



Sustainability Report 2022

The Nature of Progress





Introduction 3

- 1. CEO message 3
- 2. About Sveza 5
- 3. Sustainable development 13

E – Environmental 20

- 1. Environment 21
- 2. Efficient use of resources 23
- 3. Sustainable forest use and reforestation 29

S – Social 34

- 1. Human resources 35
- 2. Occupational health and safety 42
- 3. Employee motivation and development 50
- 4. Development of local communities 57

G – Corporate governance 62

- 1. Responsible supply chains 63
- 2. Anti-corruption 66

About the Report 69

GRI 2-22 GRI 2-23

Dear colleagues and partners!

I am pleased to present you Sveza's fourth Sustainability Report.



The challenges faced by Sveza and the whole Russian forest industry in 2022 were unprecedented in the modern history of the country. Despite the hardships, we remained standing strong and even continued to grow.

We improved our business processes to strengthen our positions in the domestic and available export markets and continued to focus on our strategic priorities building on our commitment to ESG¹ principles.

At Sveza, our ultimate goal is to perfect our environmental sustainability practices to become the world's leading environmental steward.

Anatoly Frishman

CEO of Sveza

We continuously work to improve the efficiency of resource use, support our communities through impactful social projects, provide meaningful employment, and be a trusted partner for our customers, business partners, and government authorities. We continue to spend time and resources to promote the conservation of biodiversity and sustainable use of the Russian forests. Every year we plant about a million seedlings of valuable species as part of our reforestation program and work to maintain and improve the forest fire prevention infrastructure on our timberland leases.

We strictly adhere to the Russian and international environmental regulations and ensure they apply throughout our supply chain. Responsible management of natural resources is at the heart of all manufacturing processes at Sveza. We are making measurable improvements in resource use efficiency by reducing the amount of resources used to produce the same output without compromising quality. We achieve that through the modernization of equipment at our mills and increasing the utilization rate of byproducts. Our initiatives help save hundreds of thousands of trees every year. What makes us even more proud is the progress we have made in this area by applying the innovations and **original know-hows developed by our in-house R&D²** and Technology Development Centers.

1 - ESG (Environmental, Social, Governance)
2 - R&D (Research and Development)

As part of our ESG efforts, we have increased our focus on the actions seeking to improve the lives of people in the communities in which we have operations.

We partner with the local and regional government authorities to implement social and economic development programs that improve the social and educational infrastructure and create new jobs. Total spending on such projects is estimated in billions of rubles. The year 2022 taught us the importance of staying optimistic in the turmoil of change and finding opportunities in the crisis.

We all witnessed how Sveza masterfully handled all challenges and became more flexible and efficient, all the while maintaining adherence to its principles. I am energized by the challenging work ahead of us and the prospect of continuing the cooperation with our partners for the benefit of the company and the entire Russian forest industry.

We also encourage active involvement of our employees and local people in contributing to the various social initiatives we implement. Working with the local governments, we organize and hold social impact initiative competitions to help active citizens create and obtain funding for impactful social projects. I am incredibly proud of our employees participating in our corporate volunteering program “Active Sveza.” Every year they generate meaningful ideas improving people’s lives and implement them with the company’s support.



CEO of Sveza and the governor of the Perm Region are discussing cooperation at the St. Petersburg International Economic Forum



Festival of street arts in Manturovo

GRI 2-1 GRI 2-6

About Sveza

Sveza Group is one of the largest vertically integrated companies in the Russian wood processing industry.

The company controls the entire supply chain from harvesting sites to the final product. Seven plywood mills are the main manufacturing assets of the Group. Some of the mills produce raw and laminated particle board along with plywood.

Sveza Group also includes a timber harvesting enterprise Sveza Resource LLC and a trading company Sveza-Les LLC. The latter is the management company of the Group's manufacturing enterprises.



The Group also includes a biomass fuel company Sveza Bioproduct LLC.



At a glance

No. 1
in Russia
in birch plywood
production

7
plywood mills

~3 billion rubles
paid in taxes
to public
budgets at
all levels



People

~5,000
employees

1.11
Lost Time Injury
Frequency Rate
in 2022 (LTIFR)

>16.7 million rubles
spent on talent
(recruitment and
training) in 2022

43.3 million rubles
spent on social projects
in the communities
where Sveza operates



Environment

>1.6 million
trees
planted as part of
reforestation efforts

~81%
of heat
produced from
renewable sources



Sveza Group

The plywood mills are located in places traditionally rich in birch timber. The convenient geography of the mills provides excellent logistics opportunities.

The products are transported by

- road
- rail
- and sea

In 2022, the Company successfully adapted to the new business landscape and created new logistics routes to enter new markets.

Sveza Group is a Russian manufacturing company that transforms renewable resources into high-quality products in a manner that respects nature



Mission:

Unlocking the potential of forest for universal progress



- Plywood
- ▢ Particle board
- ♻️ Biofuels
- ⤴️ Logging



In addition to the regular products, Sveza offers fifteen unique product solutions, each under their own brand name, designed to address specific needs of various industries.

Sveza’s plywood is used in the construction of skyscrapers, Olympic facilities, linehaul trailers, high-speed trains, LNG carriers, eco-friendly furniture, as well as in modern interior design.

1.4 million m³
wood panels
is the annual production

100%
birch veneers

200+
sizes and
thicknesses

Products

Sveza is a trusted supplier to customers in dozens of countries across four continents. The Company specializes in the production of plywood and wood panels of different sizes and thicknesses ranging from 3 to 92 mm.

Plywood

- **Film-faced plywood**

Plywood faced with special wear-resistant material

- **Regular interior plywood**

High-quality structural plywood with excellent durability and strength properties as well as attractive appearance

- **Regular exterior plywood**

High-quality plywood for indoor and outdoor applications: strong, durable and water-resistant

- **Special plywood products**

15 products with special performance features designed to meet specific customer needs



Particle board

- **Raw particle board**

Engineered wood product made from birch chips and a binder in a hot press

- **Laminated particle board**

Particle board faced with high-quality melamine film



Industries that use Sveza's products

Construction

- Shuttering for floor slabs
- Vertical panel shuttering systems
- Farm buildings and structures
- Industrial flooring
- Scaffolding
- Exterior finishing
- Interior finishing
- Playgrounds

Transport

- Buses
- Trailers and semi-trailers
- Vans
- Minivans
- Camper vans
- Horse and livestock trailers
- LNG tankers
- Boats and yachts
- Passenger trains
- Airplanes

Furniture and interior design

- Cabinets
- Drawers
- Upholstery frames
- Wall panels
- Engineered wood flooring
- Subflooring
- Die boards
- Wooden toys, gifts and novelties
- Speakers

Byproducts

Along with plywood and particle board, the plywood mills produce byproducts such as RUF fuel briquettes, charcoal and more.

The fuel briquettes are made by pressing dry birch sawdust without any binders.

They have high calorific value (4,300 kcal/kg), low moisture content and very low ash content (less than 1%).



Sveza has a monitoring and control system in place to track the origin and guarantee the quality of timber

Sveza constantly works to improve the quality of the products produced at its plywood mills.

As part of these efforts the Company's in-house Technology and Quality Group designs and implements automated process and quality control solutions for different process stages.

Automation helps:

- Significantly reduce human error
- Minimize defects in finished products
- Ensure reliable process control
- Improve efficiency and productivity
- Maximize end user satisfaction through better process stability and predictability



Adding stability to production processes, automation helps ensure that all main customer requirements to the products are met

To minimize defects in finished products, the mills implement automation solutions for upstream processes.

In 2022, Sveza began a Group-wide implementation of process automation initiatives successfully piloted at individual mills in 2021:

- Layup cycle time control
- Veneer drying temperature control
- Layup stack position control for the cold press



In addition to own harvesting operations conducted in 23 regions of Russia, Sveza sources timber from local small and medium-sized suppliers, which account for more than 60% of the Company's total timber supply. Sveza has a monitoring and control system in place to track the origin and guarantee the quality of timber.

In 2022, Sveza's sustainable forestry practices were certified under the Russian national forest certification standard "Forest Etalon."



Consistent product quality across all plywood mills is key to Sveza's competitive advantage

Sveza consistently works to deliver a successful end user experience. With that goal in mind, the Company encourages customers to engage in the creation of new plywood products and solutions that will help them improve the efficiency of their business.

The Company achieves zero quality complaints by ensuring stable and reliable production processes and meeting customer deadlines.



Uniform quality management system at Sveza:



The quality management system of five mills meets the ISO 9001:2015 standard

In 2024, Sveza plans to complete the certification process at all seven mills and obtain a single ISO 9001:2015 certificate.



Sveza's factory production control system meets EN 13986:2004+A1:2015 (System 2+)

The certificate is currently suspended for reasons outside the Company's control.



Sveza's products are certified under the Russian GOST standards for safety (formaldehyde content and emissions)

Innovations

Open innovation

Sveza achieves and maintains its leadership in the market through actively using innovative technologies and solutions created inside and outside of the organization.

In May 2021, Sveza launched an open innovations website Sveza Wood Perspective as a tool to reach start-ups, innovative companies, business accelerators, and research institutes, and find ready-to-use innovative solutions to help drive the Company's business growth and efficiency goals.

While offering obvious advantages, the openness to collaboration and innovations provides many new ways to address challenges and opportunities facing the business. Using Sveza Wood Perspective as a platform for communication and cooperation with the innovative community, Sveza has significantly improved many internal business processes.



Two innovative solutions were found and implemented in 2022 using Sveza Wood Perspective:

- 1** **Transportation management system** to replace Transporeon (an import substitution solution)
- 2** **Method to build warehouses and storage areas using easy-to-install structures**

In addition, the website helped Sveza connect with seven domestic suppliers of manufacturing materials to substitute similar imported materials.



Factory of Ideas

Sveza continues to implement the Factory of Ideas program seeking to collect and apply production efficiency improvement ideas and initiatives promoting a safe and healthy work environment.



In 2022, plywood mill employees submitted

6,302
ideas

including

144
initiatives
with economic potential

Total actual economic benefit

>32 million rubles



Innovations

Technology Development Centers

Sveza has several in-house Technology Development Centers working to find, evaluate, and implement innovative solutions to address the specific requests of the Company’s entities and departments.

The Technology Development Centers have three focus areas:

- Development of new products
- Efficiency of the manufacturing process
- Automation and digitization



Through 2022, Sveza’s Technology Development Centers worked on

45 initiatives

with a total estimated savings potential of

815.6 million rubles

Automation and digitization

Through continuous investment in new technology, Sveza improves its manufacturing processes and achieves high quality of products and services.

Automated veneer sorting in the peeling area is one example of a project that significantly improved the quality of veneer throughout the process.

The project uses machine vision for sorting green veneer sheets into two stacks: one free of defects, the other with false heartwood.

Machine vision at the veneer splicing line helps maximize resource use efficiency by reducing splicing rejects.

An automatic multiple-axis glue dispenser helps optimize glue usage for plywood layup.

Sveza Digital

In today’s world, digital transformation is becoming a sustainable competitive advantage. The digital literacy of employees at all levels plays a vital role in achieving the transformation goals and driving the company forward.

In 2021, Sveza launched Sveza Digital - a digital literacy training course for employees, which provides a quick and easy way to learn digital skills that will become a basis for a successful implementation of digital technology in the manufacturing processes.

Improving cyber security is another goal of Sveza Digital. Increasing automation and digitization creates significant digital security risks that can cause major damage to business. To protect the company against such risks, promoting digital awareness and literacy among employees is essential.



>75%

of employees of the Company completed the basic Sveza Digital course by the end of 2022



GRI 2-9

GRI 2-22

GRI 2-23

GRI 2-28

GRI 2-29

Sustainable development



Sustainable development is at the core of Sveza’s long-term strategy.

In addition to being a standalone strategic focus area addressing primarily the social and environmental aspects, sustainable development underpins the three other focus areas of Sveza’s strategy and brings into balance the economic, environmental, and social impact of the Company.



Customer-centricity

- Increase sales in the current markets and market segments
- Grow sales in new markets
- Reduce the distance to customers
- Enhance logistics



Operational efficiency

- Reduce the consumption rate of raw materials and the rate of rejects
- Reduce operational costs
- Increase the number of forest concessions



Sustainable development

- Minimize environmental impact and manage risks
- Reduce the injury rate
- Minimize social risks and improve the lives of people in our communities



New points of growth

- Grow the product portfolio
- Promote bioeconomy
- Increase the utilization rate of timber resources
- Achieve the vertical integration of the supply chain

Sveza Group’s basic documents on sustainable development adopted by the management company Sveza-Les LLC apply to all business units:

- 1** Development Strategy 2030
- 4** Code of Conduct
- 7** Environmental Policy
- 2** Anti-Corruption Policy
- 5** Rules of Procedure of the Ethics Committee
- 6** Occupational Health and Safety Policy
- 3** Risk Management Policy

In addition to the basic documents at the Group level, each mill and Sveza Resource have their own sustainable forestry and responsible supply chain policies addressing human rights.

“We have always incorporated environmental, social and governance considerations into our everyday processes. Sustainable forestry practices are fundamental to how we operate – from forest to market – and develop in the long run. Notwithstanding the geopolitical turmoil, Sveza is committed to working continuously to advance decarbonization and green technology, and improve the lives of people in the communities where we operate. We hold ourselves to high standards and always provide our customers with full information on our timber sourcing and manufacturing practices.”



