



Sustainability Report 2025



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Letter from the Board

Dear BONO Group employee, business partner, and curious reader,

On behalf of our team, we welcome you to our very first Sustainability Report!

May this report mark an important milestone in our journey: a more formal, structured, and strategic commitment to sustainability that matches our ambitious business goals.

For several years, BONO Group companies have been among the leaders in the forest management industry in the Baltic Sea region. We source certified forest products from our own forests, local forest owners, and processing sites, and deliver them to our clients in over 12 countries through an efficient logistics network.

We are proud to work with some of the region's most ambitious companies. Their leadership and commitment to sustainability inspire us to formalize our sustainability efforts. We recognize we're only at the beginning of this journey. Yet our ambitions are clear: we aim to grow, innovate, and continuously improve how we work.

Sustainably yours,
BONO Group Board



JURIS ANDŽEJEVSKIS

Chairman of the Board
BONO, SIA | BONO HOUSE, SIA

“ We are privileged to have many experienced, skilled, and dedicated professionals across the industry, each bringing unique expertise and perspectives. I am proud of the work we have done so far and confident that we will continue to grow, improve, and achieve our sustainability ambitions.



RIHARDS VEIDE

Chairman of the Board
BONO ENERGY, SIA | BONO TRADE,
SIA | BONO LOGISTICS, SIA

“ Sustainability for us is a journey in change management. We're armed with patience and persistence, as every improvement takes time. I'm grateful to our team for identifying opportunities for improvement, implementing efficient practices, and upholding the highest quality standards.



Key numbers and highlights

These key performance indicators (KPIs), covering both sustainability and financial metrics, clearly show how BONO Group performed in 2025. This data is crucial for informed internal decision-making, benchmarking against industry peers, and identifying key areas for improvement for 2026 and beyond.

ESG METRICS

SOCIAL RESPONSIBILITY

8.07

The average number of annual training hours per employee

1

Female-to-male management ratio

CLIMATE AND NATURE

2025

The baseline year for GHG emissions calculated

95%

The percentage of material exported complies with internationally recognised certification schemes

GOVERNANCE AND ETHICS

15

Certification and client audits carried out

0

Convictions and fines for corruption and bribery

FINANCIAL METRICS

1600

Owned land, ha

481 000 m³

Roundwood sold

62 Mil.

Turnover in 2025

203 000 m³

Roundwood transported

1020

Partners globally

568 000 loose/m³

Wood Chips sold

GENERAL INFORMATION

B1 - Basis for preparation

About this report

This sustainability report is compiled based on both the Basic and Comprehensive Module of the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) published by EFRAG in December 2024. Some additional information is included in disclosures where necessary to provide a more comprehensive picture. The titles from the standard have been retained with minimal modifications, and corresponding disclosure numbers (e.g., B1 Basis for preparation) are included for clarity and traceability. The disclosures are divided into three categories: Climate and Environment, Social Responsibility, and Governance and Ethics.

All disclosure requirements of the VSME Standard have been addressed, with no omissions.

The report has been prepared on a consolidated basis, including information about the following legal entities:



BONO, SIA
BONO ENERGY, SIA
BONO TRADE, SIA
BONO LOGISTICS, SIA
BONO HOUSE, SIA

About BONO Group

BONO Group is a forest resource management company group delivering a fully certified wood supply chain — from forest land acquisition and management to procurement, logistics, and export operations.



The undertaking legal form: **Limited liability company (SIA)**

NACE sector classification code(s):



BONO, SIA	02.20
BONO ENERGY, SIA	46.83
BONO TRADE, SIA	46.83
BONO LOGISTICS, SIA	49.41
BONO HOUSE, SIA	41.20, 41.00

37 Mil.

Size of the balance sheet, EUR

62 Mil.

Turnover, EUR

81

Number of employees in headcount

Latvia

Country of primary operations and location of significant asset(s)

Geolocation of sites owned, leased, or managed

Sites	Address	Postal code	City	Country	Ownership type	Coordinates (geolocation)
HQ office in Valmiera	Beātes iela 5, Valmiera	LV-4201	Valmiera	Latvia	Owned	57°32'33.0"N 25°25'34.9"E
Office in Riga	Ūnijas iela 8k-7, Rīga	LV-1084	Rīga	Latvia	Leased	56.968347, 24.164321
Harbour: Riga Central Terminal site	Eksporta iela 15k-1, Rīga	LV-1045	Rīga	Latvia	Leased	56.971870, 24.096835
Harbour: Salacgrīva site	Rīgas iela 2, Salacgrīva	LV-4033	Salacgrīva	Latvia	Leased	57.754457, 24.356158
Valmiera site	"Astes" Brandeļi, Kocēnu novads	LV-4220	Brandeļi, Kocēnu novads	Latvia	Leased	57.519711, 25.358593
Jēkabpils site (Active till August 2025)	Cukurfabrikas iela 2, Jēkabpils	LV-5202	Jēkabpils	Latvia	Leased	56.517708, 25.854813
Gulbene site	Dzelzsceļa iela 2, Gulbene	LV-4401	Gulbene	Latvia	Leased	57.186795, 26.774710
Riebiņi site	Noliktava "Zaseki", Riebiņu pagasts, Preiļu novads	LV-5326	Riebiņu pagasts, Preiļu novads	Latvia	Leased	56.338905, 26.776438
Harbour: Jaunmilgrāvis site	Tvaika iela 70, Rīga	LV-1034	Rīga	Latvia	Leased	57.022858, 24.122475
BONO HOUSE	Mārtiņrožu iela 38, Sunīši, Garkalnes pagasts, Ropažu novads	LV-2137	Garkalnes pagasts, Ropažu novads	Latvia	Owned	56.978452, 24.371672
Harbour: Voleri site	Beķergrāvja iela 5, Voleri, Bolderājas apkaime, Rīga	LV-1007	Rīga	Latvia	Leased	57.008234, 24.080559
Harbour: Liepājas site	Turaidas iela 26/28, Liepāja	LV-3414	Liepāja	Latvia	Leased	56.543801, 21.030717

