



DIZOZOLS PLUS

2024

Dižozols plus Ltd
NACE sector classification
code: Furniture manufacture
(31.00), Manufacture of other
Furniture (31.09)

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Message from the board



The year 2024 was full of challenges for the entire furniture manufacturing sector. In most export markets, customer demand decreased. Consequently, Dižozols plus also experienced a decline in turnover, reaching €8.7 million in 2024 (compared to €9.06 million in 2023). The shrinking market volume required the company to respond quickly to maintain competitiveness. A decision was made to expand the existing network of cooperation partners, which resulted in a record number of new products developed – 80, helping offset the decline in demand and retain all existing jobs. Supply chains remained stable, and Dižozols plus continued to diversify its supplier base, thereby reducing the risk of potential delivery disruptions. In 2025, a price increase is expected for packaging materials, solid wood, and finishing materials. Continuous improvement efforts continued throughout the year — as every year, we strengthened the practical application of LEAN principles in production. Special attention was given to process optimization, and by the end of the year, a decision was made to engage an external consultant in 2025 to further improve operational efficiency. In line with international best practices, the company has maintained both the ISO 9001 quality management system and the ISO 14001 environmental management system for the past three years. These certifications reflect our commitment to high-quality production and minimizing environmental impact. The year 2024 also marked the introduction of the EU Deforestation Regulation (EUDR). A detailed supply chain mapping and risk assessment was carried out within the company.

However, both Dižozols plus and its suppliers faced uncertainties about how to ensure full compliance with the regulation. The lack of a designated EUDR authority in Latvia did not improve the situation. As a result, the one-year postponement of the regulation's implementation deadline was widely welcomed by companies, providing more time to prepare thoroughly. On 17 December 2024, following the publication of the EFRAG Voluntary Sustainability Reporting Standard (VSME) for small and medium-sized enterprises, Dižozols plus decided to prepare its annual Sustainability Report in accordance with EFRAG guidelines, aligning itself with clients who are beginning reporting under the Corporate Sustainability Reporting Directive (CSRD) in 2025.

The company continued to support its clients in obtaining eco-certifications and also received the EU Ecolabel certification as a manufacturer. To enhance employee engagement, we continued our existing initiatives, including our annual Health Week, which in 2024 focused on back health. Activities included a step challenge and visits from physiotherapists offering both individual and group consultations. Access to qualified labor remained a challenge in 2024. To reduce staff turnover, we continued conducting exit interviews to identify reasons for leaving and implement necessary improvements. Since the end of 2023, we've also implemented a mentorship program for all new employees. This initiative helps new team members integrate into the company culture quickly, creating a supportive and inclusive environment from day one. Our collaboration with the State Employment

Agency has resulted in the creation of jobs for people with disabilities and the adaptation of workplaces based on occupational therapist recommendations and best practices, promoting a more inclusive work environment. Since 2022, one of our main goals has been to reduce the environmental impact of our products, especially by reducing the use of harmful substances. In 2024, we began cooperating with the Fit4Reach project to identify finishing materials that need to be substituted due to their negative impact on human health and the environment. We also increased the share of water-based coatings from 26% in 2023 to 27% in 2024. Despite the challenges of 2024, Dižozols plus continues to grow and strengthen its market position, with a firm commitment to integrating ESG (environmental, social, and governance) principles into its business strategy. Since Q4 of 2024, the company's turnover has been steadily increasing, and based on client forecasts, this trend is expected to continue. We are proud to share that in 2024, our participation in the Sustainability Index organized by the Latvian Institute for Corporate Sustainability and Responsibility resulted in a Gold Category award. Dižozols Plus will continue to be a strong, adaptable, and forward-looking company in 2025 and beyond!

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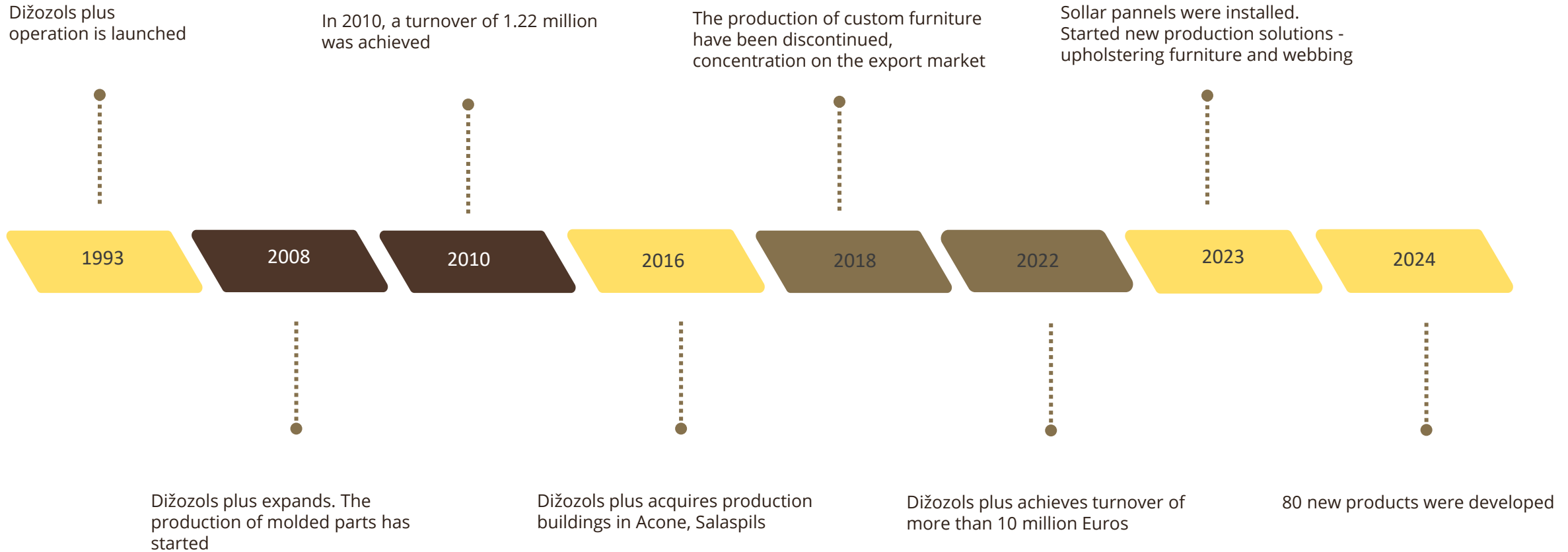
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Our history



Mission, vision



Mission

Our mission is to provide customers with excellent service and sustainable products by designing and manufacturing furniture with care for people and the environment.

