unit's community impacts.</p> <p>The Social Impact Assessment deemed the impacts to be either positive, or low or very low risk such that no recommendations requiring were raised. Furthermore, the client was able to provide evidence that the production unit has positive social benefits for the community.</p> <p>The requirements of the minimum and target levels are both now met such that the critical condition is closed, and no further non-critical condition is required.</p>
2	<p>The client must provide evidence that:</p> <p>a. the community has access to effective, fair and confidential grievance procedures.</p> <p>c. the management system includes consultation processes that obtain relevant information from the main affected parties, including local communities and knowledge, to inform the management system including:</p> <ul style="list-style-type: none"> <li>i. having and following a conflict resolution policy that provides a mechanism for presentation, treatment and resolution of any complaints lodged;</li> <li>ii. community testimonials demonstrating that this policy has been implemented and there is a shared understanding of procedures for filing complaints, and;</li> <li>iii. a record of everyone that has received a copy of the policy.</li> </ul>	<p><b>3 months</b> (from date Critical Conditions are sent to the client)</p>	PI 5.2	a c	No	<p>The client provided a document outlining the Complaint Resolution Process in place in the City of Blair including a flow chart of how conflicts are resolved and a link to the website where complaints may be submitted.</p> <p>Complaints may be made:</p> <ul style="list-style-type: none"> <li>• to the City of Blair via a phone call, email or online complaint form.</li> <li>• directly to Evonik and Veramaris by phone call or email.</li> <li>• during any Washington County Planning Commission meeting, any City Council meeting, any Washington County Gateway Economic Development meeting, or any Washington County Board meeting.</li> </ul>	<p>The critical condition was closed on the basis there is now evidence of the community having access to a grievance procedure appropriate to the production unit under assessment.</p> <p>The management system includes regular consultation with stakeholders through its various Boards and Commissions. Furthermore, the management system demonstrates transparency in that meeting minutes are publicly available online.</p> <p>The lack of complaints in relation to the production unit under assessment is a positive thing and is potentially related</p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Client response	Rationale for closing conditions
	d. The consultation process provides opportunity for all interested and affected parties to be involved.			d		<p>The County Board and City Council meet biweekly, the Planning Commission meets monthly, and Gateway Economic Development meeting meets bimonthly (Evonik's Site Manager, is a member of this Board), so the community has a chance to voice concerns multiple times a month at different meetings. Note. Many meeting minutes are available online at: <a href="http://www.co.washington.ne.us/meetings.html">http://www.co.washington.ne.us/meetings.html</a></p> <p>While no complaints have been lodged against Veramaris specifically, the client provided numerous examples of the complaints process in action where complaints have been submitted to the City of Blair against other companies and ultimately resolved.</p> <p>The document illustrates that the complaints mechanism is easily accessible to the community at all times with there being many avenues that allow members of the community voice their concerns</p>	<p>to the overall positive social impacts attributed to the facility.</p> <p>Overall, the assessment team is satisfied that the requirements of the minimum and target levels are both now met such that the critical condition is closed, and no further non-critical condition is required.</p>

## 10. Summary of conditions

The assessment team are required to create a schedule of conditions stating the specific requirements that are to be met within a specified timeframe for each performance that has met the minimum level but failed to meet the target level.

Those conditions are drafted to follow the narrative of the scoring issue(s) not met and result in improved performance to the target level within a specified timeframe of not more than one year. Although this timeframe may be extended if achieving the target level may take longer even if the best possible actions are taken [ASC-MSC CAR §17.12.2, §17.2.3 and §17.2.3.1].