Valentina Likhacheva
 Director for Corporate Communications and Sustainable Development at Sveza



#2

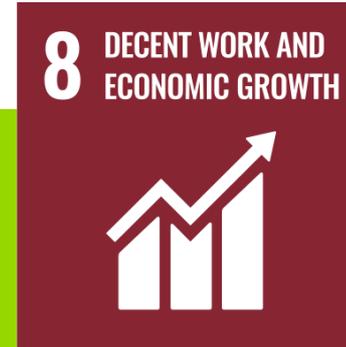
Sveza has been ranked number two forest industry company in the ESG Index ranking of the Russian industrial companies by Russia’s National Rating Agency

Sveza's key sustainable development focus areas in 2022

Sveza Group joined the United Nations Global Compact in 2020 and has consistently implemented its key principles in the areas of human rights, labor, the environment and corruption.

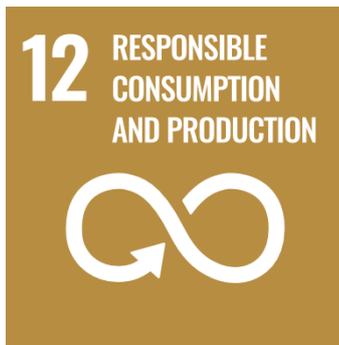
Social and economic focus

Decent work conditions and well-being of all employees.



Environmental focus

Reducing the negative impact of the Company's operations on the environment and local communities.



Sustainable development governance organization

Management company Sveza-Les LLC manages the day-to-day operations of the manufacturing facilities of Sveza Group and defines the strategic development areas of the Group. Chief executive officer is the sole executive body of the management company.

The organizational structure of the management company Sveza-Les LLC includes functional units (departments) whose responsibilities include managing economic, environmental, and social aspects of Sveza Group’s business activity.

The functional managers propose and the CEO approves the Company’s strategic development areas. The functional departments develop and implement key goals within their assigned strategic development areas. The goals and key performance indicators are cascaded down to the plywood mills and other companies within the Group. The plywood mills design and implement initiatives to drive the strategic goals of the Company.

The amount of compensation paid to the functional managers is tied to their performance on the KPIs in their areas of responsibility. In addition to general business performance, the KPIs of the managers of the plywood mills and other companies within the Group include economic, social, and environmental indicators.

Progress in each strategic focus area, including sustainable development, is reviewed every six months at the shareholder steering committee meetings and every three months at the CEO steering committee meetings. Discussions at the meetings are focused on the progress and performance on the short-term and long-term goals within the strategic area and adjustments to the action plans where necessary. In addition to the semi-annual and quarterly steering committee meetings at the top management level, the functional managers have monthly steering committee meetings with the plywood mill managers and responsible heads of departments by functional areas, including environment, health and safety.



Stakeholder engagement

Stakeholder management is a critical aspect of Sveza Group’s successful business strategy and prosperity in the long run. The Company first determined its key stakeholder groups in 2020. Since then, the list has been revised.

In addition to the key stakeholder groups, there are individuals and organizations that have legally protected interests in relation to the products and services created from the timberland management processes, as well as individuals and organizations concerned about the environmental and social impacts of the Company's forest management practices. The ongoing dialogue with these two groups of stakeholders includes regular questionnaires and in-person meetings as part of the timber supply chain management system audit.

Sveza Group establishes relations of trust with its stakeholders through mutual respect, equal dialogue, and a balanced approach to interests on both sides, and uses these principles to develop its corporate social responsibility actions.



Sveza Group establishes relations of trust with its stakeholders through mutual respect, equal dialogue, and a balanced approach to interests on both sides

Every year Sveza reaches out to the stakeholders in the local communities to discuss their needs and how they can be addressed through partnership, cofinancing, material support, and financial assistance. In addition, the Company periodically conducts community surveys.





Shareholders

- Semi-annual steering committee meetings
- Quarterly reports



Customers and consumers

- Trade conferences and industry events
- Customer visits
- Development of new products
- “Voice of Customer” satisfaction survey
- Handling of customer claims and complaints
- Contact form on the Company’s website



Government authorities

- Participation in the work of expert and advisory bodies of government agencies
- Investment agreements
- Negotiations on adding initiatives to the lists of priority national projects
- Social and economic partnership agreements



Local communities

- Press conferences
- Public hearings
- Community surveys
- Social impact initiative competitions
- Handling of requests and complaints
- Press trips

Stakeholder engagement methods



Business partners

- Joint projects and the supplier development program
- Supplier audits
- Information activities
- Trade conferences and industry events



Employees

- Collective bargaining process
- Corporate hotline
- Ethics Committee
- Regular cascade briefings and the corporate annual conference
- Annual employee engagement survey “Voice of Sveza”
- Targets dialogues
- Corporate web portal
- Educational activities and training courses



Educational institutions

- Career days
- Internship programs
- Career events, lectures, and plywood mill tours
- Work with educational institutions on training programs for the wood processing sector



Trade associations and voluntary groups

- Public hearings
- Joint working parties
- Roundtable meetings and conferences



Membership in trade associations and voluntary groups

Membership in trade associations and voluntary groups provides invaluable opportunities for networking and sharing best practices, and enables conditions for setting industry standards and influencing government policies in the forest sector.

Sveza is an active member in the following associations and groups:



Union of Timber Industrialists and Timber Exporters of Russia

Sveza has been an active member of the Union since day one. The Union develops and implements actions to address the most pressing problems of the industry, improve the regulatory and financial framework for the business, and promote Russia’s forest sector.



Supervisory committee for monitoring the implementation of the agreement on social and economic cooperation and measuring the efficiency of actions under the social and economic development program of the town of Manturovo in the Kostroma Region.



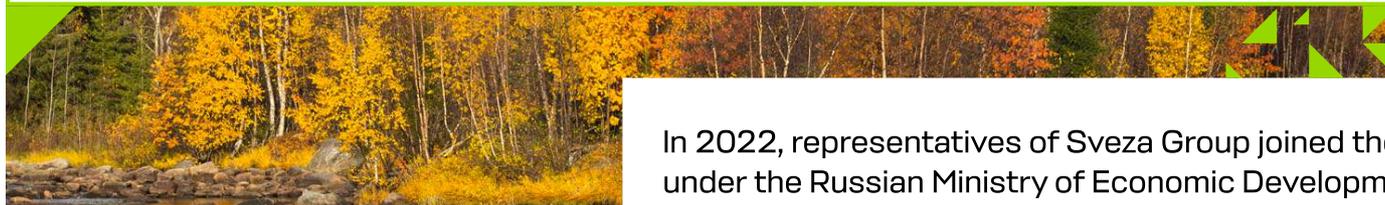
Association of Furniture and Woodworking Enterprises of Russia

The Association works to consolidate efforts to address the challenges facing the industry and to improve the business environment through active involvement in policy-making.



Sveza is one of the largest and most active members of the Association

Sveza closely works with the other members of the Association to formulate legislation improvement proposals and recommendations for the Russian forest sector, and develop anti-crisis measures for Russia’s real economy.



In 2022, representatives of Sveza Group joined the Expert Council for Sustainable Development under the Russian Ministry of Economic Development and the Council of the Russian Chamber of Commerce and Industry for Business Sustainability, Corporate Social Responsibility, and Volunteering. In addition, Sveza Group participated in the work of many different agencies advancing sustainable development and corporate social responsibility through collaborative efforts.



Environmental

Environment

Modernization of the Company’s manufacturing facilities to reduce environmental impact is one of Sveza’s most important strategic objectives. Sveza Group is committed to working continuously to advance decarbonization and green technology.

Through 2022, the Company worked to improve its environmental management system (EMS) and bring it in compliance with ISO 14001:2015.

Sveza Group revised its values in 2022 to include a new value “Environmental Stewardship” in order to emphasize the importance of the changes in the EMS and improve employee engagement on environment. The new set of values will be implemented in 2023-2024.

**NEW VALUE
“Environmental Stewardship”**

Sveza’s EMS priorities are defined in its Environmental Protection Policy. The Policy was revised in 2022 and enforced in 2023.

EMS focus areas:

- 1 Environmental compliance**
- 2 Efficient use of resources**
- 3 Consistently reducing environmental impact by reducing emissions, discharges, waste generation and waste to landfill**
- 4 Advancing sustainable forest operations and protection of high conservation value forests, as well as conservation of biodiversity, ecological processes in forest ecosystems, and natural reforestation**
- 5 Creating innovative products that contribute to the clean energy and climate change goals on the national and global scale**



The progress and efficiency of the EMS development initiatives is reviewed at regular intervals at the EHS steering committee meetings.

A tiered management approach and regular reviews ensure timely adjustment of the EMS development goals and focus areas, and help find solutions that benefit all stakeholders.

EMS development plans for 2023 include:



Development of basic internal regulations:

- EMS manual
- Environmental incident investigation and management procedure
- Environmental risks and aspects identification and evaluation methodology; and more



Implementation of comprehensive tools to evaluate the Company's internal and legal compliance



Implementation of a corporate training course on environmental management and safety



41.9 million rubles

spent on environmental programs in 2022

an increase of

12.8%

over the previous year



GRI 302-1

GRI 302-3

GRI 302-4

GRI 302-5

GRI 303-1

GRI 303-2

GRI 303-3

GRI 303-4

GRI 303-5

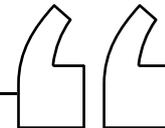
GRI 306-1

GRI 306-2

GRI 306-4

Efficient use of resources

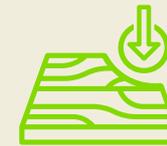
Efficient use of resources in main and auxiliary production processes is a priority of Sveza’s environmental policy. By using fewer resources, Sveza reduces its environmental impact while increasing cost efficiency through optimizing input costs.



“The total annual production capacity of Sveza Group’s plywood mills is 1.4 million cubic meters of plywood and particle board. When running at full capacity, the mills create approximately 2 million cubic meters of what was earlier discarded as waste but today is used to produce byproducts. We constantly work to improve the efficiency of resource use at our company. Sveza was one of the first forest industry companies in Russia to adopt the principles of bioeconomy and focus on using renewable resources to promote sustainability while producing products people rely on.”

Anatoly Frishman, CEO

Resource efficiency programs in action at Sveza:



Reducing the specific consumption of raw materials



Zero waste to landfill



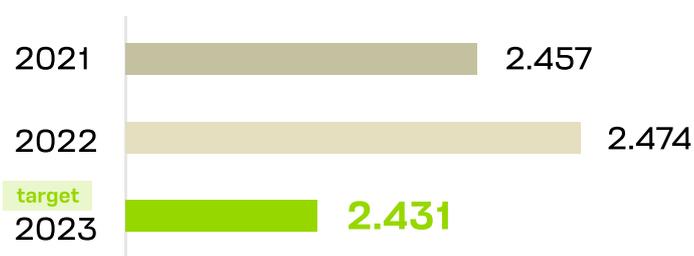
Energy efficiency

Specific consumption of raw materials

The program to reduce the specific consumption of raw materials is Sveza’s main resource efficiency program as part of the Company’s Operational Efficiency strategic focus.

It includes initiatives such as extending storage life of timber and implementing techniques for more advanced processing of half-finished products.

Specific consumption of raw materials (SCRM), m³/m³



In 2022, SCRM went up slightly against 2021 due to a temporary slowdown in production and a switch of suppliers caused by external circumstances.

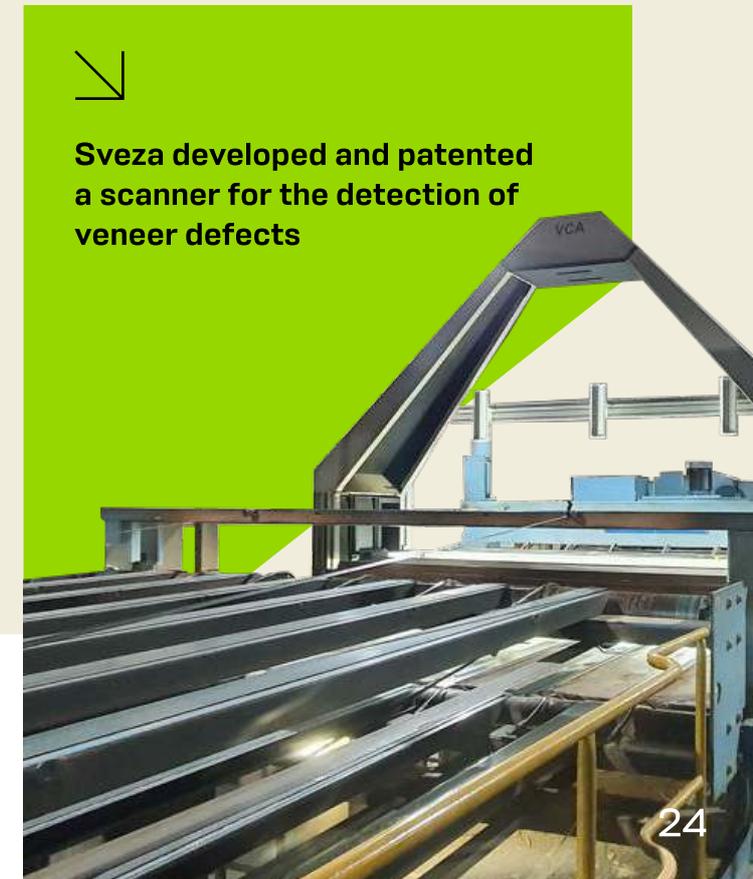
Sveza continues to focus on supplier development and vertical integration in order to reduce sourcing security risks.