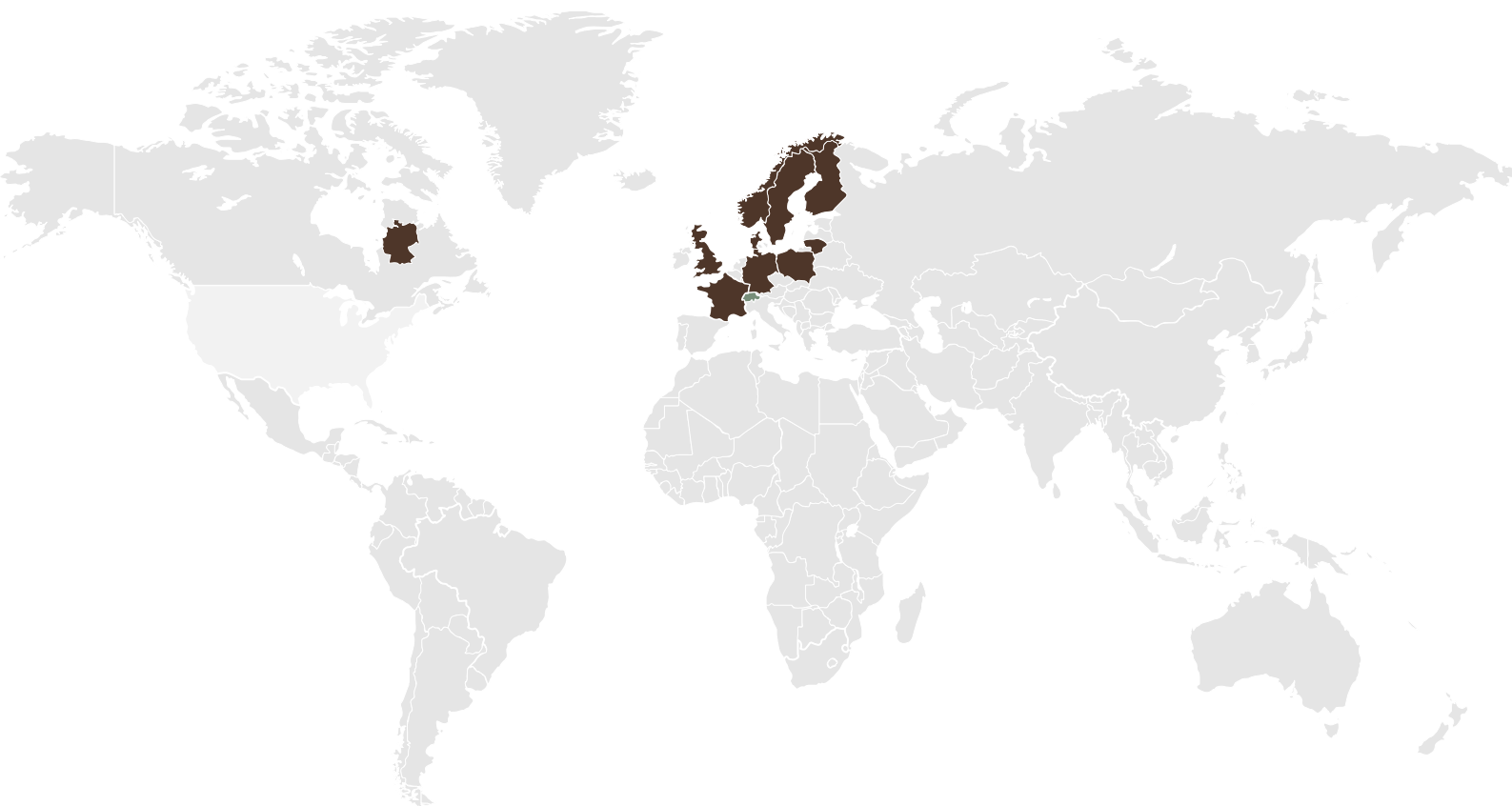


Vision

Our vision is to become the leading manufacturer of bent-glued design furniture in Eastern Europe, offering innovative products of the highest quality.

Export

Dižozols Plus operates as a B2B manufacturer, assisting its partners in transforming ideas into tangible products. The company specializes in **molded wood items**, which are produced under private label agreements and exported to international clients. Our main markets include Denmark, Sweden, Norway, England, Switzerland, Germany, France, the United States, Poland, Lithuania, and Canada. In 2024, the customer base expanded to include Austria, France, and Spain



Dižozols plus
exports 99% of
its products
outside Latvia.

99%

2024 in numbers

153

employees

8.7

↓ Milj.eur turnover
(9.06 milj. In 2023)

25.9

↓ Eur profit. 2024
(2023 profit 150 000 eur)

>50

clients

27

Product groups

6.63

Milj.eur Total assets

The year 2024 was a **challenging one** for the entire furniture manufacturing industry. Customer demand declined across all market. Like many others, Dižozols Plus also felt this impact—turnover decreased to €8.7 million (from €9.06 million in 2023). Despite this, we remained resilient and adapted quickly. We proved that there is always solution. even in the most difficult situations. A record-breaking 80 new products were developed at an unprecedented speed, allowing the company to offset the declining demand and remain full staff.



Gatis Rudzītis
Member of the board,
Sales director

7

**Ranked 7th in net
turnover among
furniture
manufacturers in
Latvia**

* <https://www.dbhub.lv/top-500-latvijas-lielakie-uznemumi-2023>

Employee interaction

In our pursuit of sustainability at Dizozols plus, we have implemented LEAN principles as a cornerstone of our operational approach. As part of this initiative, we have designated LEAN trainers, with the number in each department ranging from 1 to 3, depending on the department's size. These trainers are exceptional employees who excel in their roles, are able to motivate and guide other colleagues, and serve as valuable liaisons between employees and management.

Our LEAN trainers convene for meetings where a range of critical topics are addressed. These meetings encompass current affairs, occupational safety and security matters, necessary enhancements to optimize production efficiency, and other pertinent issues related to employee motivation and job satisfaction. This proactive engagement with our LEAN trainers fosters a culture of continuous improvement, ensuring our company remains committed to sustainable practices and the well-being of our employees.

Every month, LEAN trainers participate in LEAN audits, during which each workplace is evaluated on various aspects. These aspects include workplace tidiness, whether employees are following instructions, whether tool locations are clearly marked, and whether materials are placed in a way that facilitates work, among others.

The top ideas will be selected through voting during LEAN meetings. A new initiative was launched in 2024—the Marathon of Ideas. For three weeks in December, employees were encouraged to participate in the Marathon of Ideas to boost the submission of improvement ideas. 22 ideas were submitted and 3 best ideas were awarded.



>3

Improvement ideas
have been
submitted at each
LEAN meeting



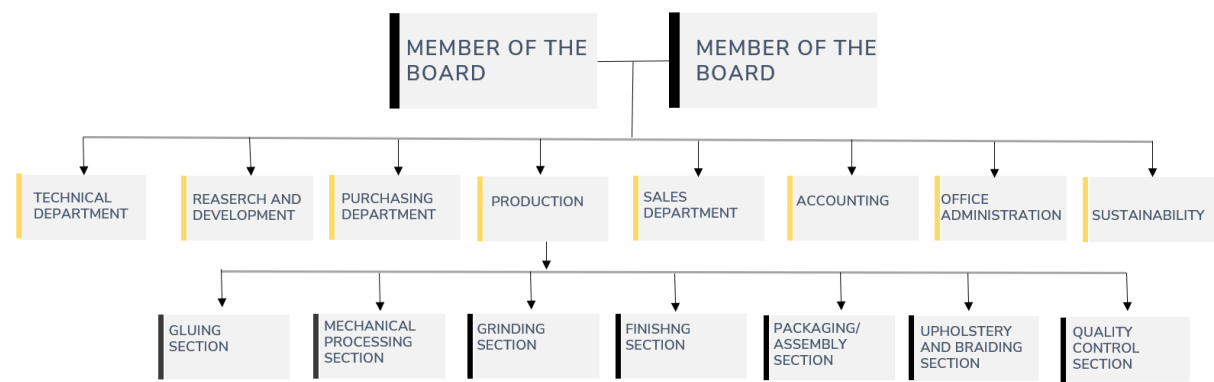
Best ideas gets
rewarded



Marathon of ideas
in december, 2024

GOVERNANCE

Corporate governance



In 2024, there were no changes made to the company's structure or management composition. The company's commitment to good corporate governance is upheld by the oversight of its board members (Gatis Rudzitis and Ģirts Plakans). We recognize the importance of maintaining ethical standards, ensuring transparency, and upholding accountability in our operations.

Board members do hold the dual role of representing the company both: individually and collectively. Among their core responsibilities, the board diligently oversees and ensures the company's compliance with all relevant legislation.

This includes a examination of legal requirements, as well as the establishment and enforcement of protocols to maintain legal and regulatory adherence throughout our operations.

In shaping our strategic direction, development plans, and overarching goals, the board plays main role. Companies efforts are aligned with our mission and vision (please see page 7).

In 2024, several normative acts were developed: To improve internal communication, the Policy of Communication was created with purpose to define the frequency, content, and participants of meetings. Additionally, a Policy for Information Security was developed, which is crucial for safeguarding our company's data integrity, protecting against cyber threats, and ensuring that our technological partnerships align with best practices and standards for security and reliability.

There have never been any fines for violations of anti-corruption and anti-bribery laws (information is disclosed in line with the EFRAG Voluntary Sustainability Reporting Standard (VSME) for small and medium-sized enterprises).

MAIN OBJECTIVES

LONG TERM COOPERATION WITH
CUSTOMERS

EMPLOYEE WELL-BEING

INCREASING REVENUE

SUSTAINABLE RESOURCE UTILIZATION



Dižozols plus Strategy 2022 - 2025

Dižozols plus has articulated a medium term strategy with four key targets to guide the company from 2022 to 2025, aimed at creating a robust and sustainable growth trajectory.

1. Long-term cooperation with customers: By ensuring successful and high-quality products and interactions with clients, Dižozols plus aims to establish and maintain lasting trust and loyalty. This target recognizes that the company's success is directly linked to client satisfaction and long-term relationships.

2. Employee well-being: Recognizing that a skilled and motivated workforce is the backbone of any successful business, Dižozols plus is invested in fully developing its employees' competencies. Through knowledge sharing, the implementation of best practices, and the cultivation of a workplace culture, the company encourages active engagement in its development.

3. Increasing revenues and profits: This is essential for expansion and continued investment in innovation.

4. Sustainable Resource Utilization: The company intends to analyze and optimize the use of energy resources, responsible sourcing, waste reduction, and recycling practices.

This will not only reduce its environmental impact but also improve efficiency and result in cost savings, reflecting the company's dedication to environmental stewardship and operational excellence. In 2025, the company is working on a new mid-term strategy.