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
3	<p>The client must provide evidence that the risk of child labor and young worker abuse has been minimized including that the production unit has in place:</p> <p>a. A written policy or declaration stating that:</p> <ol style="list-style-type: none"> <li>i. the organization is against child labor and will not employ anybody younger than 15 years old.</li> <li>ii. The actions to be taken if child labor or young worker abuse is discovered.</li> <li>iii. How risks of child labor are minimized.</li> </ol> <p>b. A system that monitors the policy and its implementation.</p>	1 year	4.1	a	No	<p><b>a. A description of the root cause(s) of the condition.</b></p> <p>Veramaris and Evonik are against child labor and they don't employ any children/minors. This is specified in each company's Code of Conduct. However, a specific, standalone child labor policy was not present. Therefore, Evonik must provide evidence that the risk of child labor and young worker abuse has been minimized including that the production unit has in place:</p> <p>A. A written policy or declaration stating that:</p> <ol style="list-style-type: none"> <li>i. the organization is against child labor and will not employ anybody younger than 15 years old.</li> <li>ii. The actions to be taken if child labor or young worker abuse is discovered.</li> <li>iii. How risks of child labor are minimized.</li> </ol> <p>B. A system that monitors the policy and its implementation.</p> <p><b>b. The corrective action(s) to be taken and how these will address the condition to meet the target level.</b></p> <p>A standalone policy stating that Evonik is against child labor will be drafted. This will include a written declaration stating that the organization is against child labor and will not employ anybody younger than 15 years old. The policy will also address actions to be taken if child labor is discovered, how to minimize the risk of child labor,</p>	<p>The condition was closed on the basis that a policy now exists stating that the organization is against child labor and will not hire any child under 15 years of age.</p> <p>The policy also includes actions to minimize the risk of child labor, steps to be taken if child labor is discovered, and a system that monitors the policy and implementation.</p> <p><b>The requirements of the target level are now met such that the condition is closed.</b></p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
						<p>and a system that monitors the policy and implementation.</p> <p><b>c. Who will undertake the actions in the plan to meet the condition(s).</b> Evonik HR and Legal department</p> <p><b>d. The specified time period within which the condition(s) will be addressed.</b> A draft of the policy is targeted to be completed by ~Sept. 15th and will be shared with the audit team.</p> <p><b>e. How progress to meeting condition(s) will be shown to the audit team.</b> The policy will be shared with the audit team on ~Sept. 15th.</p> <p><b>f. Funding and/or resources of other entities needed to close the condition.</b> Time from Evonik HR and Legal department to draft policy</p>	
4	<p>The client must provide evidence that the risk of forced, bonded or compulsory labor has been minimized including that:</p> <p>a. A clear policy against forced, bonded and compulsory labor is in place.</p> <p>b. All workers have received a copy of and understand the policy.</p>	1 year	4.2	a	No	<p><b>a. A description of the root cause(s) of the condition.</b> A clear policy that is against forced, bonded, and compulsory labor was missing. Veramaris and Evonik are against forced, bonded, and compulsory labor, and this is stated in their Codes of Conduct. However, a standalone policy was not in place and needs to be so in order to satisfy this requirement.</p> <p><b>b. The corrective action(s) to be taken and how these will address the condition to meet the target level.</b> A standalone policy stating that Evonik is against forced, bonded, and compulsory labor will be drafted. The workers at the Blair site will receive a copy.</p> <p><b>c. Who will undertake the actions in the plan to meet the condition(s).</b> Evonik HR and Legal department</p>	<p>The condition was closed on the basis that a policy now exists stating that the organization is against forced, bonded and compulsory labor and that workers have received a copy of the policy.</p> <p><b>The requirements of the target level are now met such that the condition is closed.</b></p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
						<p><b>d. <u>The specified time period within which the condition(s) will be addressed.</u></b> A draft of the policy is targeted to be completed by ~Sept. 15th and will be shared with the audit team.</p> <p><b>e. <u>How progress to meeting condition(s) will be shown to the audit team.</u></b> The policy will be shared with the audit team on ~Sept. 15th.</p> <p><b>f. <u>Funding and/or resources of other entities needed to close the condition.</u></b> Time from Evonik HR and Legal department to draft policy</p>	