Sustainability-related certification or labels

BONO Group complies with all industry standards and regulatory requirements, including the principles of sustainable forestry and timber harvesting. Our operations are certified according to internationally recognized standards, confirming that the materials we offer to our clients meet environmental, quality, and safety requirements.

These certificates serve as evidence of our commitment to ensuring a transparent and responsible supply chain, from forest management to the finished product. They confirm that our timber originates from legally and sustainably managed forests and complies with all technical and market requirements.

FSC®

(Forest Stewardship Council)

Description: Chain of Custody certification ensures that the wood we offer to our clients originates from responsibly managed forests and is traceable throughout all production and trade processes, from the forest manager to the manufacturer of the final product.

Date: 11.11.2022. | SIA BONO ENERGY (FSC-C181051)
07.12.2022. | SIA BONO TRADE (FSC-C178868)
31.01.2022. (31.01.2017.) | SIA BONO

Applies to: BONO TRADE, SIA |
BONO ENERGY, SIA | BONO, SIA

Issuer: SCS Global Services

SBP

(Sustainable Biomass Program)

Description: SBP has developed a certification system to provide assurance that biomass is sourced both legally and sustainably, allowing companies in the bioeconomy sector to demonstrate compliance with regulatory requirements, at a minimum. SBP certification system serves as a clear statement of standards and processes necessary to ensure responsible sourcing and compliance across the supply chain.

Date: 17.11.2022.

Applies to: BONO ENERGY, SIA

Issuer: SCS Global Services

In addition, we comply with the following directive:

RED III Directive

(Bridging requirements for Meeting the Renewable Energy Directive (EU/2023/2413))

RED is the latest version of the European Union's Renewable Energy Directive, which sets stricter sustainability and greenhouse gas reduction criteria for biomass and other forms of renewable energy. It raises the EU's renewable energy targets for 2030 and enhances the traceability and sustainability of biomass to promote climate neutrality and environmental protection.

PEFC

(Programme for the Endorsement of Forest Certification)

Description: Wood supply chain certification certifies that wood from responsibly managed forests is used in production and that this material is traceable throughout all production and trade processes, from the forest manager to the manufacturer of the final product.

Date: 05.12.2025 | BONO ENERGY, SIA SIA
08.12.2025 | BONO TRADE, SIA

Applies to: BONO TRADE, SIA | BONO ENERGY

Issuer: SCS Global Services

ENPlus® class A1 and A2

Description: ENplus® is a Europe-wide quality certification system that ensures wood pallets meet the highest standards of quality, safety, and traceability throughout the entire value chain- from production to end user.

Date: 07.07.2024.

Applies to: BONO ENERGY, SIA

Issuer: BEA CERT

C1 - General information - Strategy: Business Model and Sustainability – Related Initiatives

Sustainability Strategy

BONO Group's Sustainability Strategy and related actions are derived from the Double Materiality Assessment, during which we identified the most critical impacts, risks, and opportunities. The strategic priorities set out in our sustainability strategy consider both management's vision for BONO Group's way forward as well as the expectations of employees, customers, financiers, and partners. The group's sustainability strategy is reviewed annually and updated by the leadership team.

The identification and assessment of material impacts, risks, and opportunities

BONO Group's sustainability-related material impacts, risks, and opportunities have been identified in a Double Materiality Assessment (DMA) as part of preparation for compliance with the CSRD (Corporate Sustainability Reporting Directive). The key goal of the DMA was to identify and assess the most important sustainability topics. Based on these topics, the group's sustainability strategy and goals were defined. The assessment considered the ESG topics covered in the ESRS standard and included the positive and negative impacts on the upstream and downstream value chain, as well as the risks and opportunities associated with the sustainability issues.

As part of the Double Materiality Assessment process, the group defined its value chain, its key stakeholders, gathered stakeholders' insights on the group's positive and negative impacts (through interviews and surveys), and identified the financially material risks and opportunities. Based on the results of the Double Materiality Assessment, BONO Group has defined the strategic development directions - pillars of the group's sustainability strategy. The process was carried out from March till August 2024 with the assistance of an external consultant. Currently, BONO Group is no longer in the scope of CSRD, but the material topics defined during the Double Materiality Assessment form the basis of the sustainability strategy and actions.