Target:
100% of identified high-rated risks mitigated or reduced to an acceptable level within the next 6 months

PREDICT, MITIGATE/TRANSFORM INTO OPPORTUNITIES

Risk management

In an effort to proactively address and manage potential threats, Dižozols plus SIA has established a risk management framework. This framework consists of a carefully formulated risk management methodology, a detailed risk register, risk assessments, and strategic risk mitigation measures.

Our approach categorizes risks into four main groups to streamline focus and ensure targeted strategies. These groups are strategic, financial, operational, and sustainability risks. These encapsulate risks related to environmental, social, and corporate governance (ESG) aspects, affirming our commitment to sustainability.

Among all risks we monitor, several stand out due to their significant impact on our operations. The escalating costs of raw materials and energy resources pose a substantial financial challenge, highlighting the importance of effective resource management. Employee turnover rate is a critical factor in operational stability, while quality control and product defects are paramount in maintaining our reputation and ensuring customer satisfaction. To address these challenges, we invest in employee engagement, conduct annual development conversations, and offer training programs to strengthen skills and motivation.

As a furniture manufacturer dependent on natural materials such as timber, we are exposed to physical climate risks such as droughts, wildfires, and changes in forest ecosystems, which may impact the availability and cost of raw materials. Additionally, transitional risks stemming from evolving climate policies, carbon regulations, and shifts in consumer expectations toward low-impact products require us to adapt quickly to maintain competitiveness and regulatory compliance. We understand that our business is vulnerable to climate related risks, - they are not critical today, but they are likely to grow in importance between now and 2030.

Double Materiality matrix

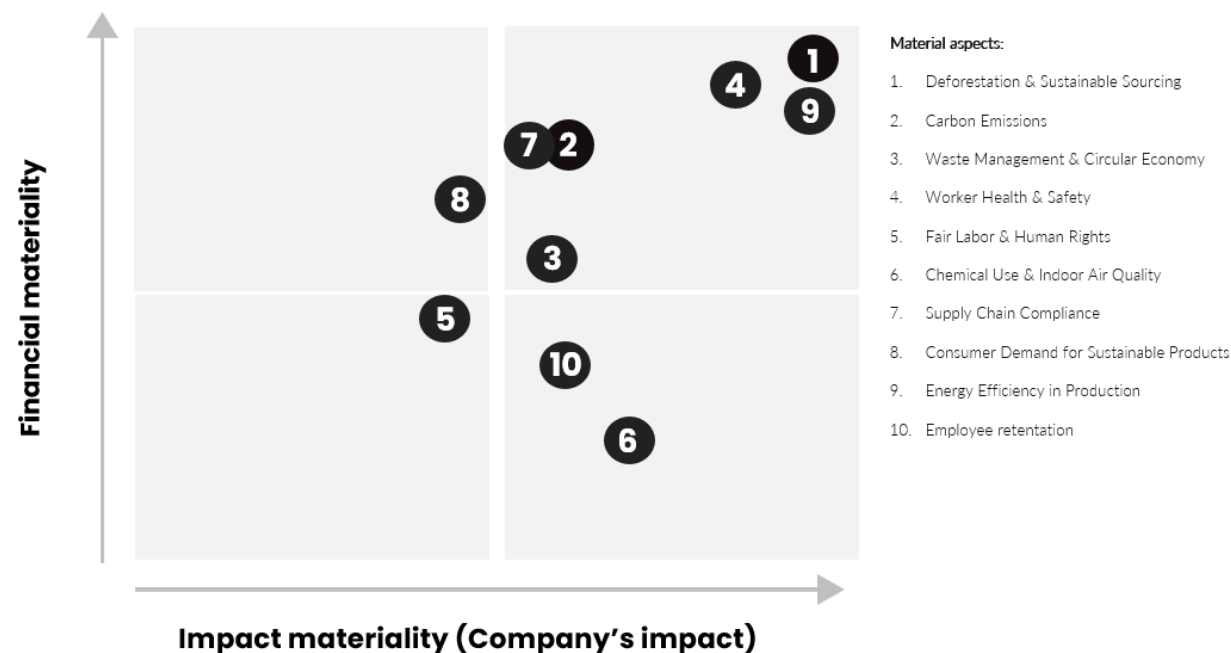
In 2024, Dižozols plus defined the most important aspects of sustainability and crafted Double materiality matrix. As a result, the companies priorities were determined, based on: requirements covered by the European Union in the regulation of sustainability (including, in relation to corporate sustainability reporting), the opinion of the affected parties (interviews/meetings), the opinion of the senior management of the group (discussions and workshop), question regards the most important Sustainability aspects was also part of customer satisfaction survey.

Our double materiality matrix highlights the key sustainability topics that affect both our financial performance and societal impact. As the main resource we use in production is wood, one of the main topics we see is material to Dizozols plus is deforestation and sustainable sourcing, ensuring our materials come from responsibly managed forests to protect biodiversity and maintain supply chain stability.

Carbon emissions are a major focus, as we work to reduce our footprint through energy-efficient production. Waste management and the circular economy are essential in minimizing resource waste, extending product life, and reducing landfill impact.

Chemical use and indoor air quality are addressed through the adoption of non-toxic materials, improving environmental, consumer and employee health. From a compliance standpoint, supply chain compliance is critical, requiring rigorous assessments to meet evolving regulations and ESG standards. Consumer demand for sustainable products continues to shape our strategy, pushing us toward greater transparency and eco-friendly innovation. Lastly, energy efficiency in production drives cost savings and emission reductions, supporting both business resilience and climate goals.

Double materiality matrix



Representation in organizations



The biggest association of entrepreneurs in Latvia, which represents interests of entrepreneurs.



Non-Governmental organization uniting Latvia's furniture manufacturers



The leading association of business efficiency professionals in Latvia

Collaboration with our Stakeholders

Dižozols plus successfully collaborates with its stakeholders. In 2022, we held regular meetings with **clients** to assess their satisfaction with the services they received and to explore opportunities for improvement.

Additionally, we conduct an annual **employee** satisfaction survey with the aim of identifying the factors contributing to the increase in the employee turnover ratio and developing a plan to reduce turnover.

Our collaboration with **educational institutions** underscores our dedication to community engagement, education, and nurturing the next generation of professionals. We believe in the importance of giving back to our local community and providing a platform for students to gain practical skills and insights. This collaborative approach contributes not only to our corporate governance strategy but also to the broader educational ecosystem, ensuring a skilled and knowledgeable workforce for the future.

Cooperation and communication with stakeholders are essential components of corporate governance. One of the goals for 2023 was to engage stakeholders, identify their needs, and determine the key sustainability aspects of Dižozols plus and develop a materiality matrix [\(page 17\)](#)

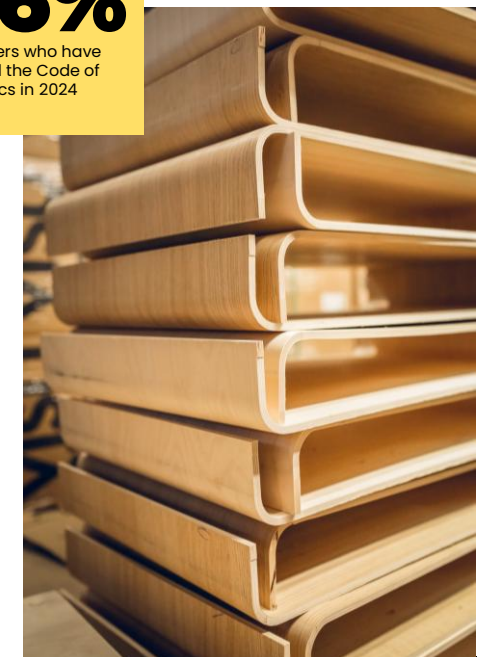


Ways we interact with our stakeholders

 Employees	 Clients	 Suppliers	 Governmental institutions	 Non governmental institutions	 Banks	 Educational institutions
Training, Meetings, Satisfaction survey Working groups Annual negotiations Team building events Health week	Meetings Customer Satisfaction Surveys Information and Education	Meetings Cooperation Agreements Partner Evaluation Surveys Joint Projects	Meetings Discussions Consultations Project Submissions for Infrastructure Development	Participation in Work Groups and Industry Associations Consultations, Conferences, Workshops Involvement in Industry Policymaking	Meetings, consultations, reports	Meetings Consultations Cooperation Agreements Organization of Tours in the Company's Premises

86%

Suppliers who have
signed the Code of
Ethics in 2024



ETHICS

Code of Ethics

Dižozols Plus provides an inclusive work environment that supports diversity and does not tolerate discrimination based on ethnic origin, age, gender, disability, sexual orientation, religious beliefs, political views, family status, social background, or other similar characteristics.