A unique technology for on-line detection of defects in veneer sheets

As part of its resource efficiency focus, Sveza developed and patented a scanner for the detection of veneer defects – a unique technology for on-line detection of defects in veneer sheets. The technology reduces waste from peeling lines and increases the production of top-quality birch veneer. The automatic defect detection process saves manual labor and helps reduce carbon footprint and negative impact on the environment.

The progress under the SCRM reduction program is reviewed every three months at the Operational Efficiency strategy steering committee meetings.

While improving resource use efficiency, the SCRM reduction program helps eliminate waste



Sveza developed and patented a scanner for the detection of veneer defects

Waste management

Most waste generated at Sveza Group’s manufacturing facilities is Classes IV and V (low-hazard and virtually non-hazardous waste) according to the national waste hazard rating. Hazardous waste of Classes I, II and III is less than 0.01% of the total amount of waste.

Sveza is aware that landfills are very dangerous for the environment and contribute to climate change. An important part of the Company’s long-term waste management strategy is a significant reduction of manufacturing waste to landfill.

Key waste management objectives:

- 1** Reduce waste generation
- 2** Reduce waste to landfill

Goal: 100% utilization of raw wood materials by 2030

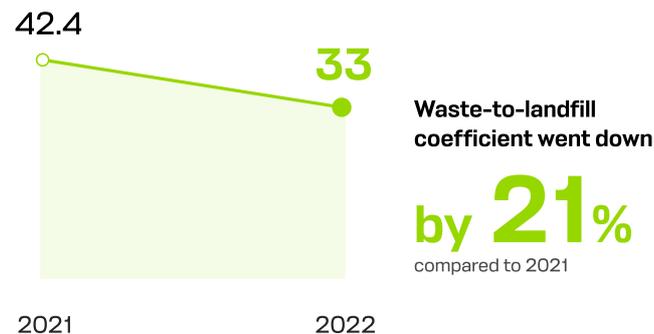
The SCRM reduction program and a waste segregation and tracking system are two most efficient ways to achieve the Company’s key waste management objectives.

An improved waste tracking system is in place to identify bottleneck processes/areas in the waste streams and develop actions to eliminate the bottlenecks and optimize the waste streams.

In 2023, Sveza will continue to expand its byproduct capacity and seek more ways to utilize byproducts.

The progress under the waste-to-landfill reduction program is reviewed every month at the EHS steering committee meetings and every three months at the Sustainable Development strategy steering committee meetings.

Waste-to-landfill coefficient,
kg of solid waste per m³ of finished products



In 2023, Sveza will focus on improving the tracking of recycled materials streams and byproducts.

Over 100 million rubles will be spent in 2023-2027 to increase the production of pressed sawdust fuel briquettes

Sveza’s in-house R&D team continues to explore how byproducts can be turned into new finished products or used in the Company’s main or auxiliary production processes.

In 2022, a process to utilize phenolic film residuals from the film-faced plywood production process was created. Trials of the new process will be run at the Tyumen plywood mill in 2023. If proved successful, it will be implemented at other plywood mills of Sveza Group.

Energy efficiency

Sveza implements an energy efficiency program to reduce energy intensity of its production processes and increase energy generation from renewable resources (timber processing waste and byproducts).

The progress under the energy efficiency program is reviewed every three months at the Operational Efficiency and Sustainable Development strategy steering committee meetings.



A detailed internal energy efficiency audit carried out in 2022 identified three priority focus areas to drive the improvement of energy performance

Energy efficiency improvement focus areas:

- 1** Energy modeling and evaluation of energy losses
- 2** Improvement of the energy metering system
- 3** Increasing on-site electricity generation

Heat consumption, Gcal

	On-site generation	Purchased	On-site generated heat supply to local district heating	On-site heat consumption
2020	1,429,799	56,294	99,334	1,386,759
2021	1,492,395	65,369	109,750	1,448,013
2022	1,175,416	52,931	105,824	1,222,522

21% reduction in heat consumption over 2021

Electricity consumption, thousand kWh

	Purchased	On-site generation
2020	245,561.0	34,216.4
2021	277,701.7	14,271.5
2022	193,427.9	14,032.3

29% reduction in electricity consumption over 2021

Natural gas consumption, thousand m³

2020	50,518.2
2021	42,415.3
2022	33,852.7

20% reduction in natural gas consumption over 2021

Energy performance projects completed in 2022:

- Power consumption trend management was implemented at four plywood mills to optimize power use during low capacity utilization
- Transition to LED lighting continued at all Sveza Group’s plywood mills combined with an installation of frequency converters and reactive power compensation devices
- Various projects to reduce heat loss were implemented at all plywood mills

Through 2022, Sveza continued to implement investments to increase on-site generation from biomass (timber processing waste and byproducts):

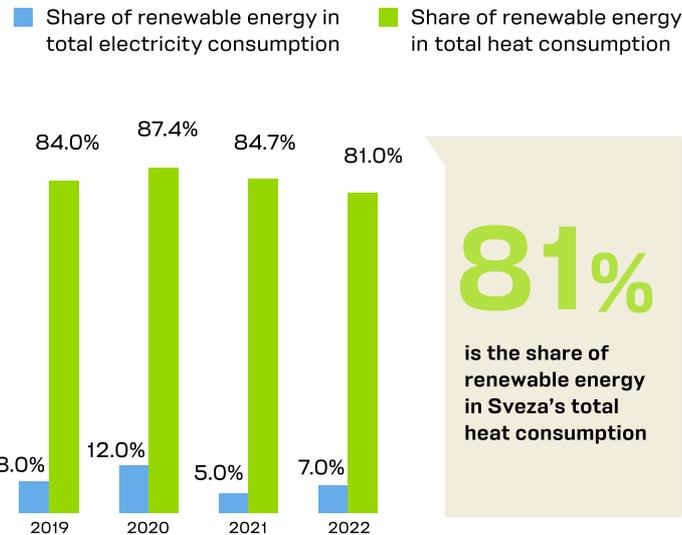
- The Company continued to build a cogeneration plant at the mill in Uralsky
- And commissioned a cogeneration plant at the mill in St. Petersburg



150.5 million rubles spent in 2022 on projects to produce energy from biomass

418 million rubles scheduled for such projects for 2023-2027

Share of renewable energy in Sveza’s total energy consumption



A number of projects scheduled for 2022 were not implemented due to a temporary slowdown in production and circumstances outside the Company’s control.

Because of that, Sveza did not meet its 2022 goal to reduce the specific energy consumption despite a significant decrease in gross energy use over 2021.

Due to the slowdown in production operations in 2022, it was not possible to evaluate the improvement in energy performance from the completed projects.

Energy efficiency plans for 2023:

- Internal audit of the power balance
- Automation of the collection of data from energy meters
- Revision of the production departments’ KPIs to include energy efficiency indicators, and more.

7 AFFORDABLE AND CLEAN ENERGY

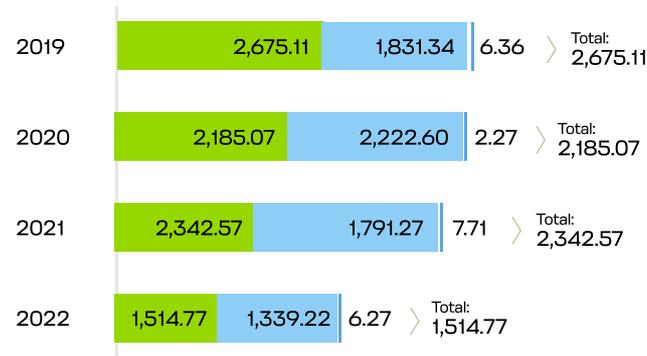
By supplying heat to the local district heating networks in certain locations, Sveza improves the access of people to sustainable energy.

Water use and wastewater management

Sveza's energy efficiency program also includes actions to reduce water consumption.

Water intake, thousand m³

- Waterworks
- Surface water
- | Groundwater



Just like in the case of heat and electric energy, water use went down by almost a third in 2022 over 2021. However, the slowdown in production in 2022 made it impossible to evaluate properly the benefits from completed water use efficiency projects.

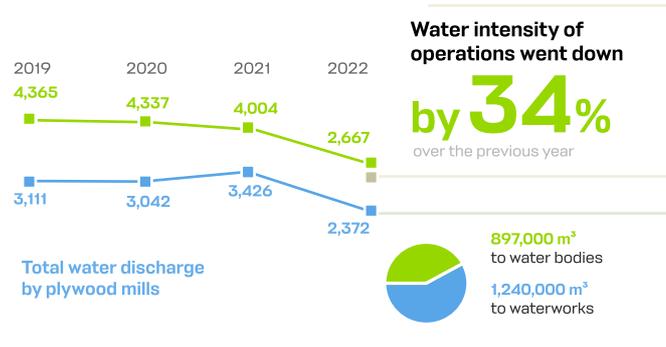
Water efficiency focus areas:

- 1** Optimize water consumption and reduce losses
- 2** Build new and rebuild existing effluent treatment facilities



Water balance, excl. supply to local water networks, thousand m³

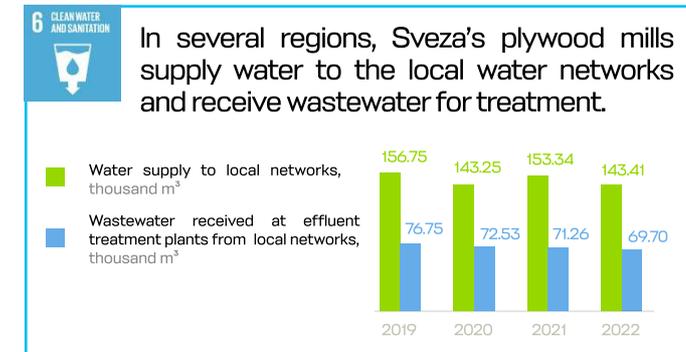
excl. supply to local water networks, thousand m³



In 2023, Sveza Group will continue to implement the investment program to rebuild and upgrade the effluent treatment facilities at its plywood mills. The water efficiency plans for 2023 also include several trials involving chemical treatment and reuse of spent water from the hot water basins (the most water intensive stage of the plywood production process).

In 2022, Sveza Group continued to implement its long-term water saving and wastewater management program.

- A fire water line 1.5 km long was rebuilt at the plywood mill in St. Petersburg
- In Novator, a surface runoff treatment system was commissioned
- Under the trilateral agreement with the government of the Perm Region and the government of Nytvensky Municipal District of the Perm Region on the implementation of a social and economic development program at Uralsky, a public water supply line 5 km long from the water well to the water treatment station was replaced
- Through 2022, the Company continued to develop the construction project design and estimate documentation for the rebuilding of the effluent treatment plants at the plywood mills in St. Petersburg, Verkhnyaya Sinyachikha, and Tyumen





GRI 203-2 GRI 304-1 GRI 304-2 GRI 304-3 GRI 417-1

Sustainable forest use and reforestation

Even after the international forest certification agencies left Russia, Sveza continued to maintain compliance with the current international best practices in sustainable forestry and focus on promoting biodiversity conservation and healthy relationships with the local communities.

Before beginning harvesting operations in new areas, the Company always reaches out to the local government and people. For instance, in a remote village in the Perm Region Sveza worked with the local community to arrange transit through the village while ensuring safety and convenience of the people. In addition, the Company built a bridge that connected the two parts of the village and shortened the traveling distance for private cars, fire trucks, ambulances, and the mobile grocery store.

38.9 km

of forest roads repaired by Sveza in 2022



New bridge



Before the bridge was built

More than 40 million rubles

spent on fire prevention and control in 2022

Forest fire prevention and control

Forest fire prevention and control is a priority focus of Sveza’s efforts to fight climate change.

The forest fire prevention actions implemented by the Company include building and cleaning fire lines, improving forest roads for quick and easy access to the harvesting sites, maintaining access to water sources, and providing fire equipment at key sites.

On top of its legal obligations, Sveza improves the safety and convenience of its harvesting operations by building extra fire safety roads and river crossings.

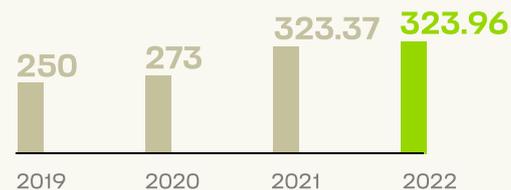


Forest fire prevention and control measures

New and repaired fire safety roads, km



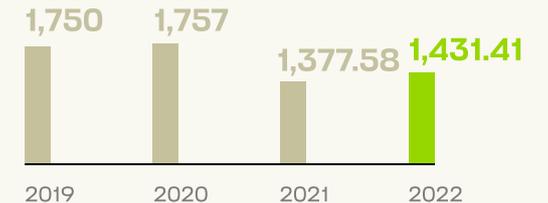
New fire lines, km



Forest fire prevention spending, million rubles



Cleaned fire lines, km



Reforestation

Sveza Group’s reforestation efforts encompass both intentional (planting seedlings) and natural (fertilizing the soil and protecting new growth) regeneration of tree cover.

Sveza buys seedlings from certified nurseries. The compliance of the seedlings with the reforestation quality standards is confirmed by quality certificates.

Sveza’s employees look after the seedlings for three years after the planting, weeding and protecting them from pests. In addition, the Company participates in the annual forest survey conducted by the government authorities. Sveza achieved the target seedling establishment rate of 85% in 2022.