STRATEGIC PRIORITIES

SOCIAL RESPONSIBILITY

Our team and their knowledge are the key to our success.

CLIMATE AND NATURE

Biological diversity and ecosystems are an integral part of our work.

BONO Group's climate goals - how we adapt to climate change.

GOVERNANCE AND ETHICS

Governance is how we consciously reduce risks and create new opportunities.

FROM SEED TO A HOUSE

BONO GROUP Value chain



MATERIAL SOURCING

BONO Group is founded on deep knowledge of the industry, ensuring efficient forestry practices through the use of existing infrastructure and establishing cooperation with leading industry professionals.

An important advantage of BONO Group is its ownership of properties, ensuring long-term stability and controlled forest management.

BONO Group sources roundwood from our own forests and local suppliers, as well as by purchasing harvesting rights from local landowners.



BUSINESS PROCESSES

BONO Group provides a full cycle of forest management and wood supply services.

BONO Group collaborates with industry professionals and adopts a responsible approach to selecting suppliers and cooperation partners, ensuring compliance with FSC®/ SBP/ PEFC/ En-plus certification requirements. The Code of Conduct is an integral part of subcontracting agreements.



DISTRIBUTION

One of the group's key priorities is to ensure an efficient logistics service network, both in Latvia and internationally.

The process involves the use of BONO Group subsidiary BONO Logistics resources (log trucks, 3 regional timber yards, and 5 port areas), as well as external service providers.



SALES

BONO subsidiaries, BONO Trade and BONO Energy, sell roundwood products and biomass in 12 countries, in collaboration with local producers and shipping partners.



CUSTOMER RELATIONS

The BONO Groups team is dedicated to fostering long-term relationships with a diverse range of clients, including manufacturers, construction companies, heating service providers, retail establishments, and landowners.

B2 & C2 - Practices, policies, and future initiatives for transitioning towards a more sustainable economy

We are proactively working toward a more sustainable economy. The table in next slide outlines our practices, policies, and upcoming initiatives aimed at minimizing our negative and maximizing our positive impacts on people and the environment. Sustainability strategy and goals have been approved by the Board and coordinated by the Sustainability Project Manager. Board Member Rihards Veide is the most senior level of the undertaking accountable for implementing them.



Practices, policies, and future initiatives

Sustainability issue	B2			C2	
	Existing sustainability practices, policies or future initiatives that address the issue [Yes/No]	Publicity available [Yes/No]	Policies have targets [Yes/No]	Description of practices and their consequent actions	Specification of future initiatives or targets
Climate Change	YES	NO	NO	<ul style="list-style-type: none"> BONO Group has calculated Scope 1 and Scope 2 emissions for 2025 BONO Group has carried out a Climate Risk Assessment BONO Group has transitioned to Renewable energy in the HQ office in Valmiera 	<ul style="list-style-type: none"> Develop GHG reduction targets by the end of 2026. Develop a Climate Transition Plan by the end of 2027. Continue Scope 1 and 2 emission calculation. Calculate Scope 3 emissions.
Biodiversity and Ecosystems	YES	NO	YES	<ul style="list-style-type: none"> SIA BONO Energy is SBP, FSC® and PEFC certification holder. SIA BONO Trade is FSC® and PEFC certification holder. In 2025, we implemented the LVM GEO Geospatial Information System. BONO Group conducts supplier audits in line with certification requirements to verify compliance with quality, sustainability, and certification requirements. 	<ul style="list-style-type: none"> Implement FSC® Forest management (FSC® FM) certification at SIA BONO by the end of 2026. Increase the volume of purchased certified material by 5% each year in BONO Trade and BONO Energy.

Practices, policies, and future initiatives

Sustainability issue	B2			C2	
	Existing sustainability practices, policies or future initiatives that address the issue [Yes/No]	Publicity available [Yes/No]	Policies have targets [Yes/No]	Description of practices and their consequent actions	Specification of future initiatives or targets
Own Workforce	YES	YES	YES	<ul style="list-style-type: none"> ■ Code of Conduct ■ Sustainability Strategy ■ Training policy (the average number of annual training hours per employee 8.07) ■ Monitoring of gender diversity in management positions (female to male ratio 1) 	<ul style="list-style-type: none"> ■ To further improve employee Health and Safety, BONO Group aims to implement a comprehensive near-miss and safety observation assessment process by June 2026. ■ Improve employee satisfaction and retention throughout the year to ensure BONO Group's employee turnover rate target in 2026 is within industry average range of 12-15%. ■ Promote employee growth and development by providing, on average, 10 hours of training annually.
Affected Communities	YES	NO	NO	<ul style="list-style-type: none"> ■ Support policy 	<ul style="list-style-type: none"> ■ Support a minimum of three projects per year.
Business conduct	YES	YES	NO	<ul style="list-style-type: none"> ■ Risk Assessment Procedure (including ESG risks) ■ Code of Conduct as part of supplier contacts ■ Whistleblower Procedure and Support Policy ■ Compliance with regulations and national and international laws 	<ul style="list-style-type: none"> ■ Publication of the annual Sustainability report. ■ Regular reviews and improvements to current processes and policies.