5	The client must provide evidence that the organization abides by industry norms. Overtime is not regular. Workers are provided with at least one day off following every six consecutive days of working including that working hours do not exceed 48 hours including 12 overtime hours per week on a regular basis.	1 year	4.8	a	No	<p><b>a. <u>A description of the root cause(s) of the condition.</u></b> The client must provide evidence that the organization abides by industry norms. Overtime is not regular. Workers are provided with at least one day off following every six consecutive days of working including that working hours do not exceed 48 hours including 12 overtime hours per week on a regular basis. Based on the information looked at by the CAB auditor, it was claimed that the workers were having too much overtime.</p> <p><b>b. <u>The corrective action(s) to be taken and how these will address the condition to meet the target level.</u></b> The Evonik plant allows for overtime according to local legislation. Based on the shift work schedule, overtime is required during one week, but it is offset during the next week. Therefore for a two week period, scheduled overtime is less than 12 hours per week. However, employees can pick up additional overtime, which is voluntary. With the voluntary overtime, overtime could exceed the limits allowed by the ILO guidelines. In order to address this, an agreement with the overtime rules will be documented and signed by the employees. If there is agreement in place which documents the overtime guidelines and is signed by the</p>	<p>The condition has not yet been closed as the <b>requirements of the target level are not yet met.</b></p> <p>This represents the second action plan as the first was rejected by the audit team.</p> <p>The amended Client Action Plan has been accepted and progress will be assessed at, or before, the 1<sup>st</sup> surveillance audit.</p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
						<p>employees, then the requirements for PI 4.8 would be covered.</p> <p><b>c. Who will undertake the actions in the plan to meet the condition(s).</b> Evonik/Veramaris team</p> <p><b>d. The specified time period within which the condition(s) will be addressed.</b> Target to complete by the end of December 2020, hopefully even earlier.</p> <p><b>e. How progress to meeting condition(s) will be shown to the audit team.</b> A document will be drafted which details the overtime guidelines. This will be signed by the employees and presented to the auditors.</p> <p><b>f. Funding and/or resources of other entities needed to close the condition.</b> Some time will be needed to document the overtime guidelines and have these guidelines reviewed and signed by the employees.</p>	
6	<p>The client must provide evidence of environmental and social awareness and training, in production unit workers, sufficient for them to properly dispose of waste, and prevent and manage chemical and hydrocarbon spills, or to lodge a grievance. Including that the production unit:</p> <p>a. Has policies in place to ensure continuing education of workers.</p> <p>b. Provides incentives that encourage workers to participate in educational initiatives.</p> <p>c. Demonstrates that workers have the appropriate level of understanding of environmental and social issues.</p>	1 year	4.9	a	No	<p><b>a. A description of the root cause(s) of the condition.</b> The client must provide evidence of environmental and social awareness and training, in production unit workers, sufficient for them to properly dispose of waste, and prevent and manage chemical and hydrocarbon spills, or to lodge a grievance. Including that the production unit:</p> <p>A. Has policies in place to ensure continuing education of workers.</p> <p>B. Provides incentives that encourage workers to participate in educational initiatives.</p> <p>C. Demonstrates that workers have the appropriate level of understanding of environmental and social issues.</p> <p>From the audit report, it was noted that no evidence of a policy to ensure continuing education of workers was observed.</p>	<p>The condition has not yet been closed as the <b>requirements of the target level are not yet met.</b></p> <p>The Client Action Plan has been accepted and progress will be assessed at, or before, the 1<sup>st</sup> surveillance audit.</p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
						<p><b>b. <u>The corrective action(s) to be taken and how these will address the condition to meet the target level.</u></b> All training records and educational opportunities will be fully documented and shared with the auditors. It has been discussed within the Evonik/Veramaris team that the Evonik site is likely already doing the necessary training and educational opportunities to fulfill the target, but it wasn't properly documented or shown during the audit. After showing all existing training records and educational opportunities, if it is deemed that the target still isn't met, a more complete policy ensuring continuing education can be drafted.</p> <p><b>c. <u>Who will undertake the actions in the plan to meet the condition(s).</u></b> Evonik HR and ESH officer.</p> <p><b>d. <u>The specified time period within which the condition(s) will be addressed.</u></b> Target to complete by the end of December 2020, hopefully even earlier.</p> <p><b>e. <u>How progress to meeting condition(s) will be shown to the audit team.</u></b> Team will come back with all training records and educational opportunities for the site.</p> <p><b>f. <u>Funding and/or resources of other entities needed to close the condition.</u></b> Time required by the HR and ESH officer on site.</p>	
7	The client must provide evidence that noise, light and odor originating from the production unit are minimized in areas where it may impact others or as prescribed by law including that they: a. Have managed to minimize noise, light and odor originating from the production unit.	1 year	5.6	a	No	<p><b>a. <u>A description of the root cause(s) of the condition.</u></b> The client must provide evidence that noise, light and odor originating from the production unit are minimized in areas where it may impact others or as prescribed by law including that they: A. Have managed to minimize noise, light and odor originating from the production unit.</p>	<p>The condition has not yet been closed as the <b>requirements of the target level are not yet met.</b></p> <p>The Client Action Plan has been accepted and progress will be assessed at, or before, the 1<sup>st</sup> surveillance audit.</p>