1.6 million seedlings planted – an increase of **25%** over 2021

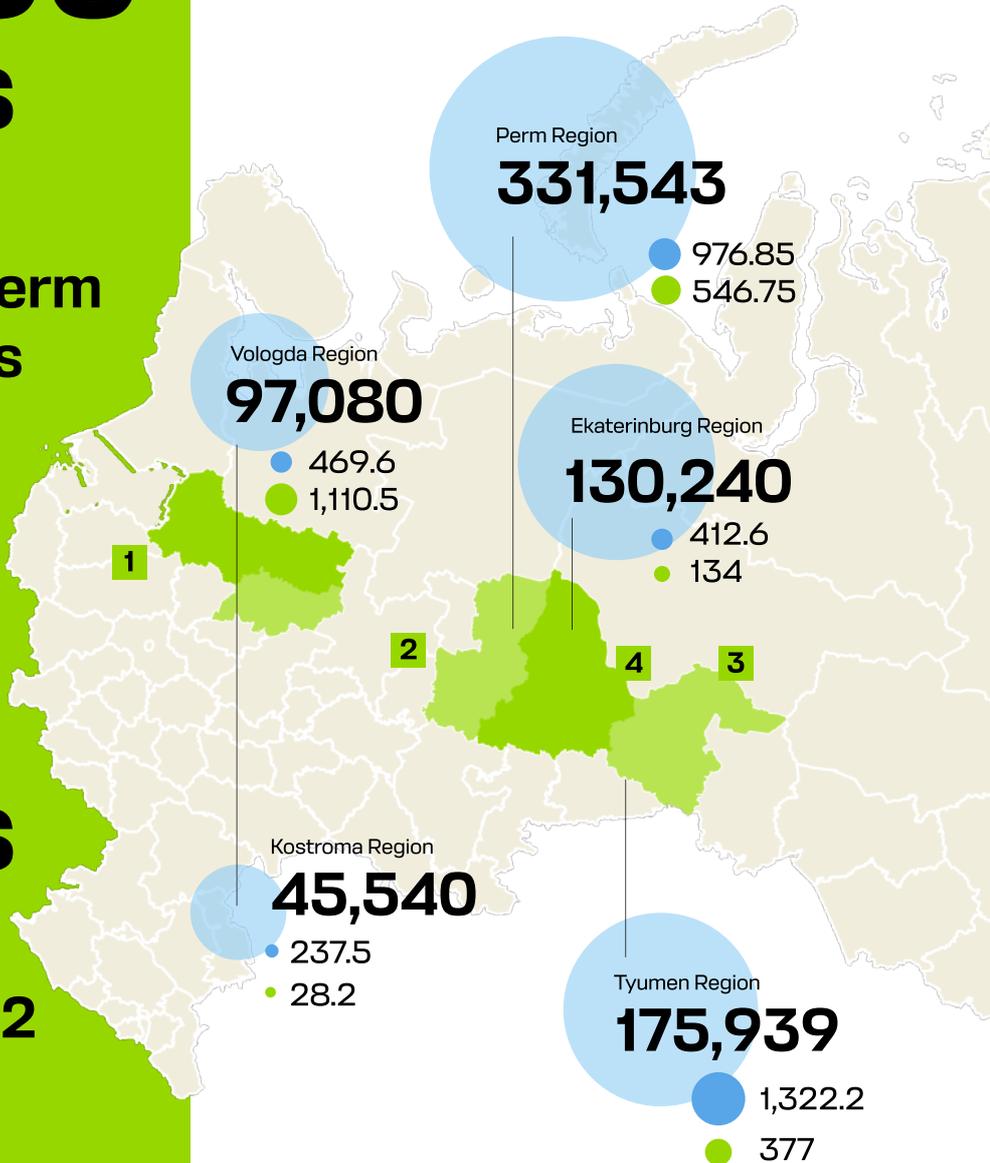
780,600 hectares

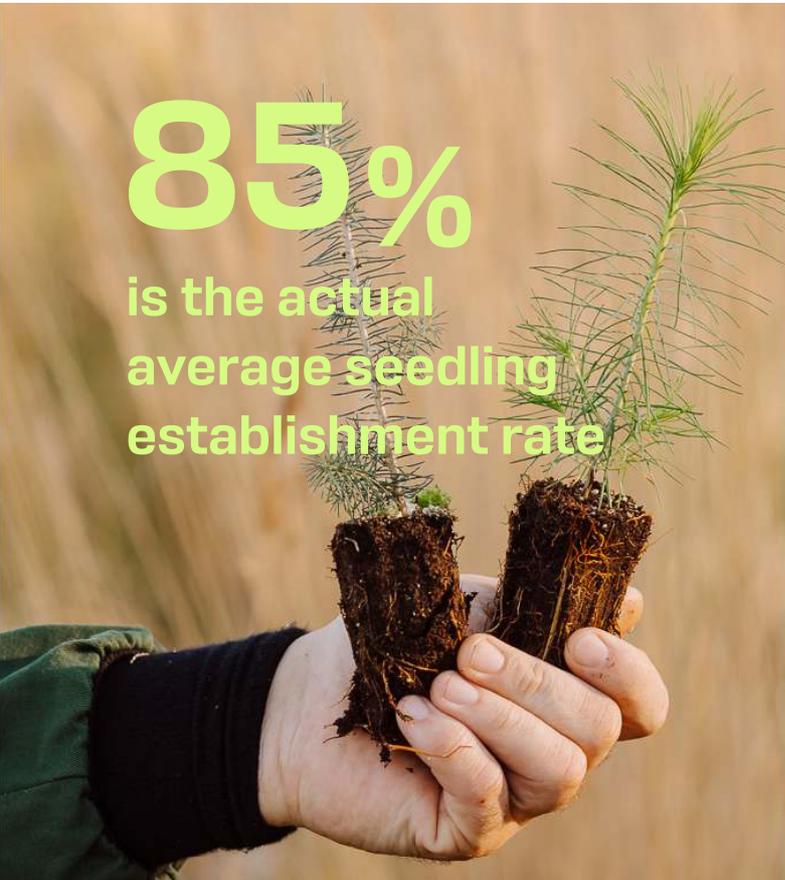
total area of Sveza’s long-term timberland leases

2,200 hectares

of forest land reforested in 2022

- Promoting natural regeneration, hectares
- Planting of seedlings, hectares
- Mixed reforestation, hectares





Number of seedlings planted



Sveza Resource will continue its reforestation efforts in 2023 and will increase the planting area by 10% over 2022.

The Company organizes and holds tree-planting events for its employees and their families to create awareness and promote environmental conservation.

In 2022, Sveza’s volunteers took part in two global tree planting initiatives “Garden of Memory” and “Conserving Our Forest” as well as several events in the regions of Russia.

The participants, among them World War II veterans, students of school forestry units, members of youth organizations, and government officials, planted hundreds of seedlings all across Russia.

Sveza’s employee volunteers organize and hold events to improve parks and public gardens in their communities, clean up rivers and reservoirs.

Sveza Group strives to achieve transparency of its timber supply chain and only works with those timber suppliers who ensure compliance with the sustainable forestry standards and carry out reforestation in their harvesting sites.



Protection of high conservation value forests and biodiversity conservation

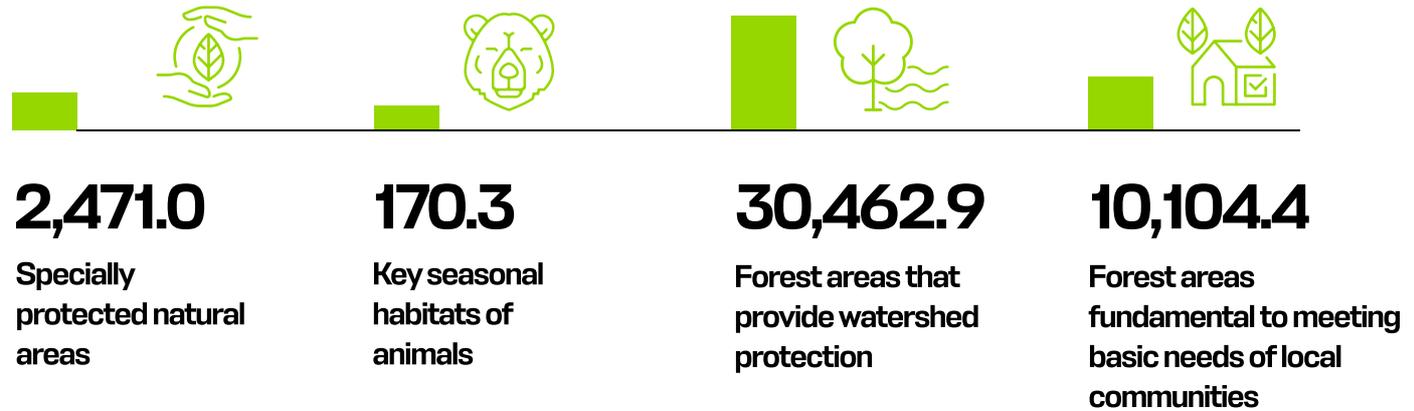
Sveza Group does not conduct harvesting operations in high conservation value forests.

To enhance the protection of high conservation value forest areas, Sveza creates conditions to promote a caring attitude by installing signs with forest fire emergency phone numbers and building rest areas provided with safe places for campfires and burning trash.

Sveza strictly adheres to international biodiversity standards and advances initiatives to protect the habitats of rare and endangered species, bird nesting sites, lairs, and large ant colonies, including through limiting the size of its cutting sites to 25-30 hectares. Sveza's conservation efforts with respect to water bodies include the establishment of riparian buffers and bed-clearing work.



High conservation value forest types, area in hectares



The annual monitoring did not identify any negative impact on the high conservation value forests or biodiversity within leased timberland areas



Social



GRI 2-7

GRI 2-30

GRI 401-1

GRI 405-1

Human resources

Talent security

In 2022, Sveza concentrated its efforts to adapt to the new business landscape while prioritizing talent security.

The Company’s HR teams work hard to create a working environment that promotes productivity and engagement and increases talent retention, by monitoring unwanted turnover indicators at all levels and taking action.

>5,000

Sveza is a responsible employer for more than 5,000 people

In 2022, Forbes named Sveza Russia's Best Employer in the categories “Environment” and “Corporate Governance.”



Notwithstanding the geopolitical turmoil and the sanctions, the Company managed to retain

95%

of its key talent by the end of 2022.



As the talent shortage is predicted to grow, Sveza takes intentional action to remain a competitive employer by advancing a comfortable working environment and employer brand awareness along with offering attractive pay and benefits.

Total actual turnover
(not including employee transfers)

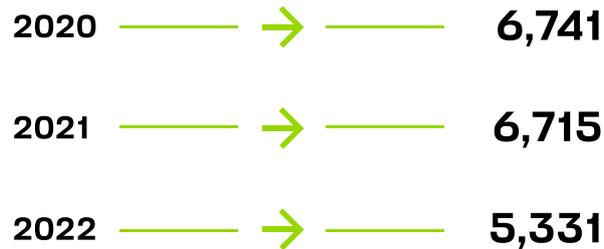


Unwanted turnover
(voluntary)



Workforce composition

Headcount variance, people



The Kostroma Region has the largest share of Sveza’s headcount –

28%

– since there are two plywood mills.



Headcount distribution by types of employment contracts, people

	Moscow	St. Petersburg	Vologda Region	Kostroma Region	Ekaterinburg Region	Perm Region	Tyumen	Total in 2022
Total number of staff members	16	703	674	1,490	836	1,207	398	5,331
Number of permanent employees	16	698	674	1,479	831	1,170	395	5,276
Number of temporary employees	0	5	3	11	5	37	3	64
Number of full-time employees	16	699	673	1,485	836	1,207	398	5,321
Number of part-time employees	0	4	1	5	0	0	0	10

Age diversity

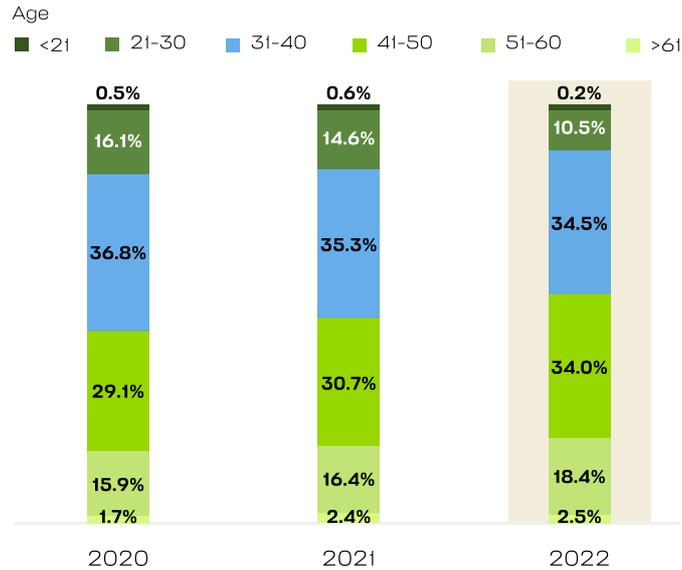
In 2022, Sveza concentrated its efforts to adapt to the new business landscape while prioritizing talent security.

Average employee age at Sveza was

42.8 in 2022



Headcount by age groups at the end of 2022, people



Sveza believes in the benefits of having people of different age groups on the same team or department.