In 2024, **one report** was received and resolved by the Ethics Committee within 48 hours. Upon joining Dižozols plus, employees are introduced to the Code of Ethics and the available reporting channels. Since 2024, we have been offering practical training on ethical behavior and situations to all employees as part of annual training, using gamified learning through Kahoot games.

The whistleblower policy is part of the Code of Ethics. Information on reporting is also available on our website: <https://dizozols.lv/lv/dokumenti/>. In 2024, no whistleblower reports were received.

There have never been any confirmed incidents of child labour, forced labour, human trafficking, discrimination, or other related violations within our workforce ((information is disclosed in line with the EFRAG Voluntary Sustainability Reporting Standard (VSME) for small and medium-sized enterprises Coprehesive module C7 section).



Eva Eglīte, trusty

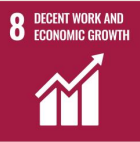


**Goal: 100% of suppliers to
have signed the Code of
Ethics by end of 2025**

UN Sustainable Development



Dižozols plus has joined the United Nations Global Compact initiative — a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. We are proud to be one of the seven Latvian organizations to join this global network of thousands of companies committed to taking responsible business action to create the world we all want. The UN Global Compact is a call to companies everywhere to align their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals (SDGs).



Dižozols plus action

SDG*	Goals	UN Goal description	Dižozols plus actions
	<p>SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>8.5. Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p> <p>8.8. Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p>	<ol style="list-style-type: none"> 1. Respectful and equal attitude at all times. Equal pay for equal work. Pay system developed in 2021 ensures equal pay for equal work. 2. Health & Safety: This includes training, information dissemination, and organizing special events. 3. Employment of students 4. Code of Conduct in place and ensure that 100% employees receive knowledge about it. 5. Employee Development: investments in the development of our employees. 6. The average hourly wage rate in the company by profession code exceeds the average hourly wage rate in Latvia by profession code
	<p>SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries</p>	<ol style="list-style-type: none"> 1. Expanding manufacturing operations and create more job opportunities within the industry 2. Investing in workforce training and development programs can enhance the skills of employees in the furniture manufacturing sector. This not only increases productivity but also makes the industry more competitive and sustainable. 3. Adopting sustainable production processes - using eco-friendly materials, reducing waste, and implementing energy-efficient manufacturing practices.
	<p>SDG 12: Ensure sustainable consumption and production patterns</p>	<p>12.2. By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>12.5. By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse</p> <p>12.6. Encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p>	<ol style="list-style-type: none"> 1. Gradual increase in share of renewable energy use 2. Circular economy principles in manufacturing and packaging 3. Investing in Environmental system creation and maintenance, ISO certification (ISO9001, ISO 14001, ISO 50001)

Dižozols plus action

SDG	Goals	UN Goal description	Dižozols plus action
	<p>SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>		<ol style="list-style-type: none"> 1. Use certified wood - Forest Stewardship Council (FSC), which promotes responsible forest management. 2. Eco-friendly manufacturing practices that minimize energy consumption 3. Use of renewable energy sources 4. Production of high-quality, long-lasting furniture 5. Certification ISO 14001 for environmental management system
	<p>SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>16.1. Significantly reduce all forms of violence and related death rates everywhere 16.5 Substantially reduce corruption and bribery in all their forms 16.B Promote and enforce non-discriminatory laws and policies for sustainable development</p>	<ol style="list-style-type: none"> 1. Operate with integrity, ethics, and transparency in all business dealings 2. Promote diversity and inclusivity within the workforce 3. Open Channels for Ideas: We encourage our employees to actively contribute to the growth and improvement of our business. Everyone is welcome to share suggestions by emailing idejasuzlabojumiem@dizozols.lv 4. To take part in charity projects. In 2024, our company participated in charitable projects, including support for the Uubele animal shelter and the Ogre Rotary Club's initiative for Ukraine support. 5. Partnering with non-governmental organizations working toward peace, justice, and accountable governance. Support their initiatives and campaigns.

Customer Satisfaction

As a furniture manufacturer committed to turning our customers’ innovative ideas into reality, we place great importance on customer satisfaction. By integrating advanced manufacturing methods and prioritizing open, transparent communication, we ensure that our products not only meet but also exceed our customers’ expectations and specifications. In order to ensure long-term relationships with our customers, we strive to provide excellent product quality and service. To better understand what is truly important to our customers, the company conducts a customer satisfaction survey every two years. The survey is anonymous and asks customers to rate five key aspects – product quality, development process, customer service, delivery and sustainability. The results for 2023 were encouraging – customers rated customer service particularly highly with 4.8 out of 5 points, while product quality and delivery received 4.5, and development process – 4.2.. The survey also included an open question with a call for suggestions, recommendations or any comments. This data helps us identify areas in which we can still grow and improve.

To strengthen internal communication, a Communication Policy was developed in 2024, which determines the regularity of meetings, participants and topics to be discussed. In 2025, we plan to develop this direction even more actively, strengthening the internal cohesion of the team and the flow of information.

Seeing that demand volumes in the entire furniture industry decreased in 2024. SIA "Dižozols plus" made a strategic decision and focused especially on the introduction of new products into production. In the second half of the year, this work bore fruit - the flow of orders became stable and increasing, confirming that we are going in the right direction. In 2024, the range of clients was supplemented by clients from Austria, France and Spain.

Taking into account the wishes of clients, the company expanded its activities in the field of upholstery and weaving services.

Taking into account customer wishes, the company expanded its activities in the field of upholstery and braiding services. Additional production facilities and new workplaces were created, thus strengthening our ability to respond quickly, qualitatively and flexibly to customer needs. And finally, in order to further improve both customer satisfaction and the efficiency of our internal processes, we have decided to attract an external LEAN consultant in 2025. This will be a new, valuable perspective that will help us see those development opportunities that sometimes slip by in our daily routine.

Creating solid, trust-based relationships with our customers is at the heart of how we do business. We focus on understanding their needs and delivering real value—through the quality, performance, and reliability of our products, as well as our commitment to environmental care, health and safety, and social responsibility.

SALES TEAM



Evita Akmenkalna
Head of Sales



Gundega Mennika
Sales manager

4.5

Product quality

4.2

Product development

4.8

Customer Service

4.5

Delivery performance

**Questionnaire's maximum score – 5*

CAREFULL APPROACH TO INVESTMENTS

Continuous improvement

1.5%

New Equipment as
a Percentage of
Annual Turnover
2024



The company acknowledges role of continuous growth and innovation. Consequently, every year we have invested at least 2% of our annual turnover into the development and expansion of our operations, as well as in the ongoing maintenance of our equipment. These investments are strategic, reflecting our commitment to enhancing efficiency, increasing productivity, and ensuring the longevity of our assets.

In 2024, we strategically directed our resources towards acquiring new equipment and improving manufacturing premises worth 128 000 euros, corresponding to 1.5% of our 2024 annual turnover. This financial decision underlines our focus on scaling up our production capabilities and meeting the increasing demands of our customers.

After last, 2023, years huge investments (solar panels and Biesse Opera 5 3-3 sander), in 2024 we were more cautious and in improvement invested 128 000 EUR. Which based on the situation in the furniture manufacturing field were still big investments. Biggest investment was targeted on the expansion of the Packaging department, - as after previous years expansion (new department was developed (upholstery and braiding section). Moving forward, we will continue to invest in technology, people, and processes that advance our sustainability agenda.

In 2025, we plan to explore additional opportunities for digitalization and robotization in our production processes. During a recent visit to Italy, the board members of Dizozols plus purchased our first lacquering robot. This new technology will help us minimize material waste, improve coating quality, and increase overall production efficiency. It marks an important step toward a more sustainable and automated manufacturing approach.

The year 2024 was a challenging one for furniture manufacturers. We observed a decline in demand across the industry. This foresight in planning and dedication to sustainable practices have allowed us to navigate these tough times more smoothly than we expected. Clearly, investing wisely supports our eco-friendly objectives and also our financial stability. Such a strategy ensures we are well-equipped for any future challenges, keeping our company on a steady course!



Lāsma Millere
Chief Accountant

Sustainability throughout supply chains

Supply chains

At Dižozols plus SIA, we primarily choose local suppliers to promote community growth and reduce the environmental impact of transportation. This approach supports the local economy and aligns with our commitment to sustainability. In 2024, the supply chain has remained stable compared to 2022, prices remain stable. However, the price for high-quality, non-standard wood has remained consistently high. Continuing our practice from previous years, Dižozols plus SIA diversified its supplier base in 2024 to reduce the risks of supply interruptions. We evaluate our suppliers annually based on several factors: price, quality, communication, country risk, and delivery accuracy. Before initiating a new partnership, we verify that the supplier has no outstanding tax debts, and we also check their status against international sanctions lists.

We place a high value on flexibility and reliability within our supply chain. This enables us to adapt swiftly to market changes and customer needs, ensuring that we can maintain a consistent supply of high-quality products.

