

The logo for Woodbois Ltd. features the word "WOODBOIS" in a white, uppercase, sans-serif font. The letter "O" is replaced by a circular icon containing a stylized tree with a central trunk and radiating branches. To the right of "WOODBOIS" is the text "Ltd." in a smaller, white, sans-serif font. The background is a solid orange color.

WOODBOIS Ltd.

# INTEGRATED REPORT 2020

A green, rounded rectangular callout box with a white border. It contains the text "Accelerating the transition to a net zero economy" in white, sans-serif font. A thin black line extends from the left side of the box, ending in a small white circle.

Accelerating the  
transition to a net  
zero economy



# C O N T E N T

3

## Message from Paul Dolan

4

## About this report

Integrated Reporting (IR)

6

## ABOUT WOODBOIS

- Company overview
- Vision, Mission and Values
- Origins of Woodbois
- 2020 in Brief
- Substantial Shareholders
- Organisational Structure
- Governance
- The Board
- Our Commitment

16

## OUR STAKEHOLDERS

- Materiality Analysis
- Alignment with the UN SDGs

21

## OUR BUSINESS MODEL

- Vertically Integrated Value Chain
- Value Creation
- Forestry: The bigger picture
- Risks and Opportunities
- Creating value
- Strategic priorities

33

## THE CAPITALS

- Financial capital
- Manufacturing capital
- Intellectual capital
- Human capital
- Relationship capital
- Natural capital

71

## Annexes & References



# MESSAGE FROM PAUL DOLAN

## CHAIR & CEO

I am proud to introduce this, our fourth Sustainability Report – and first Integrated Report – on behalf of the wider Woodbois team and related stakeholders. With Woodbois’ key purpose of delivering sustainable forest management becoming an increasingly important focal point in the mitigation of deforestation and climate change for ESG investors and all of our stakeholders, this year’s Sustainability Report serves as a reminder of our commitment to providing leadership in standards of transparency and best practice. This purpose nurtured a deep-rooted resilience in the face of the coronavirus pandemic shock, enabling us to not only keep our employees safe but to take steps to significantly strengthen the company and deliver value to our supportive spectrum of stakeholders.

Our previous sustainability reports have allowed Woodbois to communicate how we align with the standards and best practices set out in the Sustainability Policy Transparency Toolkit (SPOTT). In 2020, we saw our annual SPOTT ranking improve within the top 10 of more than 100 companies globally, to become the highest-ranking public company on the list. This recognition serves to reinforce our leading position among the

timber and pulp companies assessed by SPOTT and reflects just how foundational sustainability is to our business.

We have aimed to stay ahead of the curve again this year by expanding the scope of this report to align with the Integrated Reporting (IR) model. The IR approach offers further transparency and connects different parts of the business to provide a broader view of how Woodbois creates and preserves value.

While coronavirus lockdowns reduced shifts and the number of employees allowed at Woodbois manufacturing sites during 2020, we took this opportunity to invest in up-skilling and training, with a heavy focus on health and safety. We also implemented continuous improvement initiatives and lean manufacturing processes with the aim of building a culture in which everyone is encouraged to contribute to enhancing workplace safety and production efficiency. The impact has been considerable – we have since set consecutive production records and consider our approach to continuous improvement to be of an industry leading standard.

Looking to the future, Woodbois has an exciting opportunity to deliver reforestation projects at scale in Africa that can sequester carbon and create supply for the rapidly developing Voluntary Carbon Market. This initiative is set to further boost our standing as a somewhat unique, best-in-class ESG investment.

I would like to thank the entire Woodbois team for contributing to this report and hope that it continues to help us build new partnerships among stakeholders aligned with our vision for sustainable forest management.



The IR approach offers further transparency and connects different parts of the business to provide a broader view of how Woodbois creates and preserves value.



# ABOUT THIS REPORT

## Integrated Reporting <IR>

This Woodbois Integrated Report aims to provide an overview of our strategy, performance, opportunities and future outlook in relation to material financial, economic, social and governance issues. The report also addresses value creation considerations for investors and all key stakeholders.

- The time frame considered is the 2020 fiscal year (ending 31 December 2020) for information relating to the reporting aspects, while the prospective framework refers to the upcoming three-year period (2021-2024).
- This report is based on the principles proposed by the International Integrated Reporting Framework (<IR>) and published by the International Integrated Reporting Council (IIRC). As such, the report contains information that is both financial and non-financial in nature. Some of the information in the report refers to the standards set by the Global Reporting Initiative (GRI) and the Sustainable Developments Goals (SDGs) of the United Nations.