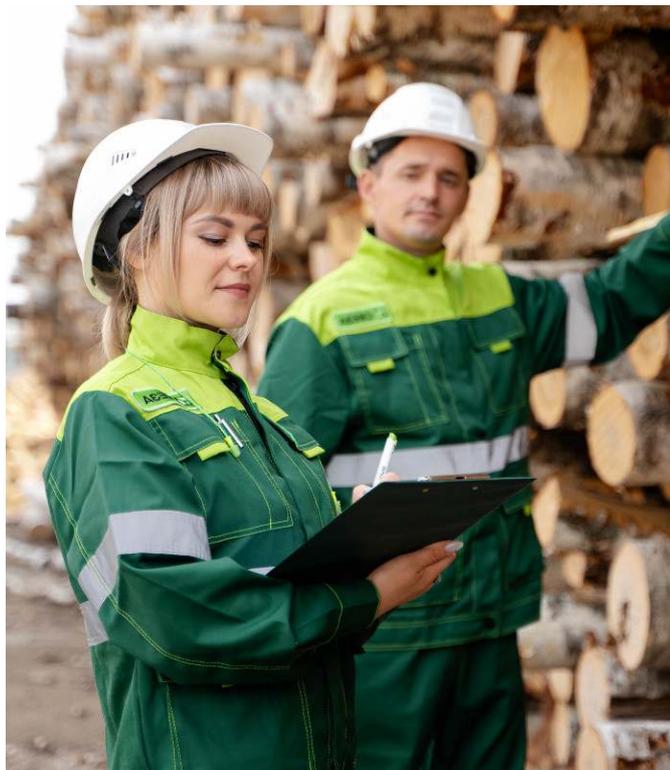
By creating attractive career opportunities for the young and nurturing older employees, Sveza Group remains relevant and flexible while building on decades of experience and professional expertise.



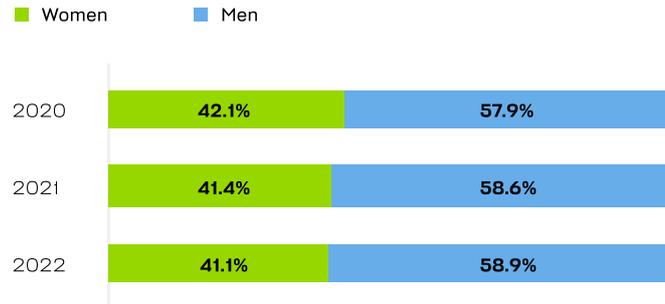
Recognizing the growing pressure on the labor market and the trend towards the ageing of the workforce, Sveza takes action early to secure skilled and age-diverse workforce.

Gender diversity

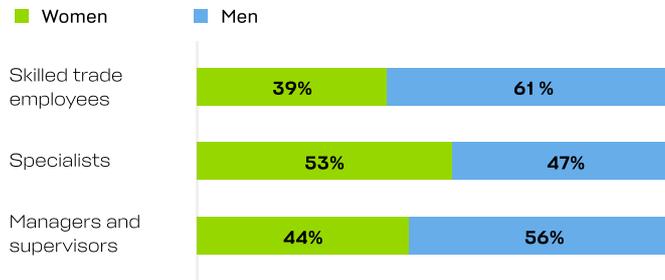
Sveza is firmly committed to providing equal employment opportunities to all individuals and will not tolerate any discrimination based on gender, race, religion, and other factors. What matters is the professional background and potential of an individual.



Gender diversity



Gender diversity by staff categories



Since there are no industry-specific legal barriers restricting gender diversity, Sveza Group has the largest female workforce across the industry in Russia.

41%

women in Sveza Group's headcount

53%

women in the specialist staff category

44%

women in the managers and supervisors staff category

11%

women in the top management team

Hiring and onboarding

Given the talent shortage in the labor market, having a high-quality hiring and onboarding process is critical.

Sveza has been adjusting its hiring practices by expanding its geographic reach and testing new flexible recruitment tools.

Number of employees hired, people



369 new hires joined Sveza's team in 2022

Sveza's current onboarding practices include a comprehensive mentoring program and a special mobile app for new hires helping them faster come up to speed with their work.

As a result of the improvements, Sveza achieved 98% satisfaction with the onboarding process and a 45% reduction in unwanted turnover during the probationary period since 2019.



98% of new hires satisfied with Sveza's onboarding process

45% reduction in unwanted turnover during the probationary period since 2019

Under the mentoring program, the Company's most experienced and efficient skilled trade employees are mentors to new hires.

154 mentors

There are currently 154 certified mentors at Sveza's seven plywood mills.

Talent pool

As part of the efforts to grow its talent pool, Sveza consistently works with vocational schools and universities in the areas where it has operations.

In addition, the Company offers a summer internship program "Way of an Intern" and a workplace training program "Progression" helping students get familiar with the practical aspects of the industry and enhancing their employment opportunities with Sveza.

The internship and workplace training programs provide a deep understanding of the industry in general and the plywood-making processes in particular.



Collective bargaining agreements

Sveza’s collective bargaining agreements are another important tool for attracting and retaining talent and positioning the Company as a competitive employer.

The collective bargaining agreement provides more specific definitions of the terms and conditions of employees at work, and enhances the employees’ social security rights.

Sveza revises its universal collective bargaining agreement every three years, as required under the Russian labor legislation.

The latest revision was done in 2021 and offers, along with standard benefits packages, regular salary increments and bonuses, extra one-off payments for marriage and childbirth, a recreation allowance for the employees and their children, an employee meal benefit, and other benefits and allowances.

In addition, the effective collective bargaining agreement emphasizes safe and healthy working conditions for employees and other aspects improving the quality of the employment.

The collective bargaining agreement applies to all entities within Sveza Group.



In 2022, the collective bargaining agreement with the trade union of forest industry workers at Sveza Manturovo was awarded the first prize of the Kostroma Region’s collective bargaining agreements competition for the real economy companies of the region.



In the Vologda Region, the collective bargaining agreement of Sveza Novator was named the best among the companies employing more than 700 people.

69%
of employees
are covered by collective bargaining agreements





GRI 403-1 GRI 403-2 GRI 403-4 GRI 403-5 GRI 403-8 GRI 403-9

Occupational health and safety

Occupational health and safety management system and structure

Sveza’s occupational health and safety management system (OHSMS) is a key component of the Company’s corporate management system.

Building on ISO 45000, ISO 31000 and the Russian occupational health and safety legislation, the OHSMS is a comprehensive safety system that uses a risk-oriented approach for early recognition and evaluation of hazards, and elimination of accidents.

Sveza has health, safety, and environment (HSE) steering committees in place that are responsible for improving and maintaining the efficiency of the OHSMS system.

In 2022, monthly meetings of the steering committee consisting of the plywood mill managers and the Operations Director were implemented. The meetings enable bottom-to-top communication from the plywood mills to the head office thus improving the overall coordination of the OHSMS system.

HSE steering committees

 CEO	Quarterly meetings
 Operations Director	Monthly meetings
 Plywood mill managers	Monthly meetings



New strategic goal

Improve safety through digital technology

In 2022, Sveza revised its occupational health and safety policy to include a strategic goal to improve the management system by implementing digital tools for enhancing the safety and efficiency of processes. In addition, the revised policy was complemented with the following commitments:

- Enforce a risk management system to prevent accidents and injuries
- Implement innovative solutions and technologies that improve the safety of the manufacturing processes
- Educate and engage employees in occupational health and safety practices
- Monitor contractors’ compliance with safety rules and procedures at the Company’s manufacturing sites

OHSMS improvements implemented in 2022:

An app to report safety concerns at the workplace was launched for the employees at the Company’s manufacturing sites.

Using the app, any employee can report their concerns about:

- Personal or collective protective equipment
- Operation of loaders or hoisting equipment
- Electrical safety violations, and more

The app helps identify weaknesses and take targeted actions for improvement.

The mills’ safety improvement efforts were recognized by the regional government authorities. The plywood mill in Novator won the Vologda Region’s competition for the best health and safety workflows and the mill in Verkhnyaya Sinyachikha was the winner in the category “Forestry Companies of the Ekaterinburg Region” of the region’s competition on production practices and safety culture.

An interactive tool “Hunting down hazards”

An interactive tool “Hunting down hazards” was implemented to help employees identify and remove sources of hazard. High employee engagement levels made a significant contribution in reducing the injury rate across the Company in 2022.

LOTO (Lockout/Tagout)

Through 2022, Sveza continued to implement the LOTO (Lockout/Tagout) safety procedures at its plywood mills. LOTO is a set of procedures used to ensure that the equipment is shut off and not able to be started up again before service or maintenance. When done properly the lockout/tagout procedures control hazardous energy and protect employees from harm.

In 2023, the LOTO implementation process will be completed at all seven plywood mills.

Sveza's main OHS goal for 2023:

Complete the stage of the corporate safety risk management program focusing on workplace risk identification, assessment and mitigation.

100%
management of risks

Other objectives include updating OHS training materials for employees to capture lessons learned from the identified risks.



out of which

16 097

risks were analyzed and removed



75%
was the **employee**
engagement rate in 2022

Occupational health and safety training

Recognizing that the human factor is the primary cause of accidents and injuries at work, Sveza focuses on providing adequate education and training for its employees and fostering a zero-injury safety culture.

OHS initiatives at the mills:

- OHS and behavior-based safety training sessions
- Programs to promote accountability and responsibility at the workplace

In 2023, Sveza will create and implement safety skills training programs for workers and supervisors with a passing score of 80% of the target or better.



753

skilled trade employees completed the annual OHS training in 2022

844

employees completed the first aid training course

90

employees completed the safety training for managers, supervisors and specialists

125

employees completed the electrical safety training course

345

employees received refresher training in risk management

38

employees completed various OHS training courses

Work-related injury prevention results

Sveza has been steadily reducing work-related injury rates through comprehensive safety measures

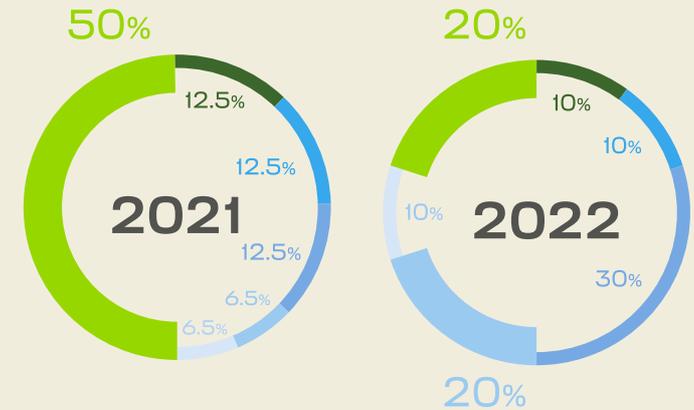
41%

reduction in workplace injuries over 2021

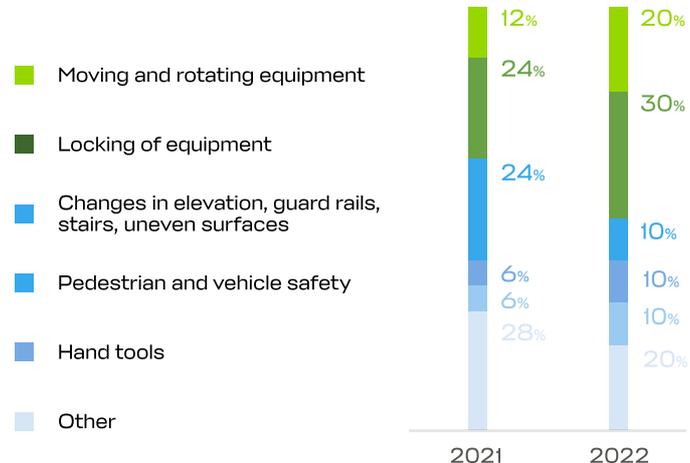
Sveza had zero fatalities in 2022. The most common causes of injuries were unsafe acts and conditions at the workplace.

Main causes of injuries

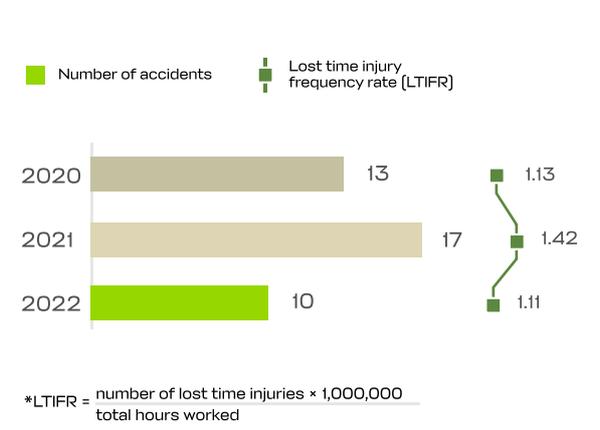
- Unsafe behavior
- Improper or missing safety precautions
- Incorrect or missing safe work procedures
- Other
- Unsafe workplace conditions
- Lack of awareness of safe work practices



Main hazards



Accidents at Sveza's entities



Fire safety

The plywood manufacturing process involves very high temperatures, and many wood processing byproducts such as sawdust are highly flammable.

42%
reduction in fires was achieved in 2022

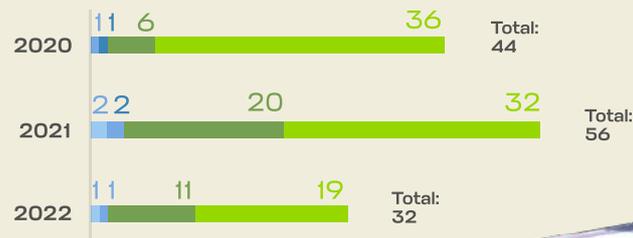
Fire prevention and fire safety is a top priority at all Sveza Group entities.