ENVIRONMENT

Climate

Climate change is one of the most significant global challenges of our time, posing increasingly severe threats to human health, safety, and well-being, as well as to the economy and the natural environment. Limiting the increase in global temperatures requires reductions in greenhouse gas emissions by all countries and companies worldwide. We recognize that forestry operations are closely linked to both the causes and consequences of climate change, and are working towards reducing the impact of our operations.

In 2025, BONO Group took its first steps toward understanding its impact on climate change by calculating greenhouse gas emissions. As this is BONO Group's first sustainability report, a decision has been made to calculate only the Scope 1 and Scope 2 emissions as they are generated from our own operations and energy use. This helps us start with data from invoices and receipts before exploring other, more complex data-collection practices necessary for Scope 3 emission calculation.

In 2025, the group also conducted an in-depth Climate Risk assessment. The key findings have been provided in accordance with the C4 disclosure requirement.



B3 - Energy and greenhouse gas emissions

ENERGY CONSUMPTION BY TYPE

To ensure consistency across all disclosures, a decision has been made to account only for sites that are in BONO Group's operational control. This way, Greenhouse gas (GHG) emission and energy consumption type disclosures cover the same scope.

Electricity is used at all BONO Group-operated locations, but operational control is limited to the Valmiera office and the BONO House house.

In October 2025, the electricity contract for the HQ office in Valmiera was changed to a "Green energy" plan, which ensures all energy comes from renewable resources. The renewable energy mix was calculated from energy supplier data.

BONO Group operates in 11 locations across Latvia, using various energy sources to heat its premises. For the company's HQ office in Valmiera, the heating supplier primarily uses biomass to generate heating. Riga office heating supplier uses natural gas.

Due to BONO Group's specific organizational context, electricity is the primary energy source for heating in remote locations where centralised heating is not accessible. Heating energy is reported based on the BONO Group operational control boundary, which includes only the HQ office in Valmiera.

Similarly, the fossil fuel data, as part of B3 disclosures, includes all fuel consumed for company-owned vehicles. The renewable energy mix was calculated in accordance with the VSME Standard.



Energy type	Renewable	Non-renewable	Total, MWh
Fuels		444778	444778
Electricity (as reflected in utility billings)	4.65	9.18	13.83
Heating energy	70.28	8.90	79.18
Total, MWh	74.93	444796.08	444871.01



GREENHOUSE GAS EMISSION

GHG emissions were estimated in accordance with the best practices outlined in "A Corporate Accounting and Reporting Standard" by [The Greenhouse Gas Protocol](#).

The group has chosen an operational control approach to data collection because, in several leased locations, data collection was either impossible or very complex, as many of the local managers faced these questions for the first time.

The group has also begun work on identifying the key Scope 3 emission categories and will continue this effort in 2026.

Table "GHG Emissions"

Scope	2025, tCO2e
Scope 1	1366.8
Scope 2	5.2
Total	1372.0

GHG INTENSITY

Based on the guidance provided in the VSME Standard, BONO Group has calculated the GHG Intensity by dividing 'gross greenhouse gas (GHG) emissions' by 'turnover (in Euro)'. The turnover used for calculation is from an audited financial report for 2025.

Table "GHG Intensity"

	2025, tCO2e/€
Considering Scopes 1 and 2	2.2×10^{-5}

C3 - GHG reduction targets and climate transition

2025 was the first year the BONO Group calculated the group's greenhouse gas emissions. During this process, the group identified the business activities contributing the most to overall emissions, and also reached the conclusion that the majority of the impact on climate change will still lie in Scope 3 emission calculations.

To ensure the group can meaningfully contribute to climate change mitigation and set relevant GHG emissions targets, the following goals have been set:

- Develop GHG reduction targets in 2026;
- Develop a climate transition plan in 2027;
- Calculate Scope 3 emissions (in addition to Scopes 1 and 2).



Scope 1

● Stationary combustion emissions	0
● Mobile consumption emissions	1366.8 99.6%
● Fugitive emissions	0

Scope 2

● Purchased electricity	4.6 0.3%
● Steam, and heating/cooling	0.6 0.1%



C4 - Climate risks

BONO Group business activities are intricately linked to ecosystem services and may be affected by climate-related hazards and climate-related transition events. The initial identification of climate risks was carried out as part of the Double Materiality Assessment, which was conducted in 2024 in accordance with the European Sustainability Reporting Standards and Corporate Sustainability Reporting Directive. In 2025, the Climate Risk assessment was further revised and improved, incorporating Climate Risks into the group's annual Risk Assessment procedure.

Climate Risk Assessment summarizes the undertaking physical and transition climate risks in the short term (1 year), medium term (2-5 years), and long-term (5+ years). The risk was evaluated as likely based on the group's leadership team's experience with unusual weather patterns impacting the group's operations over the last 5 years, as well as the Latvian Environment, Geology, and Meteorology Center's (LVĢMĶ) future climate change model predictions that are based on IPCC reports and climate scenarios.

The climate scenarios considered:

- SSP 1-2,6 - marginal climate change;
- SSP 2-4,5 - moderate climate change;
- SSP 3-7,0 - significant climate change.