### The Integrated Reporting approach:

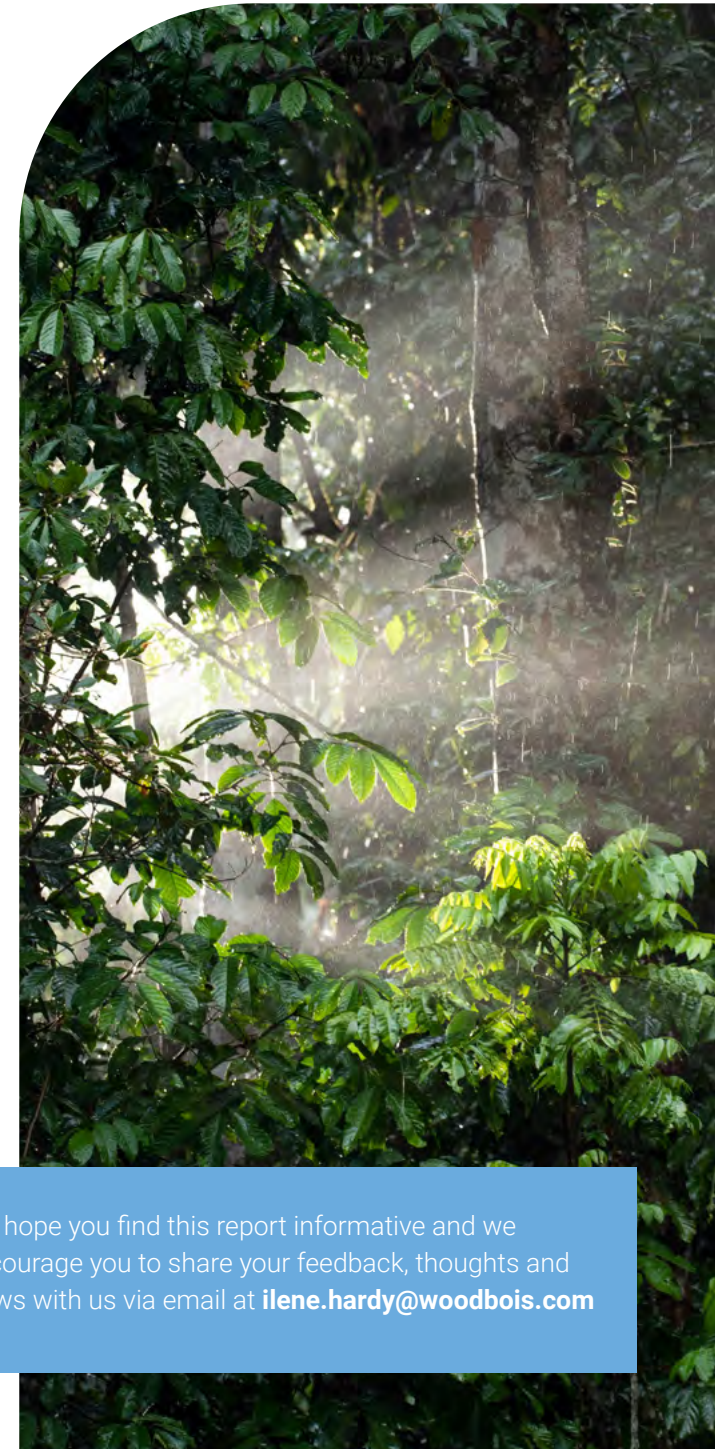
- Explains how an organisation creates, preserves or erodes value over time to all stakeholders.
- Aims to provide insight about the resources and relationships used and affected by an organisation – these are collectively referred to as the capitals (financial, manufactured, intellectual, human, social and relationship, and natural capital).
- Reinforces the importance of integrated thinking within an organisation. This consists of analysing the relationships between the operating units and functions of an organisation, as well as the capital it uses or influences.
- Facilitates an integrated decision-making process and actions aimed at creating value in the short, medium and long-term.

This report is referring to the UN SDGs and the GRI standards.

All disclosures made in this report are governed by the AIM regulation on reporting. Information on Economic Indicators provided in this report is therefore restricted and we advise investors and other stakeholders to consult the financial statements available on our website:

<https://www.woodbois.com/investors>.

We hope you find this report informative and we encourage you to share your feedback, thoughts and views with us via email at [ilene.hardy@woodbois.com](mailto:ilene.hardy@woodbois.com)



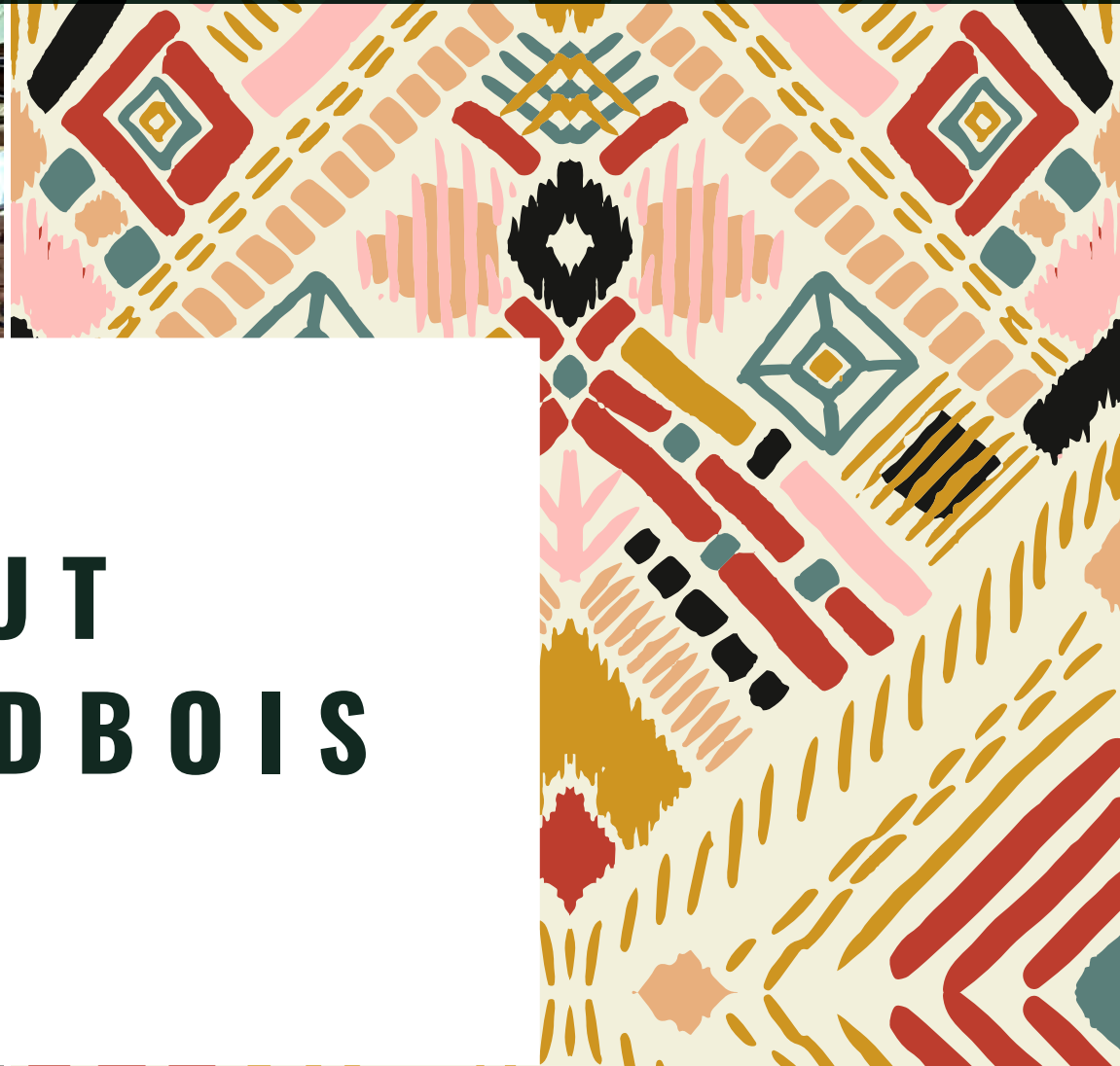


“

Value is created through an organisation's business model which takes inputs from the capitals and transforms them through business activities and interactions to produce outputs and outcomes that, over the short, medium and long term, create or destroy value for the organisation, its stakeholders, society and the environment."