Sveza implements the following preventive measures to address fire risks and minimize damage:

- All employees receive periodical fire safety training. Each entity conducts fire drills together with the local emergency services
- Safe hot work procedures are strictly enforced
- Actions are taken to minimize fire hazards at workplaces and on equipment
- An investment program is in place to improve fire safety

Recorded fires at Sveza's entities

- Very small fires
- Small fires
- Level 2 large fires
- Level 1 large fires
- Very large fires





Sveza's plywood mills regularly conduct fire safety training for employees at all levels.



Along with classroom training, employees take part in monthly live-fire drills where they act out the most probable fire scenarios and practice fire extinguishing and emergency management skills together with the local emergency service teams. The goal of the regular training is to improve the fire response and rescue skills and to assess the adequacy of the mill employees' response in the event of fires in the process buildings.

In 2022, Sveza continued to implement an investment program to improve workplace safety. As part of the program, the fire safety systems were upgraded at two plywood mills:

- A comprehensive fire safety improvement program implemented at the plywood mill in Uralsky included a modernization of the internal fire main in the main process buildings
- The plywood mill in Kostroma completed eight fire safety improvement projects worth 19 million rubles:
 - Automatic fire suppression systems were installed in the dust bins at two briquetting process areas
 - An internal fire main was installed in the mill buildings to provide mill employees with quick and easy access to water in the event of a fire
 - Automatic fire alarm and voice evacuation systems were installed in the main process buildings and wood material storage areas to replace old and outdated equipment

Occupational health

Sveza is committed to providing safe and healthy working conditions for its employees through continuous improvements in the production processes and regular occupational risk assessments at workplaces. The mills consistently implement automation solutions for the most dangerous manufacturing processes and install modern heating, ventilation, and cooling systems.

Sveza’s mills have a large share of jobs with harmful working conditions (health hazard classes 3.1, 3.2 and 3.3 according to the Russian occupational risk assessment standard).

The most common occupational health hazards at the plywood mills are noise (61% of all jobs) and exposure to heavy physical work (56% of all jobs). Ways to control worker exposure to excessive noise include using PPEs, sound curtains and enclosures, and soundproof cabins for operators.

One occupational health condition was recorded in 2022. It was bilateral mild hearing loss.

Sveza Group continuously invests in the improvement of working conditions at its mills:



The plywood mill in Verkhnyaya Sinyachikha completed the final phase of the project to improve the ambient environmental conditions at workplaces.

The final phase included an installation of industrial chillers to maintain comfortable temperatures in areas with seasonal temperature variation. A comfortable ambient temperature is essential for the well-being and productivity of the employees. The completed project is part of a series of initiatives implemented by the mill over the past three years (from 2020 to 2022) with a total spend of more than 55 million rubles.



The plywood mill in Uralsky continued to implement an investment program involving the modernization and replacement of equipment to improve the safety of the manufacturing processes and provide better working conditions for the employees.

Industrial ventilation systems were installed in the main process areas to maintain comfortable ambient temperatures. Multi-stage water filtration systems were started up at the mill’s two main drinking water stations, providing the employees with a much better quality drinking water. A special modular gas cylinder storage was assembled at a safe distance from the process buildings to ensure safe handling of gas cylinders.



The plywood mill in Novator continued to modernize the mill-wide ventilation system to optimize air balance in the process buildings.

In 2022, the mill started the installation of a supply ventilation system at the veneer drying process area, and the replacement of the entire air duct in order to optimize air balance and avoid the freezing of pipes through a better control of the indoor temperature in winter.

Contractor safety

Sveza Group consistently works with its contractors to ensure they follow the safety rules at work.

Every contractor is subject to a pre-contract assessment for compliance with the Company's corporate standards for contractor safety. The standards are incorporated in all contractor agreements.

Sveza's EHS specialists evaluate the contractor's design and technical documentation and make sure that the contractor has the right set of competencies to perform the work in a safe manner. Contractor employees are given a mandatory safety briefing as part of the work authorization procedure.

Each contractor is directly responsible for ensuring compliance with the effective Russian legislation on occupational health and safety



Every non-compliance is recorded and thoroughly investigated. The contractor is penalized.

229 cases

of contractor non-compliance were recorded in 2022

with fines amounting to

5.8 million rubles



GRI 2-19 GRI 2-20 GRI 401-2 GRI 403-6 GRI 404-1 GRI 404-2 GRI 405-2

Employee motivation and development

Remuneration

At Sveza, the remuneration system is regulated by the Employee Remuneration Policy and the Employee Bonus Policy.

Sveza Group provides fair and adequate pay to its employees in the communities where it operates.

Salaries are increased annually to compensate for inflation and reflect the pay rise trends in Russia. In 2022, the average pay at Sveza Group increased by 13.5% over 2021.

Pay increases at Sveza

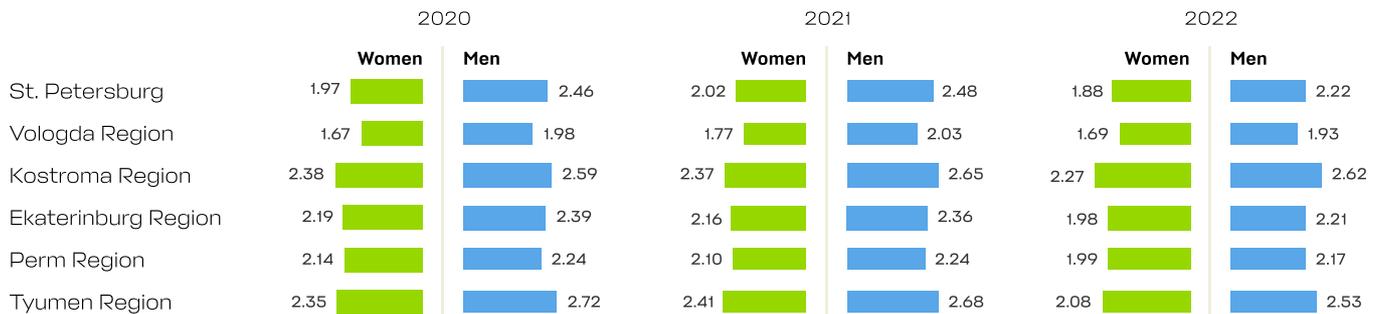


13.5%

is an increase in average pay at Sveza over 2021

In 2022, salaries paid to employees at Sveza’s plywood mills were 65%–90% higher on average than the average salary of the respective area. The standard entry level pay for skilled trade jobs at Sveza is almost double the amount of the statutory minimum wage.

Ratios of standard entry level pay for skilled trade jobs compared to local minimum wage by communities



Apart from the base pay, an employee’s compensation includes performance-based bonuses and bonuses for exceptional contribution. In 2022, more than 500 Sveza’s employees were recognized for their outstanding work and some received letters of recognition from the Russian Ministry of Industry and Trade.

Award ceremonies are typically held as part of the annual celebrations of the Forest and Forest Industry Worker Day at all Sveza’s plywood mills.



Employee benefits

In 2022, special attention was given to employee benefits as a means to retain talent.

Sveza’s employee benefits package includes voluntary health insurance from day one. The voluntary health insurance package includes three health monitoring programs: “Healthy Heart,” “Healthy Endocrine System,” and “Women’s Health.”

In 2022

921 employees took health examinations under these programs in 2022

Approximately **500 employees** took additional health examinations under various voluntary health insurance programs

Sveza complies with the statutory child and family requirements.

The Company’s maternity/paternity leave return rate is 100%.



Training and development

To keep its employees interested and motivated, Sveza provides professional development opportunities to help employees refine their professional knowledge and skills or learn something new.

The training approach combines on-the-job training (70%), mentoring (20%), and classroom learning (10%).

Sveza’s corporate training programs include:



Skills training and retraining programs for trade and engineering professionals

828 employees in 2022



Functional training (capacity building) programs

1,462 employees in 2022



Education and development programs for managers at all levels: “School of Management” and “Foreman's School”

123 employees in 2022



Compulsory EHS training



Training on Sveza’s business processes



Mentor training and mentoring programs



Foreign language learning courses



Training on Sveza’s business system tools

In 2022:

2,413 employees

(38.5%) completed corporate training or professional development programs in 2022

Average training hours were

63

per trainee and

27

per employee

16.8 million rubles

spent on employee education and development programs in 2022

A structured approach to employee training and development contributes to business sustainability by helping to build an effective talent pool.

Employee development programs:



Training programs **“Mentoring for skilled trade employees,” “Development of successors,” “Role of HR Committees in Employee Development Planning”**



Training program **“Mentoring”**



Training program for managers and supervisors **“Inspiring conversations with high-potential and succession pool employees”**



Modular training programs for succession pool employees: **“Foreman's School” and “School of Management 2.0”**

31

employees from the talent pool were appointed to management positions in 2022

75%

of employees were satisfied with the career opportunities available to them at Sveza

(according to an anonymous poll conducted in 2022)

The level of satisfaction has been growing every year:



2019 → **69%**

2020 → **73%**

2022 → **75%**

Employee performance evaluation

Sveza applies the following methods to evaluate the level of expertise, performance, and growth potential of its employees.



360-degree feedback

This method involves collecting written feedback on an employee's behavior towards company values from the employee's peers, supervisors, subordinates, and business partners. The 360-degree feedback provides an insight into an employee's strengths and development opportunities.



Targets dialogues

Targets dialogues involve periodic one-to-one meetings of employees with their line managers to set basic and stretch goals and create/review the employee's individual development plan. The employee's compensation is directly tied to the performance on the goals.



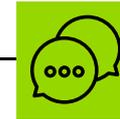
Foreman's performance assessment

This method helps evaluate the performance of production foremen from the standpoint of their teams' productivity, compliance with the safety rules, satisfaction levels, and other indicators. The results of the evaluation inform the foreman's professional development action plan.



HR committee

Sveza's HR committee meets twice a year to discuss talent retention challenges and solutions, review the talent pool and the executive succession strategy, and make decisions on professional development and career opportunities for employees.



Predictive analytics

Sveza uses the predictive analytics tool to improve employee retention. The process starts with determining the factors that increase the risk of quitting such as working too long without a vacation or staying too long in the same position. The inputs are then loaded into a predictive analytics model that transforms them into applicable information helping managers to create proactive measures to retain valuable talent.

Employee engagement and feedback

Sveza is committed to providing a comfortable working environment by engaging in an open and honest dialogue with its employees. These are the principles underlying Sveza’s human resources policy.

The Company uses various internal communications channels to solicit meaningful feedback.



Corporate hotline

The hotline is a tool that helps the employees quickly get answers to their questions and the Company promptly address a complaint or problem and collect feedback.

Each hotline call is logged in the hotline call log where a responsible employee is assigned to it and the time to address the issue is determined.



Corporate annual conference

At the corporate annual conference, the key managers of the Company discuss the results of the year and outline priority development areas for future periods.



Employee engagement survey “Voice of Sveza”

“Voice of Sveza” is an annual anonymous survey seeking to collect realistic information on the moods and attitudes of the employees.



Live sessions with top managers

For communicating important news and messages to the company staff, extra live sessions with the top managers are organized.



Cascade briefings

Cascade briefings are a series of meetings of top managers with staff at different tiers of management in the organization. The meetings are held on a quarterly basis and an online-meeting with the CEO is the first in the series. The brief includes information on the results of the quarter/year, new goals for the upcoming period, and priority focus areas for the future. Every participant in the briefing can ask a question to the CEO and get an answer.

The briefing with the CEO is followed by similar briefings at the plywood mill and process area levels.

The core brief information is disseminated via the intranet site, in the corporate magazine and on information boards.

In 2022
the survey covered
94% of the employees.

The employee engagement rating was **73%**

The employee satisfaction rating was **78%**

Sveza’s mill in Kostroma delivered the highest engagement rating of 86%

The mill in Tyumen delivered 68%
an unprecedented increase [15 p.p.] since 2020

58% **+21 p.p.**
increase over 2020
of the employees responded that they saw improvements in the internal communications system

63% **+8 p.p.**
increase over 2020
of the employees responded that they have a good understanding of the Company’s strategy

Corporate culture

An important factor enabling a comfortable working environment is a strong corporate culture building on the Company’s values where every employee feels included and valued. A well-developed company culture cultivates a sense of belonging and boosts overall employee engagement.

External changes that occurred in 2022 drove Sveza to revise its values and include a new value “Environmental Stewardship” to reflect the Company’s commitment to sustainability and openness.



Sveza’s values



Flexibility and Openness to Change



Respect for People



Safety



Teamwork



Customer-Centricity



Environmental Stewardship



Efficiency and Promptness

The new set of values **will be implemented in 2023**. The human resources management system will be revised accordingly.



GRI 203-1 GRI 203-2 GRI 207-1 GRI 207-3 GRI 413-1

Development of local communities

Four out of seven communities where Sveza operates are single-industry towns, making it particularly important for the Company to promote the motivation of working-age people to continue to live and work there.