In 2023, we began requesting our suppliers to sign our Supplier Code of Conduct. Our goal is for 100% of our suppliers to have signed the Supplier Code of Conduct by 2025. In 2025 86% of suppliers has signed our supplier Code of conduct.



52%

Percentage of materials purchased locally out of the total purchased

At Dižozols plus SIA, we view our suppliers as key partners in our journey towards sustainability and operational excellence. By fostering long-term relationships and prioritizing regular, collaborative discussions, we ensure that we maintain flexibility and reliability within our supply chain. This enables us to adapt to market changes and customer needs swiftly, ensuring that we can maintain a consistent supply of high-quality products.



Roberts Driķis, Head of Purchases

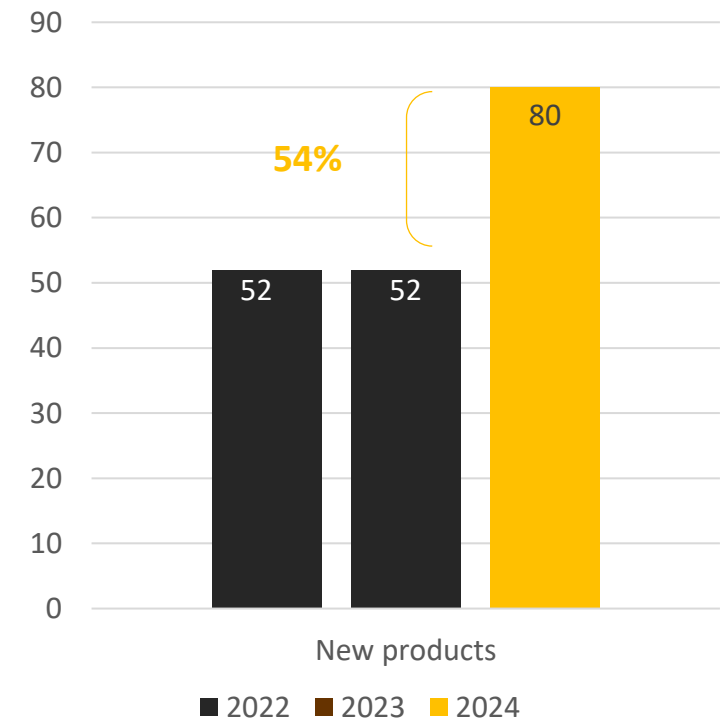
Product Development

The year 2024 was particularly challenging for the Dižozols Plus product development team. As demand from existing clients declined, the company made a strategic decision to attract new customers to maintain the previous year's turnover and secure jobs for all employees. For the product development team, this meant a significant increase in new developments and a particularly intense work pace. Despite the challenges, the team achieved a record result — 80 new products were developed, representing an impressive 54% increase compared to 2023. This intensive work and proactive approach to product development enabled the company to overcome difficult times and maintain a turnover sufficient for full operations. However, the high volume of new product development projects impacted overall productivity. Due to the urgency of launching new products, less time was available for pre-production and development meetings, which made it more difficult for Production to adapt to the large number of new items, resulting in longer production times than usual. In 2025, special attention will be given to improving the production flow of existing products.

The year 2024 was both a year of challenges and growth for the Dižozols Plus product development team. We initiated and developed an unprecedented number of new products. Despite the pressure, our team surpassed all previous records by developing 80 new products — a 54% increase compared to the previous year. That's why I want to say how truly proud I am of our team. We have incredibly talented, dedicated, and responsible employees who managed to overcome every challenge. Even when faced with unfamiliar production processes and tight deadlines, they demonstrated resilience, adaptability, and unwavering commitment.



Kaspars Ivanovs
Head of Product development





In 2023 DIŽOZOLS PLUS has been awarded the EcoVadis Silver Medal. This places us among the top 25% of Ecovadis-rated companies in terms of sustainability. Our rating is in the 88th percentile, signifying that our score significantly exceeds the average between furniture manufacturers.



In 2024 DIŽOZOLS PLUS has been awarded the Sustainability index (Sustainability rating in Latvia) Gold Medal.

OUR PEOPLE

Our people

Our approach to people is grounded in a strict nondiscrimination policy. We firmly believe in providing an inclusive and equitable workplace where every individual is treated with respect and fairness, irrespective of their race, gender, sexual orientation, religious affiliation, or any other characteristic.

At Dižozols plus we take pride in fostering a workplace environment that values open communication and the well-being of our employees.

Our company does not have a collective bargaining agreement in place, but that does not in any way limit our employees' rights to form associations or express their opinions.

We firmly believe that every employee's voice matters, and we have taken proactive steps to ensure that their concerns and perspectives are heard and valued.

Within our organization, we have a network of special representatives - these representatives include Lean Trainers and Trustees, who are employees that their peers trust to champion the interests of our workforce. We remain committed to upholding the rights of our employees to organize, express their views, and have their voices heard. We believe that by fostering this spirit of cooperation and communication, we can continue to build a workplace where everyone feels respected, valued, and empowered.

Our target is to **maintain a competitive compensation** strategy by ensuring that our company's average hourly wage, delineated by profession code, remains **higher than the average hourly wage rate for corresponding professions in Latvia**. The goal for 2025 is to increase the remuneration of production employees by 10%

153
employees



44.3

Average age

6

Average tenure,
years

0

Fixed term
employees

7

Seasonal
workers in 2024

16%

Employee
turnover rate

Employee bonuses

HEALTH INSURANCE

After 6 month period, all employees have health insurance

TEAM BUILDING

Every year, team-building events are organized for company employees

WAGE SUPPLEMENTS

Bonuses to the base salary, for example, for discipline, quality, qualifications. Overtime bonus in the amount of 100 percent of the hourly or daily wage rate

EXTRA HOLIDAYS

Employees with dependent children and employees who have worked in the company for more than 5 years are eligible for additional leave days

GIFTS

The company celebrates its employees' occasions such as birthdays, work anniversaries, and other holidays.





Employee Growth & Engagement

7

POINTS (out of 10)
IN SATISFACTION
SURVEY

6.8

HOURS OF
LEARNING/ PER
EMPLOYEE

We at Dizozols Plus are committed to creating a workplace where our employees feel valued as an integral part of our team. We believe that employee satisfaction is the key to long-term success, and we take several proactive steps to achieve this: Employee Handbook created in 2023: From the very first day, we provide new employees with a comprehensive handbook that helps them smoothly integrate into our company culture and understand their roles and responsibilities. In 2024, it was updated with more specific guidelines on waste sorting. Annual Development Conversations: We highly value personal and professional growth. That's why we conduct yearly development conversations with our employees to set goals and identify areas for improvement. Based on these discussions, we create individual learning plans. In 2024, our employees dedicated an average of 6.8 hours (7.4 hours for men and 6.3 hours for women) to training—2 hours more than in 2023 and nearly 4 hours more than in 2022.

Exit Interviews: We appreciate feedback—even when employees choose to end their employment relationship. Exit interviews provide valuable insights and help us continuously improve our workplace. Satisfaction Surveys: In 2024, our employees rated their satisfaction at 7 out of 10. This is a decrease compared to the previous year (7.9 in 2023). Open Idea Channels: We encourage our employees to actively contribute to the growth and improvement of our business. Everyone is welcome to share suggestions by emailing idejasuzlabojumiem@dizozols.lv or posting them on the ideas board.

Inclusive employer

Diversity

We are very proud to create opportunities for women to grow and thrive in the furniture industry. Currently, 33 % of our workforce consists of talented and goal-oriented women. Our team is diverse: the youngest employee is 19 years old, while the oldest is 68.

To further develop our competence in issues of discrimination, diversity, and tolerance, in 2024, three employees completed the diversity training program "Viewpoints.Respect".

Given that nine people with disabilities work at our company, in 2024 we participated in the European Social Fund (ESF) Plus project implemented by the State Employment Agency (NVA) titled "Measures for Inclusive Employment". The project focused on improving working conditions for employees with disabilities. With the project's support, we acquired assistive devices for both office and production staff to help with daily tasks. Moreover, with specific recommendations from an occupational therapist, the improvements were made even more targeted and effective.

Dižozols Plus ensures that all employees are paid at or above the national minimum wage, in accordance with Latvian legislation. The company is committed to the principle of equal pay for equal work. In 2024, the observed gender pay gap was 4.8%, with men earning more on average than women. This gap is attributed to differences in job positions and levels of responsibility, rather than unequal pay for the same roles.