IIRC's definition





# ABOUT WOODBOIS



# COMPANY OVERVIEW

**Woodbois produces, processes, manufactures and distributes sustainable African hardwoods and hardwood products to customers around the world. Originally founded in 2004 by two former DLH Group employees, Woodbois is now listed on the AIM section of the London Stock Exchange, one of the world's leading growth markets for small and mid-cap companies. Our trading team is based in Copenhagen, with African operations in Gabon and Mozambique, and with a network of over 100 suppliers.**

Woodbois manages and operates approximately one million acres of natural forest concessions in Gabon and Mozambique, with production facilities in both countries. The company's forest concessions are managed sustainably and ethically.

In Gabon, Woodbois operates a 13-hectare sawmill and a 5-hectare veneer factory in Mouila. Both sites are located within 70km of the forestry concessions, which are issued for 20-year terms. The sawmill is equipped with new Shenyang vertical bandsaws and a new Mebor horizontal bandsaw complemented by new Mebor and Woodmizer edgers.

New 1,000m<sup>3</sup>-capacity Techdri kilns were installed at the sawmill in 2019, allowing all processing to take place onsite. The veneer factory, which opened at the end of 2018, is equipped with a full Cremona peeling and drying line and a new custom-built heating system.

In Mozambique, Woodbois' five-hectare bushmill is located in Uape.

Woodbois has developed a sustainability strategy to define its core priorities and commitments, which are used to align company actions with the London Zoological Society's Sustainability Policy Transparency Toolkit<sup>1</sup> (SPOTT) and the UN Sustainable Development Goals<sup>2</sup> (SDGs). Woodbois' commitment to sustainable and transparent forestry

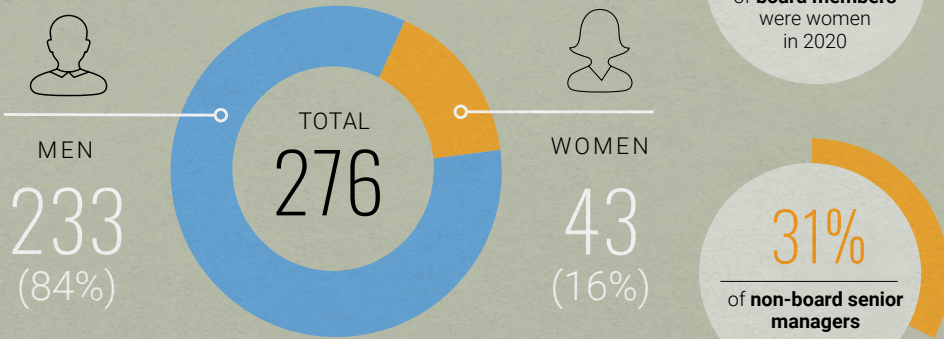
practices has gained recognition through the SPOTT survey, which ranked the company third among more than 100 global timber and pulp producers and traders with a score of 75.9% compared to a 22.6% average.

The company's trading network comprises almost 300 customers across 60+ countries, and is anchored by the team's deep global relationships with buyers and fuelled by investments in technology, including bespoke, internally developed timber pricing software. Woodbois' investment in technology, combined with its close relationships with a diverse mix of global buyers, allows us to not only locate optimal trade partners to maximise the price received for products, but also to trace third-party supply from the forest through manufacturing and to the final exported product. Through these investments, the company ensures that 100% of its third-party timber supply is traceable to sustainable operators in the country of origin.

Woodbois is well-positioned to leverage its global trading platform and on-the-ground experience to scale its model through long-term partnerships with local producers across the African region. We believe that our unique access to markets makes us an attractive partner for local operators who lack the scale, experience and technology to navigate the complex global marketplace. Through such partnerships, we plan to extend our sustainability and transparency practices to local partners across the timber-producing region of Africa.



# EMPLOYEE STATISTICS



# PRODUCTS

Sustainable hardwood products (**Lumber, Veneer, Plywood**) manufactured at our own facilities or sourced from vetted and sustainably compliant third-party suppliers

# PREDOMINANT SPECIES

- Okoume
- Padouk
- Okan



**100%** of our third party timber supply is **traceable**



**400,000 ha\*** of forestry concessions in Gabon and Mozambique

**337,460 ha** (83%) are operational forests

**16,233 ha** (4%) are conservation area



# INTERNATIONAL PRESENCE & countries of operations

**UK:** Office

**Denmark:** Global trading headquarters

**Gabon:** 95,000 hectares of natural forestry concessions on 20-year renewable licenses located within 70 km of sawmill and veneer factory

**Mozambique:** 310,000 hectares of natural forestry concessions on 25 to 50-year renewable licences

**Mauritius:** Operational headquarters for Treasury, Forestry and Trading

**South Africa:** Office (finance function)



\*The Company has no applicable area of forest that would be defined as an area of Intact Forest Landscape.





# VISION MISSION & VALUES

## OUR VISION

To enable the transition to a carbon neutral global economy.

## OUR MISSION

1. Provide the nature-based materials required for the global construction sector to transition to net zero carbon emissions;
2. Set industry-leading standards for responsible, sustainable forest management;
3. Provide rewarding equality-focused employment and training opportunities;
4. Create value for all stakeholders while preserving forest ecosystems for present and future generations;
5. Implement large scale afforestation and reforestation projects to create supply for the voluntary carbon market.