At Sveza, we strive to drive the development of our communities:



Sveza Group contributes to social stability by creating new well-paying jobs and facilitating the growth of the related industry sectors



The Company contributes to the development of the local small and medium business by working with the local suppliers



Sveza's mills contribute to the improvement of the infrastructure of small towns by supplying water and energy to the local networks



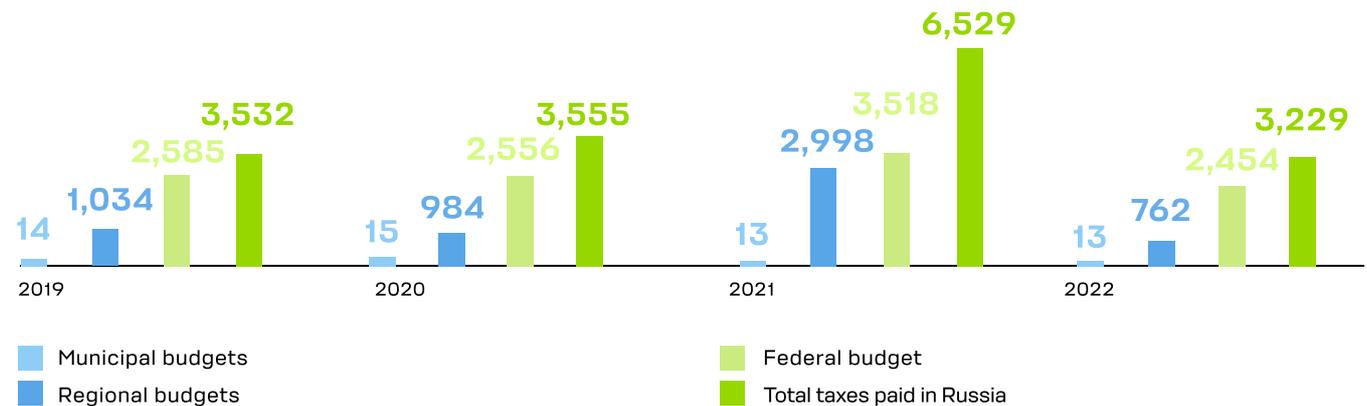
Sveza Group entities pay taxes to the local budgets

43.3 million rubles

total amount of social investments in 2022

3.2 billion rubles

paid as taxes



20%
increase in social investments over 2021

Sveza strives to make the towns and villages where it operates attractive places to live and work.

The Company initiates the development and implementation of comprehensive community development programs aimed at improving the lives of the local people.

Social investments in local communities

Sveza continues to build and strengthen long-term partnership relations with the local governments and voluntary groups. In 2022, the Company completed the move from one-off social initiatives to full-scale participation in the social and economic development programs focusing on social investments.

Working with partners, Sveza develops and implements comprehensive programs to improve many important aspects of the life in the towns and villages where it operates:



 Road construction

 Improvement of the quality of medical services and education

 Natural gas supply to households

 Improvement of public spaces

 Modernization of drinking water supply systems

 Forest industry education and training



New embankment

Uralsky

In February 2022, Sveza entered into a trilateral agreement with the government of the Perm Region and the government of Nytvensky Municipal District of the Perm Region on the implementation of a social and economic development program at Uralsky. Under the agreement, the Company will have participated in improving the most essential aspects of the life in the village until the end of 2024.

The program includes over 50 initiatives, among them modernization of the local public utility systems, refurbishment of the educational and healthcare buildings, construction of physical training and sports facilities, training of professionals for the social sector and the forest industry, and more.

The projects completed in 2022 included natural gas supply to Samostroy, modernization of the street lighting system, total renovation of the school and the community center, including new equipment for industrial arts classes, and construction of a playground and a sports ground.

In addition, a new discipline "Wood Processing Technology" was officially launched at the Nytva Vocational School and Forum of the Working Youth of the Nytvensky Municipal District was held.



Public art installation

Manturovo

The implementation of the social and economic development program of the town of Manturovo continues under the agreement with the government of the Kostroma Region signed in 2021.

Initiatives completed in 2022 included launching of a robotics club, re-equipment of the workshops at the Manturovo Polytechnic Vocational School, creation of the digital education center "IT Cube," and creation of two educational centers "Growth Point" in the village of Vochurovo. For the first time in the history of Manturovo, a festival of street arts was held.

Design and estimate documentation was finalized for the project to rebuild the water intake and effluent treatment facilities of Manturovo and the project to build a gym with a swimming pool.

Capital improvement of the Neya - Manturovo motor road was completed and a modular building was built for the first aid station in Karkovo.

Sveza offers scholarships under employer-sponsored education contracts to attract medical graduates to Manturovo.

In November 2022, a survey was carried out to assess the efficiency of the completed initiatives.

More than **60%** of the participants in the survey noted Sveza's significant contribution to the development of Manturovo

Totemsky District

As part of the agreement on social and economic cooperation between Sveza and the government of Totemsky District (Vologda Region), Sveza financed 22 projects under the People's Budget program initiated by the local activists and co-financed by the local government, business, and people. The completed projects included grassroots initiatives to improve the lives of people living in the area: landscaping, street lighting, refurbishment of the cultural and sports facilities, equipment for children's playgrounds, sports equipment, stage gear and costumes for the villages of Pyatovskoye, Velikodvorskoye, and Tolshmenskoye.

Other socially important projects completed by Sveza in 2022 included the construction of a public garden in Pontonny (Kolpinsky District, St. Petersburg) and the commissioning of a ropes course in Verkhnyaya Sinyachikha (Ekaterinburg Region).

New stairway to access the river



Social project management

Sveza has revised the approach to social investments to include a wide range of tools facilitating stakeholder involvement. The Company promotes the engagement of active citizens in addressing locally important issues, supports nonprofit organizations, and participates in the work of the resource centers that facilitate grassroots initiatives. Sveza organizes social impact initiative competitions to help local community members bring their ideas to life.

Sveza helps local people make their area a better place to live

Competitions held in 2022 included:

- II Small Social Impact Initiative Competition in Totemsky District (Vologda Region)
- I Small Social Impact Initiative Competition in Verkhnyaya Sinyachikha (Ekaterinburg Region)
- Small Social Impact Initiative Competition “Go For It with Sveza” in Velikoustyugsky District (Vologda Region) that helped bring to life eight grassroots ideas to promote culture, sports, environment, and landscaping
- Izhora Social Impact Initiative Competition in St. Petersburg that engaged over 2,000 active local community members in the implementation of the winner projects



Young medical graduates at work



Digital education center "IT Cube"



Digital education center "IT Cube"



Corporate philanthropy and volunteer programs

Sveza continues to apply conventional philanthropy mechanisms, support vulnerable and disadvantaged groups, and finance sports initiatives and creative projects in the communities where it operates.

For more than three years, the Company has successfully implemented the Active Sveza corporate volunteering program. Under this program, Sveza’s employee volunteers have organized and held more than 200 volunteer events promoting health, environment, and social and intellectual support in their communities. In 2023, Sveza will begin offering grant financing for the best ideas put forward by the volunteers.

Our volunteers place a lot of emphasis on eco-education of children and youth. The Active Sveza team at Novator won the first place in a regional competition organized by the Natural Resources and Environment Department of the Vologda Region, for their efforts in promoting environmental awareness of the local people.

Any employee can join Active Sveza at any time. In 2022, the program engaged 200 volunteers across all communities where Sveza operates.



40 events

organized and held by Active Sveza volunteers in 2022



Corporate governance



GRI 2-6 GRI 203-2 GRI 204-1 GRI 414-1 GRI 414-2

Responsible supply chains

Risk-based approach to supply chain management

Sveza applies a risk-based approach to manage ESG aspects at all stages of the value creation process. Through carefully managing its supply chains, the Group promptly identifies and responds to supplier risks of social or environmental non-compliance.

Sveza has two main categories of suppliers: suppliers of timber and suppliers of other materials and services. The Company's ESG management process for the supply chain focuses more on the timber suppliers as the most risk-intensive category.

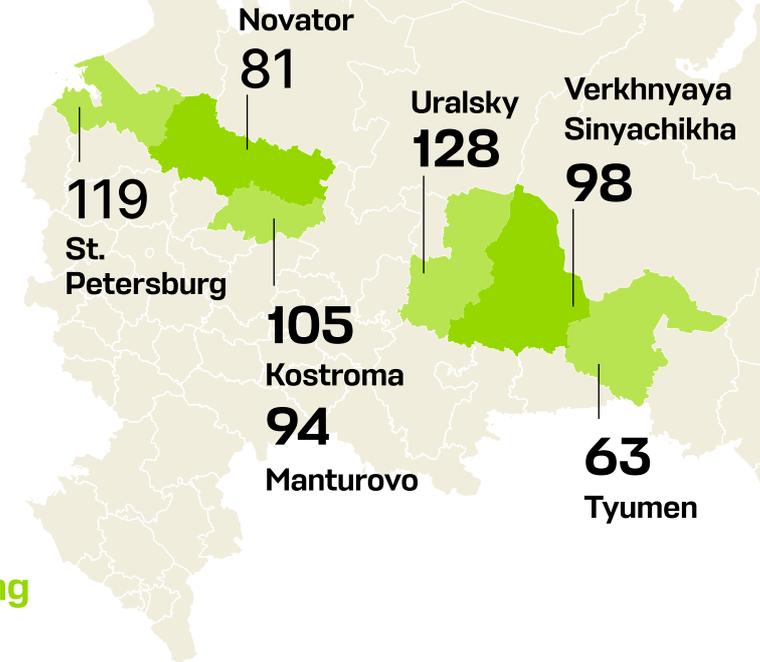
60%

of Sveza's timber suppliers are local firms

72.5%

is the share of local sourcing

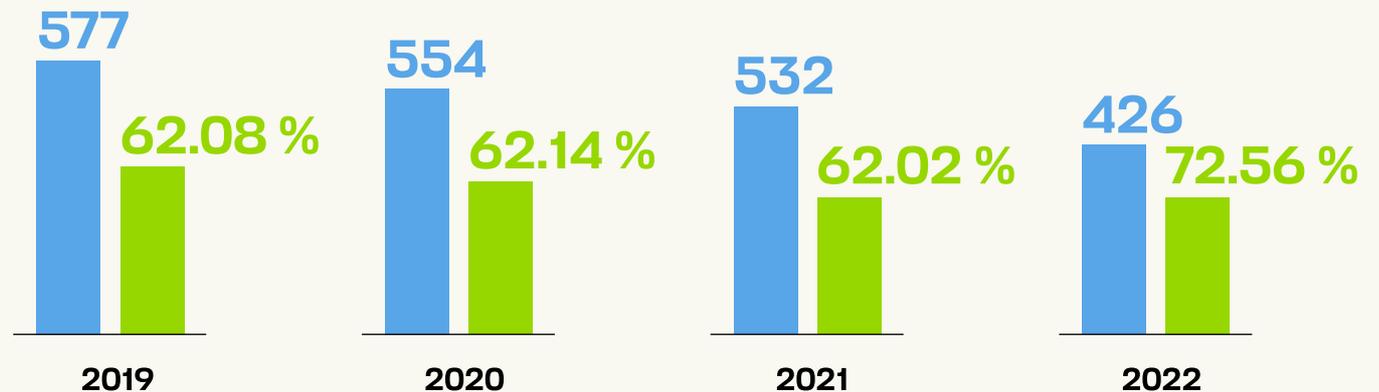
Average supplier bases of Sveza Group's plywood mills



Sveza Group's suppliers

- Timber supplier base
- Share (%) of local sourcing

The decrease of the supplier base in 2022 was caused by a slowdown in production. At the same time, sourcing from local suppliers went up by 10%. Sourcing locally helps optimize supply chain costs.



Tiers of Sveza’s supply chain management system



Supply chain management system

Being a responsible forest steward, Sveza continuously works to increase the transparency and traceability of its supply chain. The Company implements a four-tiered supply chain management system to achieve this goal.

1 Communication of requirements

Sveza has enforced a set of requirements for suppliers, which along with legal compliance include social and environmental responsibility.

Environmental criteria:

- None of the timber harvested in high conservation value forests
- Compliance with all applicable forest laws of Russia
- No record of littering in the forest
- None of the timber is restricted or endangered wood species
- Full compliance with the applicable laws when harvesting in protected forests
- Compliance with the management rules of protected natural areas and forest sites
- Full compliance with the timberland lease contractual obligations related to timberland management
- No record of conducting harvesting operations on soils contaminated with radiation

Social criteria:

- None of the timber harvested in high conservation value forests local communities depend on
- Compliance with health and safety rules and regulations
- Compliance with the applicable labor legislation



2 Assessment and monitoring

Before contracting a supplier, Sveza thoroughly evaluates their sustainability record, including an examination of their documentation and an analysis of the publicly available information such as media reports and court records. After contracting, Sveza regularly conducts on-site audits of the supplier's operations. Sveza's audit specialists examine harvesting sites and timber storage areas, assess health and safety compliance, and talk to workers, local forest department officials, and local people.

3 Correction and improvement

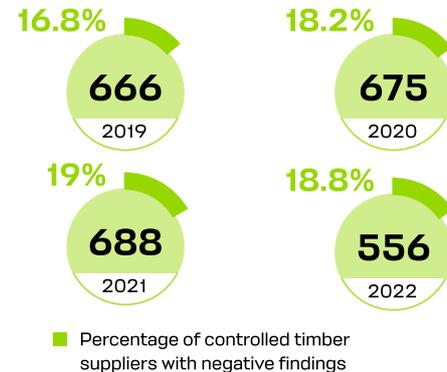
The on-site audits help ensure that the supplier's social and environmental practices are aligned with Sveza's expectations. Depending on the results of the audits, the supplier may have to implement corrective actions to address minor risks.

In case of critical risks that cannot be effectively mitigated, Sveza reserves the right to terminate a relationship with a supplier.

The most common violations found during on-site audits included felling of wrong species and varieties, timberland lease arrears, improper cleaning of the cutting sites, incomplete or delayed reforestation scopes. Most of the violations were quickly corrected.