33%

Woman

19Y

Youngest
employee

68Y

Oldest
employee

153

Employees

20%

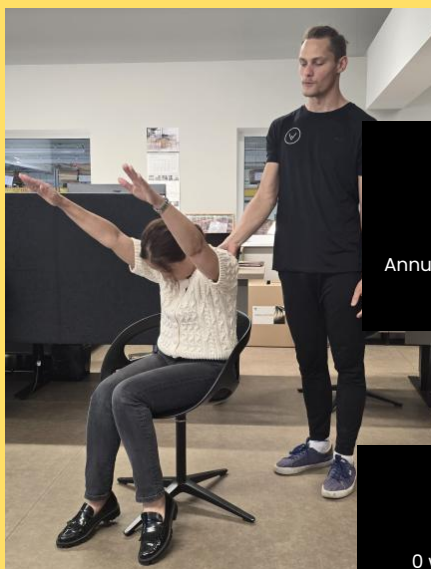
International
migrants

43%

of leading
positions occupied
by woman

*<https://www.nva.gov.lv/lv/subsidetas-darbavietas-atbalsts-bezdarbnieka-nodarbinasanai>

** <https://www.skatupunkti.lv/>



2

Annual health check-ups **on site**



0

0 work-related injuries were registered in 2024 (0 injuries in 2023)

>1milj

Steps completed by winner team in Step challenge

Health and safety

The foundation of a successful company lies in its employees, with particular attention given to their health and safety.

All employees, upon starting employment, go through an onboarding briefing and are introduced to the workplace safety system, which includes rules on occupational safety, electrical safety, fire safety, and more. In 2024, we changed our occupational safety service provider. Similar to the previous system, the new one requires all employees to undergo appropriate training both annually and at the start of employment, followed by a test. A significant improvement with the new system is the introduction of training in video format, which makes it easier for employees to absorb the content. Health check-ups are carried out twice a year in the production unit.

In 2024 there were 0 work related injuries and 0 fatalities as a result of work-related injuries and work-related ill health.

The company monitors employee sickness and absence durations. In 2023, the absence rate was 10.0% (compared to 9.9% in 2022). In 2023, 40.54% of our employees had perfect attendance with no days absent (up from 33% in 2022), while 59.46% had at least one day of absence. The data shows that 73% of absences lasted more than 7 days (compared to 68% in 2022).

In 2023, we launched a new tradition—Health Week, which we successfully continued in 2024. This year's Health Week theme was a healthy back. During Health Week, a physiotherapist visited our premises, delivering tailored lectures for each department and providing individual consultations for employees.

We also organized a step challenge as part of Health Week, where departments formed teams and competed with each other. The top-performing team completed over one million steps and celebrated with a team-building event. The employee who set the step record won a hot air balloon flight as a prize.



15

INTERNS IN 2024

1350

HOURS SPENT
TRAINING INTERNS

The Future of the Industry

The education and practical training of our employees in furniture manufacturing is one of the driving forces behind our company's success, allowing us to deliver excellent products and services to our clients. We believe that investing in the younger generation is also an investment in the sustainable growth of our company—future masters are shaped during internships, bringing their creativity and energy to the development of the industry. We collaborated with the "Employers' Confederation" within the EU project "Growth and Employment", providing internship placements and support for young professionals. In 2024, our employees supervised 15 internships (compared to 7 in 2023), demonstrating our strong commitment to preparing new talent and shaping the future of the company.

Skills Matrix

The company promotes employee skill development by using a skills matrix. The company defines 3 qualification levels, where level one is the highest and level three is the lowest. The higher the qualification level, the greater the bonus for qualification.



HIGH LEVEL RECOGNITION

**In 2024, during his visit to Salaspils, the
President of Latvia, Edgars Rinkēvičs,
visited Dižozols Plus**

ENVIRONMENT

Environment

Information on Pollutant Emissions

The company holds a Category B Polluting Activity Permit, which regulates emissions into air, water, and soil. This permit is publicly available in the Environmental Permit Register maintained by the State Environmental Service. Environmental Permit Register (VVD): <https://registri.vvd.gov.lv/izsniegtas-atlaujas-un-licences/atlauju-un-licencu-mekletajs/>. In addition, the company regularly reports pollutant emissions to the Latvian Environment, Geology and Meteorology Centre (LEGMC) in accordance with national environmental monitoring requirements. Emissions data (e.g. CO₂, NO_x, NH₃) to air and water are publicly accessible at Reporting Platform (LEGMC): https://www.meteo.lv/autorizacija/?josso_back_to=https://parskati.lv/gmc.lv/

Biodiversity

Based on publicly available cadastral information (kadastrs.lv), the company's operational site includes a built-up area of 0.9567 hectares and an undeveloped (please see page 41) This ensures that the green area of 2.4058 hectares. The site is not located in or near any officially designated sensitive or protected natural areas (e.g., Natura 2000 sites, national parks, or biodiversity corridors). Therefore, the company's operations do not involve land use in or adjacent to sensitive biodiversity zones.

We support responsible forest management by sourcing wood and wood-based materials from FSC certified suppliers. The raw materials used in our products come from responsibly managed forests that protect biodiversity, respect workers' rights, and comply with international sustainability standards.

Water

The amount of water consumed in the 2024 is 1049 cubic meters. Considering that water is primarily used for hygiene purposes, our goal is to ensure that water consumption does not exceed 9 cubic meters per employee per year, based on the average number of employees. In 2024 water consumption on 1 employee was 6,86 cubic meters (153 employees in 2024). **Based on the WRI's Aqueduct Water Risk Atlas tool, the company's territory is not located in a high water stress zone**



3 charging points
for employee
electric cars

Reach our targets

CO₂ emissions

As a responsible furniture manufacturer, we are committed to reducing our carbon footprint and reducing our impact on the environment. Continuing our journey towards sustainability, we have started to quantify our Scope 1 and Scope 2 emissions. A recalculation of CO₂ emissions was carried out using the State Environmental Service's calculator for incineration plants to estimate the air pollution caused by the combustion of wood waste. In 2024, the company generated 545.10 tonnes of direct emissions (Scope 1) and 74.5 tonnes of indirect emissions from purchased electricity (Scope 2). One of our Scope 2 goals for 2023 was to make a significant leap and purchase solar panels worth more than 500,000 euros. In the first year of using the solar panels, we managed to replace 17% of the electricity used with self-generated electricity. In 2024, we reached 25.5%, which exceeds the plan by 5.5%.

In 2024, Dizozols plus generated a total of 619 tons of CO₂ emissions (677 tons of CO₂ in 2023). The emission intensity in 2024 was 0.074 kg per euro of turnover, which is 0.0077 more than in 2023. While Scope 3 emissions are not yet quantified, the company recognizes their relevance in relation to purchased materials (wood and packaging), product transport, and end use. Dižozols Plus intends to explore material Scope 3 categories in future reporting cycles.

We are proud that in 2024 **3** charging points were installed for employee electric cars.

619t

CO₂ t in 2024
(scope 1 un
scope 2)

25.5%

Of the total electricity
consumed, generated
by solar panels

**577 678
EUR**

Investment in solar
panels

58

Reduction in CO₂
emission tonnes

*kalkulācijas veiktas saskaņā ar <https://likumi.lv/ta/id/296651-siltumnicefeka-gazuemisiju-aprekena-metodika>

Energy consumption

The scope of the energy management system covers furniture manufacturing at Granīta Street 32, k-13, Salaspils, Acone, LV-2119. The boundaries of the energy management system remained unchanged in 2023. The types of energy consumed by the company are shown in the table.