## OUR VALUES

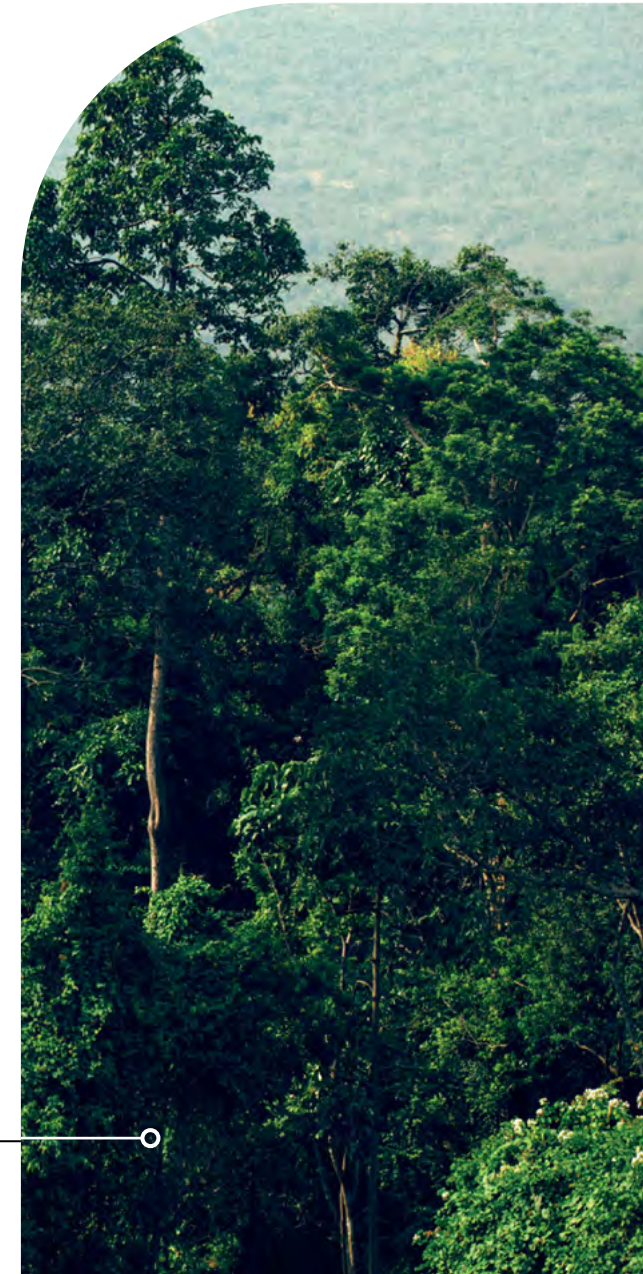
**RESPONSIBILITY** towards people and planet

**INTEGRITY** in our choices

**PASSION** for positive impact

**TRANSPARENCY** throughout our operations

**RESILIENCE** for the future





# ORIGINS OF WOODBOIS

2007  
AUGUST

**Obtala** incorporated in the United Kingdom

2008  
APRIL

Obtala listed on the **London Stock Exchange** (AIM market)

2008-2012

**Development** of agricultural sector in Tanzania and forestry in Mozambique

2016

**Business refocused** on forestry, timber transformation and timber trading

2017

MAY

Acquisition of **WoodBois International (WBI)**

2019

MARCH

Company name changed from Obtala Ltd to **Woodbois Ltd**

2021

MARCH

Establishment of the new **afforestation – reforestation and carbon credit division**



# 2020 YEAR IN BRIEF

\$15,26m  
Revenues USD

33,289

Volume of timber traded including third party and Woodbois (logs, veneer, sawn timber)

23,932

Volume of third party timber traded (logs, veneer, sawn timber)

2

Forest Management Units

77

Clients served in 2020

18,810

Volume of logs harvested

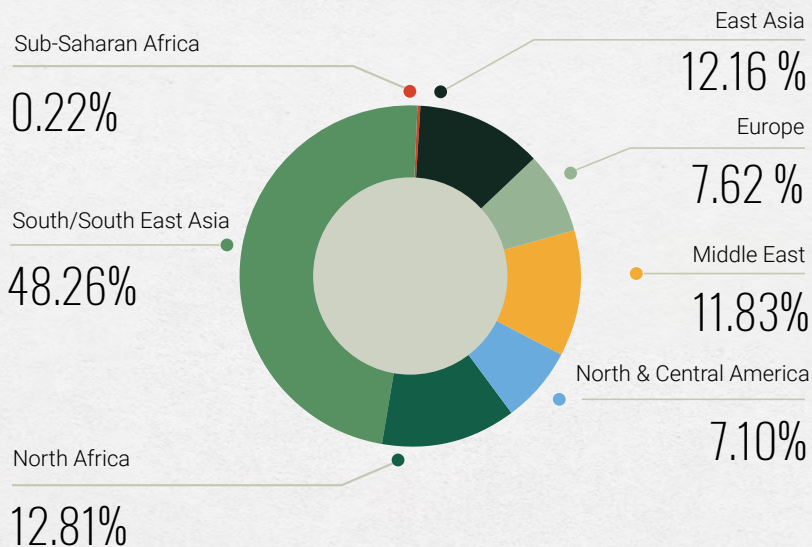
Ranked #3

on Spott's ESG policy transparency assessments for timber and pulp

9,357

Volume of Woodbois' produced timber (logs, veneer, sawn timber)