Condition number	Condition	Timeframe	Performance Indicator	Scoring issue	Related to previously raised condition?	Action Plan (provided by the client in the review of the Client Draft Report)	Rationale for closing conditions (to be updated during surveillance)
	b. Have and maintain designated storage areas and containers, which are appropriate for the materials that create odors.					<p>B. Have and maintain designated storage areas and containers, which are appropriate for the materials that create odors.</p> <p>In the audit report no written explanation or interpretation of noise results is presented to know if the noise has been managed to minimize and meet the target level of the indicator.</p> <p><b><u>b. The corrective action(s) to be taken and how these will address the condition to meet the target level.</u></b> Build off of the initial Safety, Health, and Environmental study and the existing noise data to complete a full report addressing noise, light, and odor. Prepare updated report with explanation on what has been done to minimize detrimental effects of noise, light, and odor.</p> <p><b><u>c. Who will undertake the actions in the plan to meet the condition(s).</u></b> EHS office along with support from Veramaris team.</p> <p><b><u>d. The specified time period within which the condition(s) will be addressed.</u></b> By end of Feb 2021.</p> <p><b><u>e. How progress to meeting condition(s) will be shown to the audit team.</u></b> Updates on the noise, light, and odor study can be shared with the audit team as they are obtained.</p> <p><b><u>f. Funding and/or resources of other entities needed to close the condition.</u></b> Time needed to put together the updated noise, light, and odor study and write the report.</p>	