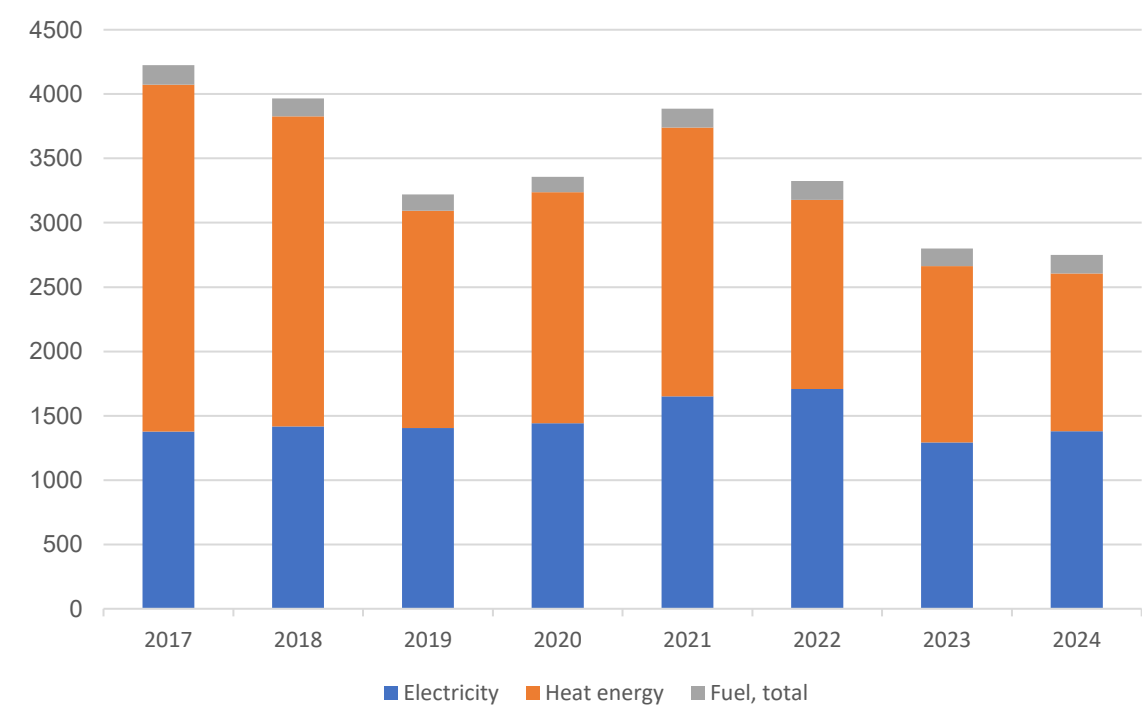
Year	Electricity	Heat energy		Fuel			Total energy consumption
		Firewood	Heat energy	Diesel	Petrol	Fuel, total	
	MWh	ber.m3	MWh	Litri	Litri	MWh	MWh
2017	1378	2963	2694	15446	0	152	4224
2018	1418	2651	2410	14104	34	139	3967
2019	1405	1855	1688	11894	1077	127	3220
2020	1442	1975	1796	10502	1746	120	3358
2021	1652	2233	2089	13371	1392	145	3886
2022	1707	1813	1471	13609	1238	146	3324
2023	1293	1780	1371	12379	1481	136	2800
2024	1379	1596	1228	13173	1535	144	2751

Total energy consumption in 2024 decreased by 2% compared to the 2023 baseline. In 2024, heat energy consumption amounted to 1228 MWh, compared to 1371 MWh in the previous year (-10%). The reduction in heat energy use was influenced by the installation of a solar power plant. During the summer months, the company began using electric boilers to heat the drying chambers. The average temperature during the heating season in 2024 was +3.8°C, compared to +3.1°C in 2023. The company's turnover in 2024 was €8.73 million, compared to €9.06 million in 2023 (-4%). The company received fewer orders from clients with whom it had long-standing relationships in previous years. In response to these changes, 80 new product types were introduced. Due to the increased product range and the use of electricity for heating the lacquer drying chambers during the summer, electricity consumption rose from 1293 MWh in 2023 to 1379 MWh in 2024 (+7%). There were no changes in the company's work schedule or number of shifts during the reporting period. In 2025, the company plans to maintain similar energy consumption levels as in the previous year.

72% of total energy consumed was from renewable energy (solar panels and wood residues), **28%** of energy consumed was from non-renewable resources (electricity from grid, Fuel).



Energy Consumption Profile and Efficiency Indicators



From 2012 to 2024, electricity accounted for approximately 49% of the company's total energy balance (in MWh) and more than 50% of total energy costs. Therefore, electricity is the most significant energy resource used by the company. The production cycle includes pressing, mechanical processing (cutting, sanding), and lacquering. Pressing and lacquering are performed in three shifts, as these processes take the longest. Mechanical processing takes place in two shifts, and packaging in one shift (changes are planned for 2025). On weekends, usually only CNC milling and mechanical processing are carried out. Electricity consumption is dependent on the volume and type of production. The employees who most significantly impact electricity usage are the operators of production equipment. Because electricity consumption correlates better with revenue than with production volume, the chosen energy performance indicator is the ratio between electricity consumed and revenue in euros (€). In 2024, electricity consumption per € of revenue increased due to a drop in revenue, use of electric boilers in the lacquer drying chamber during the summer period, and changes in the product range. However, electricity consumption per € of gross value added improved by 27% compared to 2023. Heat energy consumption is not directly related to production volume, but rather to space heating. Therefore, it is analyzed in relation to climatic conditions, not production volume. In 2021, normalized heat energy consumption increased compared to 2020, as in April and May 2020, the company operated at reduced capacity due to the COVID-19 pandemic. Savings achieved in 2022 were the result of adjusted boiler settings. The improvement in 2023–2024 was due to using electric boilers to heat the drying chambers during the summer, reducing energy losses in heat pipelines and boiler rooms. Fuel consumption for vehicles in 2024 accounted for approximately 5% of total energy use and is considered **insignificant**.

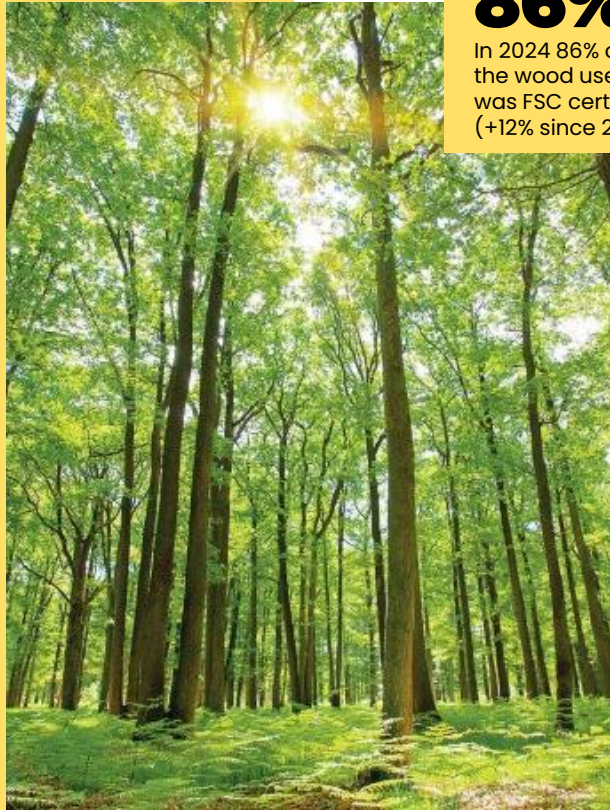
RESPONSIBLE FOREST MANAGMENT

FSC certified

Wood is the main resource that Dizozols plus SIA use in manufacturing process of furniture. We are committed to sustainable forestry practices, recognizing the vital importance of preserving our planet's forests. As part of our dedication to responsible sourcing, we proudly hold FSC (Forest Stewardship Council) certification, a globally recognized standard for sustainable forest management. This certification underscores our commitment to ethical and environmentally-friendly wood sourcing practices. Our wood sources comply with EUTR, and we hold an FSC certificate. In 2024, 86% of the wood used was FSC certified. The percentage of wood usage with an FSC certificate has incriedes by 12% since 2023 (in 2023 74% of all wood used was FSC certified).

86%

In 2024 86% of
the wood used
was FSC certified
(+12% since 2023)



What is FSC?

Organisation dedicated to promoting responsible management of the world's forests. Since its foundation in 1994, FSC has grown to become the world's most respected and widespread forest certification system. FSC's pioneering certification system, which now covers more than 200 million hectares of forest, enables businesses and consumers to choose wood, paper and



Molded wood furniture is created by gluing multiple layers of veneer together under heat and pressure in a press. The glued veneers are pressed into molds to form shapes for furniture parts like seats, backs, and shells. After pressing, these molded parts are machined, sanded, and finished to create the final furniture piece. This technique is used for making strong, lightweight, and uniquely shaped furniture components

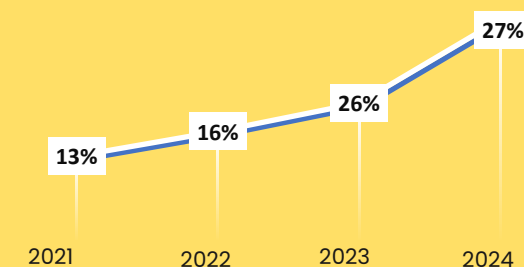
MINIMIZING NEGATIVE IMPACT

Harmful glues and varnishes

We are actively exploring ways to offer our customers alternatives to harmful adhesives and surface treatments. One of our goals for 2023 was to introduce a glue with a formaldehyde level that is half of the current standard for gluing our bent-glued parts. Target was met and in 2023 in our molded parts we started to use non-carcinogenic glue, bearing no hazardous pictograms on its safety data sheet. Adhesive notably reduces the amount of free formaldehyde – 2 times less compared to the adhesive used before. In 2024 all molded items were produced using new glue. The increase in new glue usage is approximately 157 %.

We understand the importance of reducing the environmental impact associated with harmful varnishes and coatings. In 2024 we joined The LIFE Fit for REACH-2 (FFR-2) project, which aims to improve chemical risk management (CRM) and sustainable practices in businesses, is making strides beyond the Baltic region. Therefore, our objective is to educate our customers about the benefits of eco-friendly alternatives and to expand the use of water-based coating technologies.