Based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), "Global surface temperature was 1.09 [0.95 to 1.20] °C higher in 2011-2020 than 1850-1900", and "Climate change is already affecting many weather and climate extremes in every region across the globe." This has been taken into account in assessing climate risks.



Climate-related physical risks

Risk Type	Timeframe	Description	Potencial financial impacts	Mitigation and management
Acute risks	Mid-term and long-term	Prolonged or intense rainfall, slush, or flooding can limit the mobility of forwarder trucks due to low load-bearing conditions on municipal roads	Decreased income, increased costs	Close monitoring, early planning, and adjustments
Acute risks	Mid-term and long-term	More freeze-thaw episodes in the Baltic Sea can hinder the shipping of materials across the Baltic Sea	Decreased income, increased costs	Close monitoring, early planning, and adjustments
Acute risks	Mid-term and long-term	Prolonged or intense rainfall or snowfall, slush, or flooding can make forest areas and transport routes inaccessible, preventing suppliers from harvesting or delivering materials	Decreased income, increased costs	Close monitoring, early planning, and adjustments
Chronic risks	Long-term risk	Sustained higher temperatures (number of winter days decreasing) contribute to shortening of the heating season, and the demand for biomass/energy wood decreases	Decreased income	Active collaboration with customers in the adoption of new products and solutions

Climate-related transitional risks

Risk Type	Timeframe	Description	Potencial financial impacts	Mitigation and management
Technology	Mid-term and long-term	As the group develops a climate change mitigation action plan and implements its targets (e.g., new products or services), some investments in new solution development will be made. Unsuccessful investments create financial risk.	Large-scale investment	Early planning, continuous development, and adoption of new work methods, knowledge transfer
Regulatory	Mid-term and long-term	New EU regulations or changes in Latvian legislation can introduce limitations to the forest management processes. For example, an increase in areas where biological diversity must be protected would reduce the area available for wood harvesting.	Decreased income, increased costs	Ongoing monitoring of the regulatory framework developments.

Environment

B5 - Biodiversity

BONO Group operates in accordance with the laws of the Republic of Latvia and the requirements of internationally recognised certificates, including PEFC, FSC®, and SBP, which ensure compliance with sustainability, traceability, and environmental protection requirements throughout the supply chain.

BONO Group sources materials from forests owned by the group company SIA BONO, as well as by purchasing harvesting rights from local forest owners or purchasing materials from other suppliers. 100% of the materials sourced by BONO Group have a traceable supply chain.

As the majority of our materials are sourced from external suppliers, we focus on supplier management to ensure environmental responsibility and sustainability throughout our supply chain. We conduct supplier audits in line with certification requirements to verify compliance with quality, sustainability, and certification requirements. This includes:

- Occupational health and safety;
- Employee and operator compliance;
- Machinery and equipment;
- Work organization and documentation;
- Working conditions;
- Storage management;
- Biodiversity;
- Environmental protection;
- Waste management.

In 2025, we began implementing the LVM GEO Geospatial Information System. The system provides weekly geospatial and textual online data on protected territories from the Nature Conservation Agency (DAP), the State Forest Service (VMD), and the State Land Service (VZD).

The State Forest Service (VMD) receives information on species occurrence points, heritage trees, and habitats from both the Nature Conservation Agency (DAP) and the State Land Service (VZD) and, based on these datasets, calculates conservation (AIZS VA) codes for forest stands.

These digital solutions will enable us to more effectively monitor the areas we own, as well as the high conservation values and other protected features within those regions.

BONO Group has set out ambitious goals for the upcoming years, including:

- By the end of 2026, acquire the FSC® Forest Management certificate for SIA BONO to ensure materials from owned forests meet the highest sustainability requirements;
- Increase the volume of purchased certified material by 5% each year in BONO Trade and BONO Energy.



The data disclosed in the Table "Information on sites in or near biodiversity sensitive areas" is compiled and represents BONO Group territories at a snapshot at the end of 2025.

Based on the data system available, we categorized Biodiversity Sensitive area as an area compiling at least on of the following: biotopes, potential biotopes, potential watercourse buffer zones, species habitats, species distribution areas, protected trees, micro-reserves, micro-reserve buffer zones, Natura 2000, core areas of protected areas, natural monuments.

In several cases, areas overlap - for example biotope, micro-reserve and protected trees all are in one area. In these situations we're not counting them as separate areas, but as one area with several nature-oriented assets.

Near our territories is defined as areas located within 1 km buffer zone from the boundaries of BONO Groups property.

Table "Information on sites in or near biodiversity sensitive areas"

Location	Area, ha
Our territory	487,45
Near our territory	20888,3

Land-use type	Area,ha 2025
Total sealed area	15,61
Total nature - oriented area on-site	0
Total nature - oriented area off-site	0
Total use of land	1590,2

B6 - Water

All BONO Groups operating areas are located in Latvia, and none of them are in an area of high water stress. Consequently, the amount of water withdrawn at sites located in high water-stress areas is 0.

Due to the BONO Group's organizational context, the leased sites are located in remote areas with no access to running water. In these locations, the BONO Group ensures that employees and suppliers have access to drinking water and basic sanitation, thereby ensuring their well-being and comfort during work. The group aims to collect more specific information on the environmental and climate impact of this service during the Scope 3 emission calculation process.