556
suppliers were assessed for risks in 2022

Number of suppliers assessed for social and environmental risks



The on-site audits provide information on whether and how the supplier's harvesting operations:

Comply with the applicable laws	Respect human rights and impact indigenous people and local communities
Impact high conservation value forests	Avoid using genetically modified trees

Number of suppliers who failed to make improvements, which resulted in the suspension of their supply contracts



4 Partnership

Sveza works together with its timber suppliers (harvesting companies) to seek ways for continuous improvement, including through monitoring and risk management. The Company provides educational sessions where the harvesting professionals learn how plywood is made and how the quality of raw timber influences the quality of the finished product. In addition, Sveza provides its partners with methodology and information on how to build efficient internal processes and implement sustainable forestry best practices.

The four-tiered supply chain management system is currently used only for timber suppliers. For suppliers of other materials and services, Sveza consistently applies only the first two tiers: incorporating social and environmental expectations into contracts and pre-contract risk assessments.

In the future, Sveza will rank all supplier groups by the level of ESG risk to evaluate how the four-tiered supply chain management system can be implemented in the most efficient way.



GRI 2-15

GRI 2-26

GRI 205-1

GRI 205-2

GRI 205-3

Anti-corruption

Sveza holds itself to high ethical standards and does not tolerate unethical behavior, including bribery and corruption.

Anti-corruption regulations in place at Sveza

Sveza implements a set of internal policies and standards to manage corruption risks. As part of a continuous effort to improve its anti-corruption and compliance system, the Company created and implemented the following internal regulations in 2022:

- Corporate Code of Ethics and Business Conduct
- Corporate Code of Conduct for Conflicts of Interest
- Business Hospitality Policy
- Business Gifts Policy

In 2023, Sveza Group will create a business partnership code of conduct and update its Anti-Corruption Policy, which is a key document outlining Sveza’s commitment to doing business ethically and responsibly.



Sveza’s key corporate anti-corruption documents

<p>Anti-Corruption Policy</p> <p>To be updated</p>	<p>Business Partnership Code of Conduct</p> <p>To be created</p>
<p>Non-Disclosure Agreement</p>	<p>Personal Data Processing Policy</p>
<p>Corporate Standard for Trade Secret Protection</p> <p>To be updated</p>	<p>Business Hospitality Policy</p> <p>Implemented in 2022</p>
<p>Corporate Code of Ethics and Business Conduct</p> <p>Updated in 2022</p>	<p>Business Gifts Policy</p> <p>Implemented in 2022</p>
<p>Corporate Code of Conduct for Conflicts of Interest</p> <p>Implemented in 2022</p>	



Only one incident of corruption was found by Sveza's Business Security Group in 2022

Identification and mitigation of corruption risks

At Sveza, all anti-corruption efforts are coordinated by the Business Security Group, which works to identify and mitigate corruption risks in three realms:

1 . Employees

A thorough pre-employment screening process is in place to check every new hire.

Employees in corruption-sensitive positions are subject to regular anti-corruption screening procedures.

All new hires are required to read the Anti-Corruption Policy and sign the attestation within ten days of starting work at Sveza.

The Company provides training to its employees on anti-corruption and other related topics.

2 . Processes

An intelligent assistance system for critical business functions is in place to track down and report disruptions and weaknesses in business processes.

The Business Security Group regularly inspects the Company's business processes for systemic issues, risks, losses, violations, and fraud, and investigates into incidents.

The investigation focuses on determining the root cause of the issue and the drivers of fraudulent behavior. Each compliance issue is carefully analyzed and reported to the top management team. Corrective actions are created in each case.

3 . Contractors

Sveza uses the SAP MDG module to efficiently manage supplier risks. The MDG system is a single source of information on all verified suppliers and their associated risks. In addition, the Business Security Group regularly conducts supplier integrity audits.

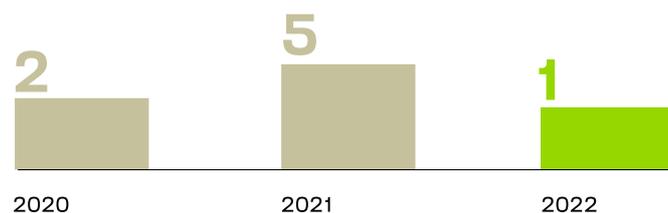
In building trustworthy relationships with suppliers, compliance with the internal regulations on supplier management is essential. The regulations provide guidance on procurement procedures and responsible supply chain management processes.

Internal mechanisms to report corrupt or unethical behavior at Sveza

Anyone at Sveza Group who becomes aware of any violations can report it to the Ethics Committee or contact the Business Security Group helpline. Sveza takes all reports seriously and thoroughly investigates each raised concern within ten days. The results of the investigation are presented to the Ethics Committee chaired by the Company’s CEO, for resolution. The resolution is always communicated to the reporting employee if they provided their name.

In 2022, the Ethics Committee was contacted once on a confirmed violation not related to corruption.

Total reports submitted to the Ethics Committee



There are several ways to report concerns at Sveza:

24/7 Helpline:
+7 (931) 325-70-10

Ethics Committee:
ask@sveza.com

Mailing address:
**Vant Office Building, 112 Obukhovskoy
Oborony Ave, 192012 St. Petersburg**

Time for review and investigation:
Ten days.

Feedback delivery:
A written response, if the reporting employee provided their contact details. The Ethics Committee keeps confidential the information on the reporting employee.

GRI 2-2 GRI 2-3 GRI 2-4 GRI 2-5 GRI 3-1 GRI 3-2 GRI 3-3

About the Report

Sveza Group’s Sustainability Report (the Report) is a public, non-financial report prepared for a wide range of stakeholders.

The Report summarizes Sveza’s activities and progress in 2022, outlines its social and environmental sustainability principles, describes how the Company’s operations influence the local communities, and shows how it engages its stakeholders.

Scope of the Report

The Report focuses on Sveza Group’s approach to incorporating ESG principles into every aspect of its business at all levels in the organization.

The Report covers the period from January 1, 2022 until December 31, 2022 and contains qualitative and quantitative data unless indicated otherwise. The Report contains a number of initiatives from 2023 as a way to share with the stakeholders information on Sveza Group’s course of action.



Holding company Sveza-Les LLC

Sveza Ust-Izhora PJSC*	Sveza Manturovo PJSC
Sveza Kostroma PJSC	Uralsky Public Utility Services LLC
Sveza Novator PJSC	Sveza Tyumen LLC
Sveza Uralsky LLC	Sveza Bioproduct LLC
Sveza Verkhnyaya Sinyachikha PJSC	Sveza Resource LLC

* Private Joint-Stock Company

Report interpretation and contents

In this Report, the terms “Company,” “Group,” and “organization” are used to refer to Sveza Group. Unless the context otherwise requires, all names of products, brand names, trademarks, service marks and logos are protected by the Company’s copyright. All rights are reserved. The commercial names of other commercial and non-commercial organizations mentioned in this Report do not imply any support or sponsorship by the Company.

Accuracy of information

The information in the Report, including the information about the products, competitive edges, and market trends, was put together by the Company as part of the enterprise reporting system and verified internally for accuracy and completeness. No independent review was conducted.

The Report also features market and industry data obtained from open sources and results of surveys carried out by third parties.

Analysis of material topics

The material topics included in the Report were determined using an expert assessment in combination with a stakeholder survey.

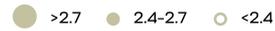
The Report is based on GRI Standards 2021. The Company’s activities were mapped against UN’s Sustainable Development Goals, and progress on the priority SDGs was assessed. The preparation of the Report included an analysis of the topics covered by the general GRI standards. Since relevant GRI sector standards are not yet available for the forest industry, the topics for this Report were determined using an expert assessment complemented by a stakeholder survey. In addition, SASB disclosure standards were applied.



Materiality



Materiality rating assigned by stakeholders:



A stakeholder survey was conducted to determine the aspects of material topics to be covered in more detail in the Report. The respondents rated the materiality of various aspects of the Company's business from the standpoint of impact (positive or negative) on a scale from 1 to 3 where 1 is low materiality and 3 is high materiality.

The survey revealed that the government institutions and the Company's employees were mostly concerned about the social impact of Sveza's activities, the local people and NGOs paid greater attention to the environmental aspects, and the shareholders emphasized the importance of disclosures related to the Company's governance and reporting system.

Section of the Report	Criteria in the stakeholder survey	Materiality	Customers and business partners	People	GR	Employees	NGOs	Shareholders	SDGs
Introduction	Quality management	●●●	●	●	●	●	●	●	
	Sveza's participation in political activities and international initiatives	●○○	○	●	●	○	○	●	
	Economic performance	●●●	●	●	●	●	●	●	
	Research and innovation	●●○	●	○	●	●	●	●	
	Anti-monopoly compliance	●○○	○	○	●	●	○	●	
	Risk management	●●●	○	●	●	●	●	●	
E Environmental	Energy conservation and energy efficiency	●●●	○	●	●	●	●	●	
	Waste management	●●●	●	●	●	●	●	●	
	Materials used in production	●●●	●	●	●	●	●	●	
	Water stewardship for the benefit of local communities	●●○	○	●	●	●	●	●	
	Greenhouse gas emissions and climate change	●●○	○	●	●	●	●	●	
	Emissions of air pollutants	●●○	●	●	●	●	●	○	
	Water management	●●●	○	●	●	●	●	●	
Biodiversity conservation efforts	●●○	○	●	●	●	●	○		
S Social	Employment and decent work conditions	●●●	●	●	●	●	●	●	
	Human rights	●●○	●	●	●	○	○	○	
	Freedom of association and collective bargaining rights	●○○	○	●	●	○	○	○	
	Enhanced supplier and contractor safety	●●●	●	●	●	○	●	●	
	Health and safety in the workplace	●●●	●	●	●	●	●	●	
	Equality at work	●●○	○	●	●	●	●	○	
	Social security and employee recognition	●●○	○	●	●	●	●	○	
	Internal training / capacity building	●●○	●	○	●	●	●	○	
	Local community development programs	●●○	○	●	●	●	●	○	
Continuous improvement of the means of engagement with the local communities	●○○	○	○	●	○	●	○		
G Corporate governance	Anti-corruption efforts	●●○	●	●	○	●	●	●	
	Supplier and contractor environmental assessment	●●○	●	●	●	●	○	○	
	Procurement system and local sourcing	●●○	○	●	●	●	●	○	

GRI Content Index

GRI Standard	Indicator #	Indicator	Page
GRI 2	2-1	Organizational details	5
General Disclosures	2-2	Entities included in the organization's sustainability reporting	69
	2-3	Reporting period, frequency and contact point	69
	2-4	Restatements of information	69
	2-5	External Assurance	70
	2-6	Activities, value chain and other business relationships	7
	2-7	Employees	35
	2-9	Workers who are not employees	16
	2-15	Conflicts of interest	67
	2-19	Remuneration policies	50
	2-20	Process to determine remuneration	50
	2-22	Statement on sustainable development strategy	3, 15
	2-23	Policy commitments	3,13
	2-26	MechaniCMC for seeking advice and raising concerns	68
	2-28	Membership associations	19
2-29	Approach to stakeholder engagement	17	
2-30	Collective bargaining agreements	41	
GRI 3	3-1	Process to determine material topics	70, 71
Material Topics	3-2	List of material topics	71
	3-3	Management of material topics	70

GRI Standard	Indicator #	Indicator	Page
GRI 203	203-1	Infrastructure investments and services supported	57
Indirect Economic Impacts	203-2	Significant indirect economic impacts	29, 58
GRI 204	204-1	Proportion of spending on local suppliers	63
Procurement Practices			
GRI 205	205-1	Operations assessed for risks related to corruption	67
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	66
	205-3	Confirmed incidents of corruption and actions taken	68
GRI 207	207-1	Approach to tax	57
Tax	207-2	Tax governance, control, and risk management	57
GRI 302	302-1	Energy consumption within the organization	26
Energy	302-3	Energy intensity	26
	302-4	Reduction of energy consumption	27
	302-5	Reductions in energy requirements of products and services	27
GRI 303	303-1	Interactions with water as a shared resource	28
Water and Effluents	303-2	Management of water discharge-related impacts	28
	303-3	Water withdrawal	28
	303-4	Water discharge	28
	303-5	Water consumption	28

GRI Content Index

GRI Standard	Indicator #	Indicator	Page
GRI 304			
Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	29, 33
	304-2	Significant impacts of activities, products, and services on biodiversity	29, 33
	304-3	Habitats protected or restored	31
GRI 306			
Waste	306-1	Waste generation and significant waste-related impacts	25
	306-2	Management of significant waste-related impacts	24
	306-4	Waste diverted from disposal	24
GRI 401			
Employment	401-1	New employee hires and employee turnover	36, 40
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	50
GRI 403			
Occupational Health and Safety	403-1	Occupational health and safety management system	42
	403-2	Hazard identification, risk assessment, and incident investigation	43
	403-4	Worker participation, consultation, and communication on occupational health and safety	43
	403-5	Worker training on occupational health and safety	44
	403-6	Promotion of worker health	51, 48

GRI Standard	Indicator #	Indicator	Page
	403-8	Workers covered by an occupational health and safety management system	44
	403-9	Work-related injuries	45
GRI 404			
Training and Education	404-1	Average hours of training per year per employee	52
	404-2	Programs for upgrading employee skills and transition assistance programs	53
GRI 405			
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	38, 39
	405-2	Ratio of basic salary and remuneration of women to men	50
GRI 413			
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	60
GRI 414			
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	65
	414-2	Negative social impacts in the supply chain and actions taken	65
GRI 417			
Marketing and Labeling	417-1	Requirements for product and service information and labeling	29