USE OF WATERBASED COATING MATERIALS



As Head of Production, I am proud to report that we have successfully doubled the use of water-based materials from 10% in 2020 to 27% in 2024. This shift, while introducing certain operational adjustments, notably a longer drying time for items coated with water-based paints, but the extended drying period is a small price to pay for the immense benefits these eco-friendly materials offer, such as reduced VOC emissions and a safer workplace.



Edgars Valjo, Head of Production



CERTIFICATION

Dizozols plus management system is ISO 14001, ISO 9001, ISO50001 certified and have obtained Ecolabel and Nordic Swan ecocertificates as manufacturer for client's products. Dižozols plus remains FSC certified.



Certified products

We recognize that the furniture industry plays a key role in promoting sustainability. In 2023, we began eco-certification of our own products, obtaining the Nordic Swan ecolabel, and in 2024, we obtained the Ecolabel certificate as manufacturer for Client's product.

The decision to obtain eco-certification was made for several reasons:

1. Environmental management: eco-certification emphasizes our commitment to sustainable practices. From responsible material sourcing to energy-efficient production, we ensure that every step meets the highest standards.
2. Meeting industry demand: As the industry transitions to more sustainable practices, our business customers are looking for partners that reflect their environmental values.
3. Compliance and competitive advantages.
4. Being an example in the industry: This reflects our commitment to leading by example, encouraging other companies to move towards sustainable business practices.

Eco-certification is more than a product achievement; it is a symbol of what we can accomplish when we commit to product sustainability. We are committed to not only meeting, but exceeding the expectations of our industry and our customers.



Ella Ancăne, Head of Sustainability



In 2024, we **launched a tree planting initiative** together with students from the local primary school.



 **700m³**

Wood veneer used in 2023

 **2000**

Pine trees were planted in 2024



116 000
fixed branch
locations in 2024



10,2 m²
patches
applied in 2024



**Started
production of
Briquettes, in
2023**

Waste and Circular economy

Wood is the primary raw material in our production, with approximately 700 m³ used in 2024. One of the key pillars of our sustainability strategy is the full utilization of wood scraps generated during the production process. We believe in maximizing the value of every piece of wood and minimizing waste, contributing to both environmental conservation and economic efficiency.

Wood scraps, which would traditionally be considered waste, find new life within our circular economy model. Through innovative practices, we ensure that these valuable resources are repurposed in various ways:

1. Veneer Jointing Machine: Our state-of-the-art jointing collection machines play a crucial role in our circular economy efforts. These machines efficiently jointing veneer sheets, contributing to our core production processes. Importantly, they allow us to incorporate wood scraps back into the production stream. By incorporating these wood scraps into our veneer products, we minimize material waste while preserving the quality and integrity of our final products. In 2024, we jointed and reused 10,2 m³ of veneer (in 2023 (45 m3), in 2022 64 000 patches were applied with the machine (17 m³ jointed and reused).

2. Branch Repair Machine, which gives the opportunity to use the purchased material more efficiently - it repairs the material by eliminating the places of branches. In 2024 we have fixed 116 000 branch locations (In 2023 -67 000 branch locations)

3. Wood Briquettes: In 2023 we started the production of wood briquettes from wood residues.

This approach to wood scrap utilization not only aligns with our sustainability goals but also reflects our dedication to a circular economy. It demonstrates that every stage of our production process is designed to maximize the lifecycle of our resources, minimize waste, and reduce our ecological footprint.

4. Heat Energy: Beyond the veneer jointing, the wood scraps are utilized to provide heat energy. By using wood scraps as a source of heat, we not only reduce the environmental burden of disposing of these materials but also achieve significant cost savings in our energy consumption.

In 2024, we managed a total of 2.544 tonnes of hazardous waste. A total of 3 kg of batteries was collected, including contributions from employees who brought used batteries from home. Additionally, 0.4 tonnes of waste tires. We also generated 247.15 m³ of municipal (household-type) waste, reflecting a 7.6% reduction compared to 267.5 m³ in 2023. In addition, we sorted and sent 8.93 tonnes of packaging waste (plastic, paper/cardboard, and mixed) for recycling. Further non-hazardous materials, including leather, and textiles (329 kg), were partially reused in educational and creative community projects, supporting circular economy principles.

Our targets

Our company is committed to sustainability, employee wellbeing, and continuous improvement. Our goals for the upcoming years reflect these commitments:

- Workplace Safety:** ZERO work-related injuries
- Fair Compensation:** We ensure our employees are compensated fairly, with the average hourly wage rate in the company by profession code being higher than the average in Latvia by profession code.
- Employee Satisfaction:** In 2025, we aim for employee satisfaction to reach over 80 out of 100.
- Training and Development:** We will increase training hours by 25% in 2025 compared to 2022 for every employee.
- Environmental Impact:** We are on track to reduce CO₂ emissions by 15% (Scope 1+Scope 2) in 2025 compared to 2021. This is part of our long-term goal to achieve a climate-neutral business by 2050 in accordance with European Climate law.
- Sustainable Practices:** By 2025, we plan to increase water-based products in our total product range by 12% compared to 2022.
- Ethical Sourcing:** Our goal is to ensure ethical practices in our supply chain, with 100% of our suppliers having signed the Supplier Code of Conduct in 2025.
- Quality Control:** Our goal is to reduce the number of defected items in finished production by 0.15% by 2024, improving on our already low defect rate of less than 0.55% in 2022.
- Sustainable Materials:** We are committed to sustainability in our materials, with the goal that 100% of the wood used in production will be FSC certified by 2026.

Through these actions, we are dedicated to being a leader in responsible furniture manufacturing, ensuring that our operations benefit not just our company, but also our employees, community, and the environment.



ZERO work related injuries



The average hourly wage rate in the company by profession code **higher** than the average hourly wage rate in Latvia by profession code



Employee satisfaction in 2025 reach >80 (out of 100)



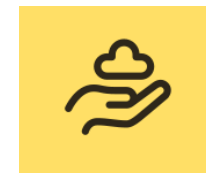
Increase water-based products in the total product range by 12% by 2025, compared to 2022



100% of wood used in production FSC certified by 2026

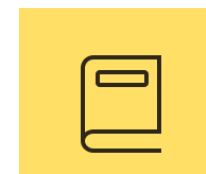


+25% on training hours in 2025 compared to 2022/by one employee

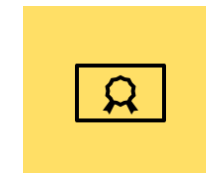


CO₂ reduction by 15% (Scope 1+Scope 2) in 2025 compared to 2021*

*Long term goal **Climate neutral business in 2050** according to European Climate Law



100% of our suppliers* have signed Supplier Code of Conduct in 2025



Reduce the number of defected items in finished production/% by 0,15% by 2024

*number of defected items in 2022 was ≤ 0.55%



0.16 Kwh Electricity consumption per produced euro in 2025

VSME Reporting standard

On 17 December 2024, following the publication of the EFRAG Voluntary Sustainability Reporting Standard (VSME) for small and medium-sized enterprises, Dižozols plus decided to prepare its annual Sustainability Report in accordance with EFRAG guidelines, aligning itself with clients who are beginning reporting under the Corporate Sustainability Reporting Directive (CSRD) in 2025.

VSME Basic	Page	VSME Comprehensive Module	Page
B1 – Company info	1-8, 43 (certificates available on www.dizozols.lv)	C1 – Strategy: Business Model and Sustainability – Related Initiatives	7, 13,
B2 – Practices, policies and future initiatives for transitioning towards a more sustainable economy	(public policies are published at www.dizozols.lv , targets 47 lpp.	C2 – Description of practices, policies and future initiatives for transitioning towards a more sustainable economy	47 (targets) Public policies are published at www.dizozols.lv
B3 – Energy and greenhouse gas emissions	38-40	C3 – GHG reduction targets and climate transition	38 n/a
B4 – Pollution of air, water and soil	37	C4 – Climate risks	14
B5 – Biodiversity	37	C5 – Additional (general) workforce characteristics	29-32
B6 – Water	37	C6 – Additional own workforce information - Human rights policies and processes	19
B7 – Resource use, circular economy and waste management	45-46	C7 – Severe negative human rights incidents	19
B8 – Workforce – General characteristics	29-31	C8 – Revenues from certain sectors and exclusion from EU reference benchmarks	N/a
B9 – Workforce – Health and safety	33	C9 – Gender diversity ratio in the governance body	12
B10 – Workforce – Remuneration, collective bargaining and training	29-32	Message from the board	2
B11 – Convictions and fines for corruption and bribery	12	Targets	46