The table reflects the water consumption at the Valmiera office and it is connected to the municipal water system.

Table "Water withdrawal"

	2025
Amount, m ³	254.46

B7 - Resource use, circular economy, and waste management

An additional benefit of starting to collect data on waste was that it became clear that a Waste Management Policy needed to be implemented across all locations to ensure a similar level of responsibility across all locations. To accomplish this, representatives from all locations were surveyed to determine the type of waste generated in each location. As a result, additional waste sorting containers have been placed in several locations, and a Waste Management Policy was developed ([BONO Group Atkritumu Politika.pdf](#)).

The table about the amount of waste generated by type represents the available information from the yearly waste management report. More detailed information, including the percentage of waste sent to disposal, recycling, or reuse, is provided by the waste management company. At the time of preparing the report, the data had not yet been consolidated. The finalized data will be disclosed in next year's sustainability report.



Table "Total Waste Generated"

Waste type		Total, t
Hazardous	Hazardous	0.00
	Toners	0.01
	Electronic waste and batteries	0.01
Non-hazardous	Plastic	0.00
	Glass	0.00
	Mixed waste	3.57
	Paper and cardboard	0.41
	Biodegradable waste	0.22
Total, t		4.22

SOCIAL

As defined in BONO Group's Sustainability strategy, our employees are the key to the group's success. Their experience, professionalism, and energy are the driving forces for BONO Group's growth and development. Employee well-being is an integral part of our sustainability strategy, and we are committed to supporting professional and personal growth by providing opportunities to enhance skills through tailored training and continuous learning initiatives.

Integrity, professionalism, and respect guide all hiring and employment practices. We recruit based on competence and values that align with our own, upholding equal opportunity and maintaining zero tolerance for discrimination or harassment. Valuing every employee, we work consciously to improve the workplace, making it safer, better equipped, and more supportive. Through continuous updates to our processes and policies, we create an environment where employees can thrive, feel empowered, and contribute to the group's long-term success.

Our goal is to ensure employees have a clear purpose - to work in a leading forest resource management company group, shaping long-term sustainability solutions as well as opportunities for professional development and fair and transparent remuneration. We make sure to provide employees with a safe, modern, and comfortable work environment, as well as health insurance and training.



B8 - Workforce - General characteristics

BONO Group's goal is to grow together with our employees, establish long-term relationships with industry specialists and ensure a stable work environment. All BONO Group employees are provided with clear, written employment contracts that outline the terms of employment.

Temporary employees are hired only when there is a justified need, such as to replace colleagues on maternity or other types of leave. This approach ensures that employment decisions are made fairly and transparently.

All employees are recruited based on their knowledge and skills, as well as their alignment with the group's values, rather than on gender or any other personal characteristics. BONO Group treats all candidates with respect, fairness, and dignity, which has helped to build a highly skilled team that shares the group's values and objectives.

Employee turnover rate is an essential part of our sustainability strategy, reflecting our commitment to building a stable and engaged workforce. We are currently gathering reasons for leaving through informal discussions; however, we plan to conduct a survey to better understand and address the factors influencing employee turnover.

Table "Number of employees by contract type, 2025"

Type of contract	Total
Temporary contract	1
Permanent contract	80
Total number of employees	81

Table "Number of employees by gender, 2025"

Type of contract	Total
Female	32
Male	49
Total	81

Table "Employee turnover rate, 2025"

	Total
Turnover, %	18.14

B9 - Workforce - Health and safety

BONO Group complies with all applicable health and safety laws and regulations and applicable legal acts to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities. Every employee receives occupational safety instructions from our occupational safety specialist, including guidance on safe work practices and the proper use of personal protective equipment (PPE) in high-risk areas, on an annual basis. Repetitive occupational safety and fire safety training is conducted to reinforce a strong safety culture.



Table "Safety metrics"

Metric	Total
Number of recordable work-related accidents	0
Rate of recordable work-related accidents*	0
Number of fatalities as a result of work-related injuries and work-related ill health	0

B10 - Workforce - Remuneration, collective bargaining and training

As numerous employees work for multiple companies within the BONO Group, they receive more than one salary; all of our employees' wages were validated based on their workload and the minimum wage set by Latvian legislation. In addition to standard salary and bonuses, each employee is given health insurance and is entitled to receive additional social benefits for significant personal life events (for example, the birth of a child, etc.).

BONO Group does not have any collective bargaining agreements with trade unions. However, the group complies with national labor legislation and ensures that all employees have fair and safe working conditions. As stated in the BONO Group's Code of Conduct, employees are provided with clear, written employment contracts that outline their employment conditions. We align with the UN Global Compact initiative and all wage and hour laws and regulations, including those about minimum wages, overtime wages, sick leave, piece rates, and other elements of compensation. Salaries and terms of employment are fair and reasonable, and comply, at a minimum, with national laws or industry standards.

Additionally, a Whistleblowing Mechanism is in place to report any unethical behavior or violations confidentially. In the reporting period, no whistleblower reports were received, and no legal proceedings related to labour rights or employment practices were recorded.