## SALES BY REGION





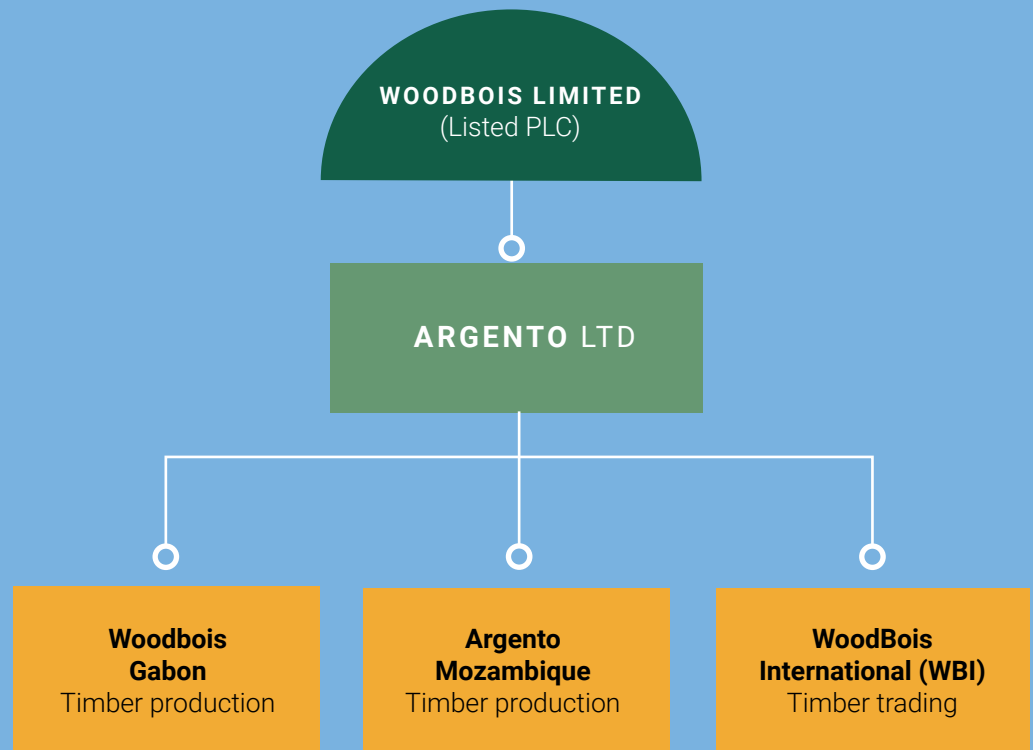
# SUBSTANTIAL SHAREHOLDERS

NAME	Number of 1p ordinary shares	Percentage of the issued share capital
Lombard Odier Asset Mgmt	395,540,230	21.30%
Rhino Ventures Limited	376,448,428	20.27%
Premier Miton Group Plc	174,950,389	9.42%
MCM Investment Partners SPC - MCM Sustainable Resource SP	113,825,000	6.13%
Sparta Premier S.A.	100,000,000	5.38%
Paul Dolan (CEO)	75,400,032	4.06%

# ORGANISATIONAL STRUCTURE

Woodbois' organisational structure reflects our operations and geographies. Our production, processing and manufacturing operations are based in Gabon (Woodbois Gabon) and Mozambique (Argento Mozambique). Woodbois International is the group's trading company.

## COMPANY STRUCTURE





# GOVERNANCE

The Board is committed to achieving the highest standards of corporate governance, integrity and business ethics with Paul Dolan, as Chairman and CEO, responsible for this. The Board has adopted the Corporate Governance Code produced by the Quoted Companies Alliance.

We set out how the Group complies with the QCA Code below.

- 1. Establish a strategy and business model that promotes long-term value for shareholders.** Capital allocation must be both performance and potential driven, and investment will only be forthcoming for strategies that can demonstrate significant return to shareholders over time.
- 2. Seek to understand and meet shareholder needs and expectations.**
- 3. Take into account wider stakeholder and social responsibilities, and their implications for long-term success.** Woodbois is in a unique position to bring a positive impact to Africa's economic transformation, social development and environmental management through our operations and the responsibility for our sustainability strategy lies with our Board.
- 4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.** The forestry and timber trading business involves a high degree of risk. Our approach to risk management is set out in the Annual Report for the year ending 31 December 2020.
- 5. Maintain the Board as a well-functioning, balanced team led by the Chair.** The Board is responsible for establishing the strategic direction of the Group, monitoring the Group's trading performance and appraising, and executing

development and acquisition opportunities. The Company holds a minimum of six Board meetings per year at which financial and other reports are considered and, where appropriate, voted on.

- 6. Ensure that between them, the Directors have the necessary up-to-date experience, skills and capabilities.** The Nominations Committee oversees the requirements for and recommendations of any new Board appointments to ensure that it has the necessary mix of skills and experience to support the Company's ongoing development. Any appointments made will be on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender. The Nomination Committee is also responsible for succession planning.
- 7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.** The internal evaluation of the Board, the Committees and individual Directors is seen as an important next step in the development of the Board.
- 8. Promote a corporate culture based on ethical values and a laser sharp focus on behaviours.** The Company is committed to complying with all applicable laws and best corporate governance practices, wherever we operate. It is a core aspect of our mission to act with integrity in all of our operations. The Board expects all employees to comply with both the letter and spirit of the law and governance codes.
- 9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.** The Company is committed to high standards of corporate governance. Both Management and the Board are dedicated to implementing best practices as the Company grows.
- 10. Communicate how the Company is governed and is performing, by maintaining a dialogue with shareholders and other relevant stakeholders.** The Company encourages regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate.



# THE BOARD

## The following matters are reserved for the Board:

- Overall Group strategy;
- Approval of major capital expenditure projects;
- Approval of the annual and interim results;
- Annual budgets and revisions thereto.

## Paul Dolan

### Chair and CEO

Paul held senior management positions at Barclays, DE Shaw and Nomura prior to joining Woodbois in 2016. Paul has consistently built award-winning, world-class teams employing technology to manage substantial pools of human and financial capital across a diversified group of asset classes, ranging from fixed income and equity derivatives to forestry.

## Carnel Geddes

### CFO

Carnel is a dually-qualified chartered accountant in the UK and South Africa, and is also a certified fraud examiner. During a 15-year career at the global audit, tax and advisory group BDO, Carnel served as Director, Forensic Services of BDO London and Partner of BDO Cape Town. She has been a Director and Board Member of Pomona, the largest South African pomegranate farm company, since 2008.

## Hadi Ghossein

### Deputy Chairman

Based in Gabon, Hadi has 25 years of experience managing forestry operations, including full ownership of a forestry business. He previously served as a diplomat, travelling extensively across Africa, as well as owning various trading and real estate companies. Hadi is fluent in Arabic, French, Portuguese and English and holds Gabonese citizenship.

## Henry Turcan

### Non-Executive Director

Henry is a representative of the funds managed by Lombard Odier. Henry has worked in financial services since 1996, with a focus on equity capital markets. He has spent the majority of his career advising growth companies within investment banking.

## Graeme Thomson

### Non-Executive Director

Graeme is a Fellow of the Institute of Chartered Accountants in England and Wales and has been a public company director for many decades, as a CEO, CFO/Company Secretary and as a Non-Executive. He has a wide variety of commercial UK and international experience.



# OUR COMMITMENT

Woodbois strives to bring an increasing range of social and environmental benefits to our communities on both a local and national level, and at the heart of our strategic growth objective is a particular focus on regional employment opportunities and skills development.