## 11. Traceability (CAR 17.14)

1. Review and document:	Description			
1a. The flow of certified product from harvest to sale within the UoA.	Algal oil starts with algae cell cultures which are cultured indoors in enclosed facility. Cultures are transferred to larger vats until harvest parameters are met; then algal oil is extracted and stored until ready for shipment.			
1b. The associated traceability system which allows product to be traced from first point of sale back to the harvesting/culturing facilities in the UoA.	Paper batch records and SOPs accompany all the batches produced. This has critical information and details of the batch produced. In addition, PI System Explorer is the software that tracks process conditions over time and lets the operators and engineers to go back and see process trends over time. Laboratory data for all batches are kept using LIMS (Laboratory Information Management System) software.			
1c. The traceability documentation at each stage of handling certified product and how product can be linked from each document (e.g. through batch codes, lot codes, etc.				
1d. A detailed description of the systems used to segregate and identify certified product at each stage of handling.	There are no other similar products in the facility, only one type of algae is cultured for oil extraction warehouse has documents and records for each batch where they keep the bill of lading and shipping schedule for all outbound shipments			
2. Identify if the following risks are currently or potentially applicable	Currently applicable? (Yes/No)	Potentially applicable? (Yes/No)	If answer to current or potential risk is yes clearly document the risk.	Describe any traceability, segregation, or other systems in place to manage and minimize the risk.
2a. The possibility of mixing or substitution of certified and non-certified product, including product of the same or similar appearance or species, produced within the same UoA.	No	No	No risk. The facility only produces the product that is the subject of this assessment.	
2b. The possibility of mixing or substitution of certified and non-certified product, type of production/harvest, including product of the same or similar appearance or species, present during production, harvest, transport, storage, or processing activities.	No	No	Possible risk downstream in chains but not prior to entry to Chain of Custody. The facility only produces the product that is the subject of this assessment.	
2c. The possibility of subcontractors being used to handle, transport, store, or process certified products.	Yes	—	The product is produced by Evonik under a sub-contractor agreement but there is no resulting risk as the operations of Evonik were included in the scope of this assessment.	The operations of Evonik were included in the scope of this assessment.
2d. Any other opportunities where certified product could potentially be mixed, substituted, or mislabelled with non-certified product before the point where product enters the Chain of Custody.	No	No	As above, the facility only produces the product that is the subject of this assessment such that there are no opportunities for certified product to be mixed, substituted, or mislabelled with non-certified product before entry to the Chain of Custody.	
3. Determination	Yes/No	Justification		
3a. Are traceability and segregations systems in place are sufficient to address the risks and to ensure all products identified and sold as certified originate from the UoA?	Yes	Given the absence of risk of mixing of certified and uncertified product prior to the entry point to chain of custody, the traceability and segregations systems in place are sufficient to address the risks and to ensure all products identified and sold as certified originate from the UoA.		
3b. Is a separate chain of custody certification required for the UoA before products can be sold as certified?	No	Given that there is not risk of mixing of certified and uncertified product prior to the entry point to chain of custody, separate CoC certification is not required.		
3c. Confirm whether products are eligible to enter further chains of custody.	Yes	Given the above, products originating from the UoA are eligible to enter further chains of custody.		
3d. If a separate chain of custody certification is not required, document the intended point of first sale.	—	As legal ownership of the product changes from Veramaris (USA) LLC to Veramaris VOF, this has been determined to be the intended point of first "sale".		
3e. If a separate chain of custody certification is not required, document the point from which chain of custody is required to begin.	—	As intended point of first "sale" is the point of transfer of ownership from Veramaris (USA) LLC to Veramaris VOF. it is from this point that chain of custody is required to begin.		

## 12. Determination

Draft determination	The applicant will be recommended for certification <b>provided</b> : 1) all critical conditions are closed within the required timeframes; 2) the number of cumulative conditions in each Principle is reduced to allowable levels as defined in ASC-MSC CAR §Table 4, and; 3) appropriate actions plans are submitted to address any remaining conditions within the defined timeframes.
Final determination	<b>To be added at the Final Report stage. Specify if any changes to the determination have been made after PCDR.</b>
Entities allowed to use certificate	The entities allowed to use any resulting ASC-MSC certificate are defined by the client group: – Veramaris (USA) LLC. (Production arm of Veramaris). – Veramaris VOF (Sales and Marketing arm of Veramaris) who take ownership of the certified product from Veramaris LLC. and sell it on to other customers. – DSM and Evonik (as parent groups of the Veramaris equal joint venture).
The point from which CoC is required to begin	As legal ownership of the product changes from Veramaris (USA) LLC to Veramaris VOF, chain of custody (COC) is required to begin at the point of transfer of ownership from Veramaris (USA) LLC to Veramaris VOF.
Eligibility date	The nominated Eligibility Date is the publication date of the Public Comment Draft Report (PCDR).