Table "Employee paid at or above minimum wage"

	2025
Minimum	0
Above Minimum	81

Table "Employees covered by bargaining agreements"

	2025
Percentage of employees	0

B10 - Workforce - Remuneration, collective bargaining and training

Training

The goal of employee training is to ensure workplace safety, compliance with laws and regulations, and employee knowledge alignment with their job responsibilities. All employees in the BONO Group receive occupational safety training upon starting their employment. This training is reinforced annually with repetitive safety training provided by our occupational safety specialist.

At BONO Group, we are committed to fostering employee motivation and well-being through professional development. By providing tailored training and opportunities to enhance skills, we not only invest in our employees' growth but also strengthen our group's long-term success and resilience.

In 2025, a training policy was implemented to provide a clear framework for employee development within the BONO Group, tailored to each department's specific needs and requirements. Training in the BONO Group is defined as a planned, structured process aimed at improving a person's knowledge, skills, or behaviour in a specific area.



The average number of annual training hours, broken down by gender, is presented in the table below.

Table "Average number of annual training hours by gender"

	2025
Male	5.6
Female	10.3

C5 - Additional (general) workforce characteristics

All employees in the BONO Group are directly employed- we do not engage self-employed individuals or temporary workers provided by external employment agencies. Our group relies exclusively on directly employed personnel, ensuring a stable and fully integrated workforce. There are exceptions when the group requires support from external sources, but such support is provided as a service.

Each of our management team members leads their own team, oversees operational risks, and manages day-to-day activities to achieve the group's goals. Leadership positions are earned based on skills, professional experience, and alignment with the BONO Group's values and objectives. When a vacancy arises, preference is given to promoting existing employees whenever circumstances allow, supporting career development within the organisation. The gender ratio reflects the proportion of women and men at the management level (we have an equal number of female and male managers).



Table "Number of self-employed and temporary workers"

	2025
Total self-employed without personnel who are working exclusively for the undertaking	0
Total temporary workers provided by undertakings primarily engaged in employment activities	0

Female-to-male management ratio

GENDER RATIO	1
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C6 - Human rights policies and processes

BONO Group is committed to conducting its business with integrity, professionalism, and a strong commitment to ethical, social, and environmental responsibility.

The group has developed a Code of Conduct that outlines the principles and standards that all employees, officers, and members of the board must adhere to in their daily activities and interactions. The Code of Conduct covers topics such as business practices, the environment, social responsibility, employment conditions, occupational health and safety, and relationships with clients and suppliers.

Table "Content of Code and conduct"

Topic	Covered in CoC
Child labor	Yes
Forced labour	Yes
Human trafficking	No
Discrimination	Yes
Accident prevention	Yes
Other	Complaints handling mechanism

C7 - Severe negative human rights incidents

There are no severe negative human rights incidents reported within the BONO group's operations or supply chain.

As stated in BONO Group's Code of Conduct, which is a part of supplier and client contracts, we do not tolerate discrimination, harassment, or any form of unfair treatment. We support and promote the well-being of the communities in which we operate. BONO Group assesses potential human rights violation risks and ensures that the group's companies are neither involved in nor contribute to them.

Table "Severe negative human rights incidents"

Topic	Existence of confirmed incidents
Child labor	0
Forced labour	0
Human trafficking	0
Discrimination	0
Others	0

Support for local communities

BONO Group understands the importance of having a positive impact on society and the environment around us. Our operations are deeply intertwined with local communities. We rely on them for a skilled workforce and the essential supply of raw materials. In return, we actively contribute to local employment, generate income, and continue work on our commitment to support the well-being of children and young people.

We aim to make a positive impact on society and promote local communities' prosperity. By collaborating with partners that share the same values and aims as BONO Group, we can make a positive difference together and build a stronger community. To ensure a transparent and consistent approach to all sponsorship decisions, we implemented a sponsorship policy. It helps us to ensure a fair decision-making process based on clear criteria and assess whether potential partners' values align with ours- people, teamwork, development, and collaboration.

Every year, BONO Group supports several projects, including topics such as children and children's health, children's well-being (sports and culture), and the well-being of local communities (Valmiera municipality).





Foto: Uārs Brāļena

DURING 2025, WE HAVE SUPPORTED

- **BMX race in the Māris Štrombergs track, organised by the BMX club “Valmieras puikas”**
- **A tennis competition in the courts “Bestes”, Kocēni**
- **Horse competitions organized by “Valmiermuižas stallis - jātnieku skola”, Stable**

Supporting local children's sports competitions promotes a healthy and active lifestyle from an early age. We aim to foster community engagement, teamwork, and the cultivation of positive values, including discipline and fair play.

- **Non profit organisation Dr. Klauns**

Supporting the Dr. Klauns organisation helps improve the emotional well-being of children in hospitals and creates a more positive healthcare experience.

- **Christmas tree for the city of Valmiera and wood chips for the Christmas tree trail.**

Providing the Christmas tree for Valmiera city and wood chips for the Christmas tree trail is a chance to help create a warm, festive atmosphere, supporting local traditions and strengthening community well-being.