We are committed to providing a **safe environment** for all staff and parties for which we have responsibility. Our company believes that protecting whistleblowers is integral to safeguarding public interest, promotes a culture of accountability and integrity in both private and public institutions, and encourages individuals to report corruption, misconduct and fraud. We believe that a person raising concerns should be supported and protected against reprisals, and Woodbois will not tolerate the victimisation or adverse treatment of any employee who has raised a concern.

Woodbois is committed to **ethical and fair conduct**, as well as the prohibition of corruption, including bribery and fraud. We work to uphold these commitments by implementing the corporate best practices outlined in the Sustainability Policy Transparency Toolkit (SPOTT), and adhering to definitions and guidelines published by leading international organisations.

We ensure that this ethos is integrated throughout the entirety of our operations by conducting **due diligence** before establishing new business relationships with any suppliers (our due diligence process is described in this report's Responsible Production and Trading section). We systematically inform third parties of our policies so they are aware of our standards and expectations, and we will terminate partnerships or avoid them altogether if third-party companies cannot guarantee acceptable standards for wood procurement, which are verified by our legality audits.

**Sustainability** sits at the core of everything we do. As well as strictly adhering to responsible forestry guidelines set out by relevant governments, and by actively engaging with local communities, we strive to demonstrate sustainable leadership within our industry with bold targets designed to protect our natural environment. Woodbois is committed to creating net zero CO<sub>2</sub> emissions from its combined activities and aims to achieve a balance between the greenhouse gases it produces and the amount it is able to sequester from the atmosphere by 2030.

Woodbois is committed to **transparency** and the clear articulation of all of its objectives. Our strong internal accountability mechanisms have been designed to effectively implement commitments as well as ensure that outcomes are measured and communicated efficiently.



# OUR STAKEHOLDERS





Holistic approaches to achieving more sustainable production and consumption practices are emerging. These approaches incorporate systems thinking, business model innovation and the circular economy. Tackling sustainability issues will therefore involve taking different stakeholder perspectives into account and collaborating across the value chain. These perspectives include those from investors, local communities, high-level representatives from international organisations, local governments, industry experts, suppliers, customers, end-consumers and NGOs.

The pandemic-related challenges of 2020 led to the decision to concentrate our efforts in engaging with PPECF,<sup>3</sup> the programme for the promotion of certified exploitation of forests (Programme de Promotion de l'Exploitation Certifiée des Forêts). The objective of the PPECF is twofold: one, to prevent the loss of certification in companies already certified, and two, to support the third-party certification process. Through this programme COMIFAC<sup>4</sup> (Commission des forêts d'Afrique Centrale) and German state-owned development bank KfW offer forestry companies support until their initial certification audit. Once this is completed they are better positioned to more easily meet the requirements of the European timber regulation<sup>5</sup> (EUTR).

We've also continued our partnership with Congo Basin Forest Partnership<sup>6</sup> (CBFP).

A new source of focus for us is the Open Timber Portal<sup>7</sup> (OTP), which in 2020 expanded to include Gabon for the first time. The purpose of the OPT is to increase the effectiveness of regulations on illegal logging, such as the US Lacey Act, the Korea Act on the Sustainable Use of Timbers, the Japan Clean Wood Act, the Australia Illegal Logging Prohibition Act, and the EUTR.

We regularly engage with our suppliers to align policies and commitments towards increasing transparency and sustainability. We also regularly engage with our employees to collect their feedback to help us create a positive, safe and healthy work environment that provides development and growth opportunities. The remote communities in which we operate are deeply dependent on forests – understanding their needs, supporting their development and helping local causes is core to our business.

One of Woodbois' largest shareholders, Lombard Odier, recently announced a new Natural Capital Strategy,<sup>8</sup> developed in partnership with the Circular Bioeconomy Alliance,<sup>9</sup> to invest in companies that utilise the renewable aspect of nature with a core focus on the timber sector. This Natural Capital Strategy is in line with Woodbois' plans. The company has developed a five-layer approach to making sure our business objectives are aligned with the Circular Bioeconomy Alliance's proposal.



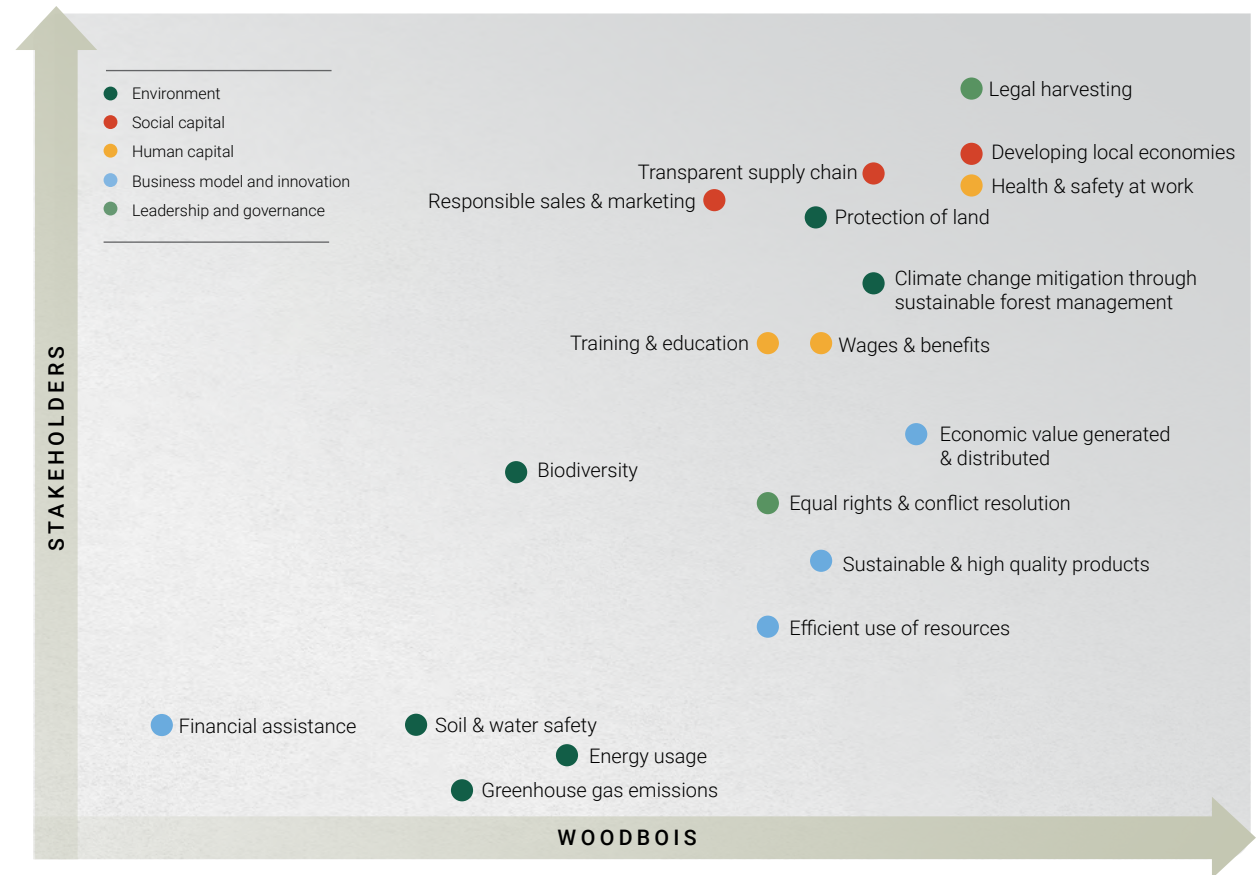


# MATERIALITY ANALYSIS

In Integrated Reporting, a matter is material if it can substantively affect the organisation's ability to create value in the short, medium and long term. The process of determining materiality is entity-specific and based on industry, multi-stakeholder perspectives and other factors.

A materiality analysis is an exercise that identifies a company's critical Environmental, Social and Governance (ESG) issues. It engages with internal and external stakeholders to build a full and accurate picture of all organisation issues and then uses these insights to define core business priorities, guiding both strategy and communication.

Woodbois followed this approach as part of our last annual Sustainability Report, where we worked on defining the organisation's material matrix. This year, we submitted our materiality survey to a wider range of stakeholders to have them validate our results from the previous year. The relevant issues for Woodbois were identified using the Sasb materiality map,<sup>10</sup> which analyses the operational performance of companies in various industries, including the construction material and forestry sectors.



### Our analysis followed these steps:

1. Identify and prioritise the relevant issues
2. Identify internal and external stakeholders
3. Design a materiality survey
4. Launch the survey and start collecting insights
5. Identify the critical issues and develop a materiality matrix
6. Define a sustainability strategy based on material priorities
7. Set long- and short-term KPIs and improvement goals

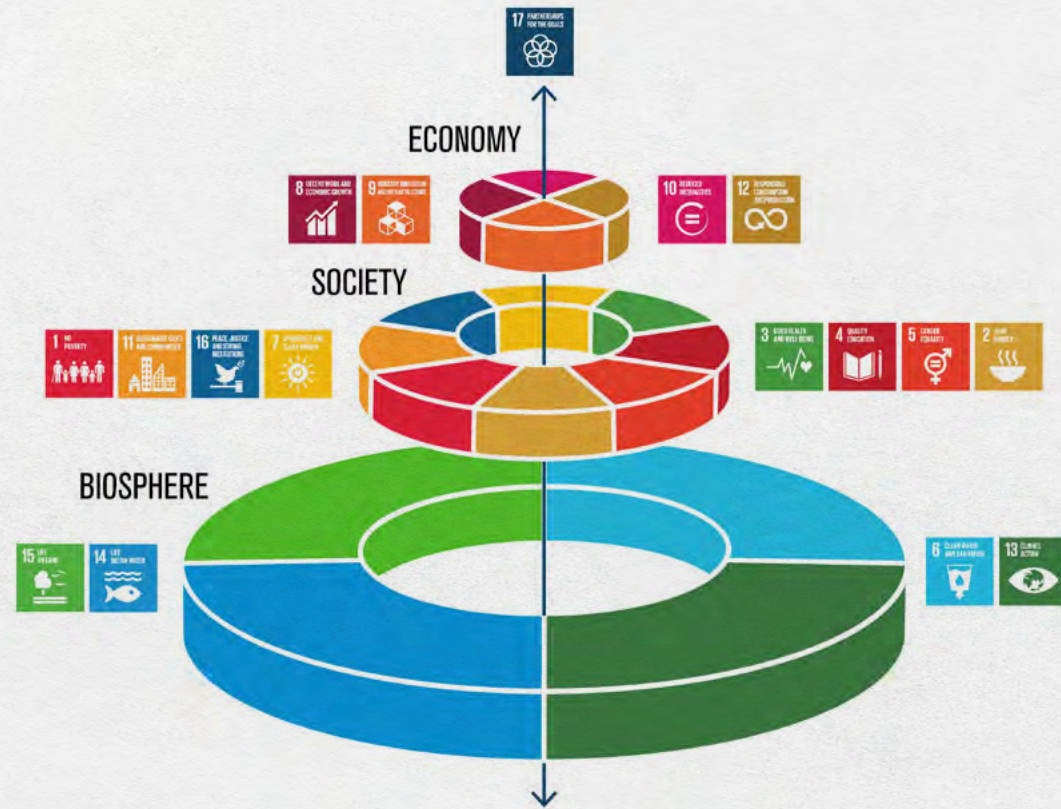
As a result of this process, the most important issues have been identified and are represented in the Woodbois 2020 materiality matrix.



# ALIGNMENT WITH THE UN SDGS

Achieving the UN Sustainable Development Goals<sup>11</sup> (SDGs) by 2030 will require the implementation of a circular economy, better use of renewable resources, and the regeneration and sustainable management of natural systems.

This 'wedding cake' model of the SDGs highlights the connectivity of a functioning biosphere (land, sea, climate) and a healthy society (no hunger or poverty, sustainable communities, peace and justice, clean energy, good health and education, gender equality). Without one it's hard to have the other. And without either of these we can't create an economy that can be truly sustainable (decent work, innovation, reduced inequality, responsible consumption). At the centre of all of these interrelationships and systems is the need for partnerships.



Leading the way in aligning our sustainability strategy with the SDGs is **Hadi Ghossein**, who oversees Woodbois' sustainability practices on a day-to-day basis.