GOVERNANCE

At BONO Group, our governance approach is built on accountability, transparency, and responsible decision-making. The board of directors holds responsibility for overseeing the implementation of the group's sustainability initiatives, ensuring that ethical principles and long-term value creation remain central to all strategic decisions.

The preparation of the Sustainability Report, along with the regular review and update of relevant policies and processes, is a daily responsibility of the Sustainability Project Manager. This ensures that sustainability principles are continuously integrated into our operations.

To ensure compliance with and adherence to our operational standards, our certification audits are conducted annually, and we also undergo client-initiated audits where applicable. With the introduction of BONO Group's first Sustainability Report, these reports will likewise be audited going forward, including the present report.

Sustainability-related risks are regularly identified, assessed, and managed as part of our risk management process, reinforcing the group's commitment to resilience and responsible growth. The annual Sustainability Report serves as a key reference point, providing transparent insight into our progress, challenges, and ongoing commitment to continuous improvement.

One step that we have taken in 2025 to strengthen BONO Group's governance of sustainability topics is joining CSR Latvia, the Latvian Corporate Social Responsibility Platform. This organisation brings together companies, government institutions, and non-governmental organisations, promoting collaboration and the exchange of best practices among sustainability practitioners in Latvia.



B11 - Governance metrics - Convictions and fines for corruption and bribery

The BONO Group has no convictions or fines for violating anti-corruption and anti-bribery laws during the reporting year or any year preceding it. BONO Group conducts all business activities with honesty, transparency, and integrity, and competes fairly and ethically in the marketplace.

BONO Group is against all forms of corruption, fraud, extortion, and anti-competitive behavior. We disclose any potential or existing conflict of interest that could negatively affect our business decisions and ensure our decisions are not influenced by personal interests.

BONO Group has implemented the Whistleblower Procedure, establishing clear reporting practices for suspected corruption and ensuring protection for persons who report their suspicions. BONO Group's expectations toward meeting these business principles are outlined in the group's Code of Conduct, which applies to all employees, members of the board, suppliers, and business partners



C8 - Revenues from certain sectors and exclusion from EU reference benchmarks

BOND Group is not active nor has related revenues in any of the following sectors:

- controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons);
- the cultivation and production of tobacco;
- fossil fuel (coal, oil and gas) sector (i.e. the undertaking derives revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and the Council 17), including a disaggregation of revenues derived from coal, oil and gas; or
- chemicals production if the undertaking is a manufacturer of pesticides and other agrochemical products.

BOND Group is also not excluded from any EU reference benchmarks that are aligned with the Paris Agreement, as described in paragraph 241 of the VSME Standard guidance.

Table "Convictions and fines for corruption and bribery"

	2025
Total number of convictions	0
Total number of fines	0



C9 - Gender diversity ratio in the governance body

According to the Voluntary Sustainability Reporting Standard, the governance body is the highest decision-making authority within a company. In the BONO Group, the Board members hold the highest decision-making authority. Although the company's management ratio is 1:1 (there's an equal number of female managers to male managers), the company Board is only two people and both are male, resulting in gender diversity ratio 0.

Table "Gender diversity ratio in the governance body"

	2025
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Gender diversity ratio

0





Board

JURIS ANDŽEJEVSKIS

Chairman of the Board

BONO, SIA
BONO HOUSE, SIA

RIHARDS VEIDE

Chairman of the Board

BONO TRADE, SIA
BONO ENERGY, SIA
BONO LOGISTICS, SIA

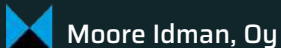
Third-party assurance

A limited assurance engagement has been conducted on BONO Group's (which includes the following companies – SIA “BONO”, Reg No.44103079618, and its subsidiaries as SIA “BONO ENERGY, Reg. No. 40203376277, SIA “BONO TRADE”, Reg. No. 50203364621, SIA “BONO LOGISTICS”, Reg. No. 40203406590, and SIA “BONO HOUSE”, Reg. No. 40203370560) Sustainability report by third-party auditor, **Moore Idman, Oy**. The limited assurance engagement was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance Engagements Other than Audits or Reviews of Historical Financial Information”, ensuring that the sustainability information is prepared in line with reporting criteria and is free from material misstatements to the extent possible under a limited assurance engagement.

The auditor has complied with independence and ethical requirements in line with the International Code of Ethics for Professional Accountants, based on principles of integrity, objectivity, professional competence, confidentiality, and professional behavior. In addition, the audit firm applies international quality management standards to ensure that appropriate policies and procedures are in place in accordance with professional and regulatory requirements.

The assurance work included interviews with BONO Group leadership and staff, assessment of reporting procedures, sample testing of data accuracy and completeness, and review of information consolidation and presentation. Based on the procedures performed and the evidence obtained, the Sustainability report is in all material respects prepared in accordance with the applicable reporting criteria (VSME).

The third-party verification reinforces BONO Group's commitment to transparent and reliable sustainability reporting and demonstrates the group's dedication to responsible business practices. The detailed report is available upon request.



A handwritten signature in black ink, appearing to read 'Jussi Savio'.

Jussi Savio,
Authorised Public Accountant (KHT),
Authorised Sustainability Reporting Accountant (KRT)



FROM SEED TO A HOUSE