Our Reforestation and Sustainability Manager in Mozambique is **Eng. Macedo Uachucho**, who graduated from Eduardo Mondlane University in Forestry Engineering and has 12 years experience in the field working with different government entities and NGOs.



In engaging with the SDGs, our aim is to drive the sustainable development of Africa while embracing the continent's vision of moving towards higher-value-adding activities. This includes creating new and better job opportunities in secure work environments where skills development and equal opportunities are encouraged. This will address **SDG 8**: Decent Work and Economic Growth, and **SDG 9**: Industry, Innovation and Infrastructure.

We also recognise the unique position we are in to take action on climate change. The development of the forest sector can present a solution to greenhouse gas<sup>12</sup> (GHG) emissions, while sustainably-sourced wood is a cost-effective and renewable source of energy, which can potentially supply a big share of global heat demand, as well as powering our own operations. Our innovations in this area will address, **SDG 13**: Climate Action, and **SDG 15**: Life on Land.

With these endeavours in mind, we are also focusing on **SDG 12**: Responsible Consumption and Production, while **SDG 17**: Partnerships to Achieve the Goal will underpin all of our activities.

Considering the interrelated nature of the SDGs, we have also identified a number of additional supportive goals that will help to inform our operations. These are **SDG 1**: No Poverty, **SDG 4**: Quality Education, and **SDG 5**: Gender Equality.

## CORE SDGs



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Take urgent action to combat climate change and its impacts



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



Ensure sustainable consumption and production patterns



Strengthen the means of implementation & revitalize the global partnership for sustainable development

## SUPPORTIVE SDGs




End poverty in all its forms everywhere



Achieve gender equality and empower all women and girls



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The background of the page is split into two main visual areas. On the left, there are several large stacks of reddish-brown wood planks, neatly piled and supported by wooden pallets. The wood has a natural grain and some knots. On the right, there is a vibrant, colorful geometric pattern. It features a central diamond shape with intricate, hand-drawn style patterns radiating outwards. The colors include red, yellow, black, pink, and teal on a light cream background. The overall style is reminiscent of traditional folk art or bohemian decor.

# OUR BUSINESS MODEL



# VERTICALLY INTEGRATED VALUE CHAIN



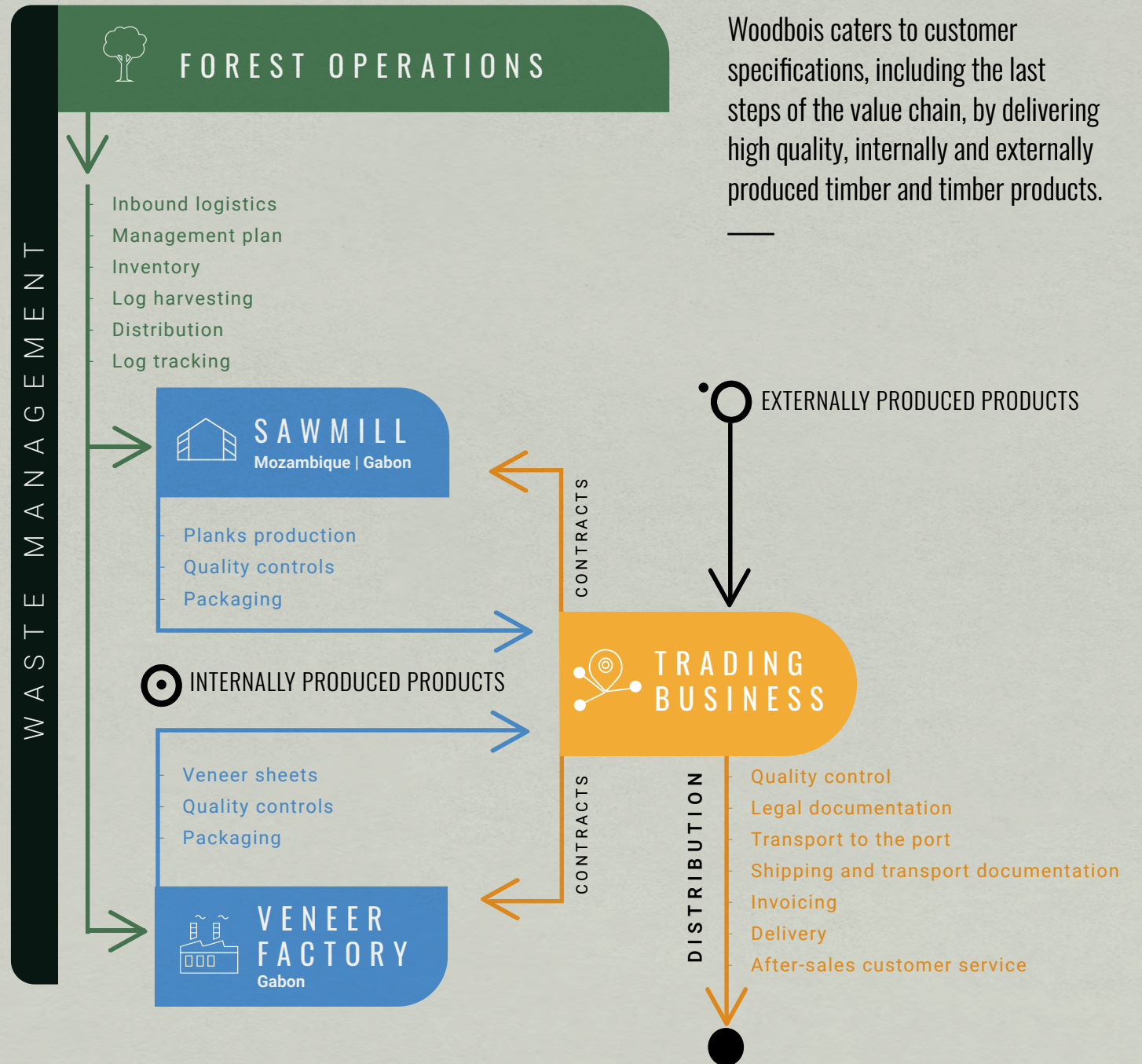
100% of the wood harvested is **PROCESSED LOCALLY**



**TRANSPARENCY**  
Every single tree has an identification number and can be tracked through a GPS code



**CARING FOR PROTECTED SPECIES**  
0% of the trees harvested are listed as protected or endangered



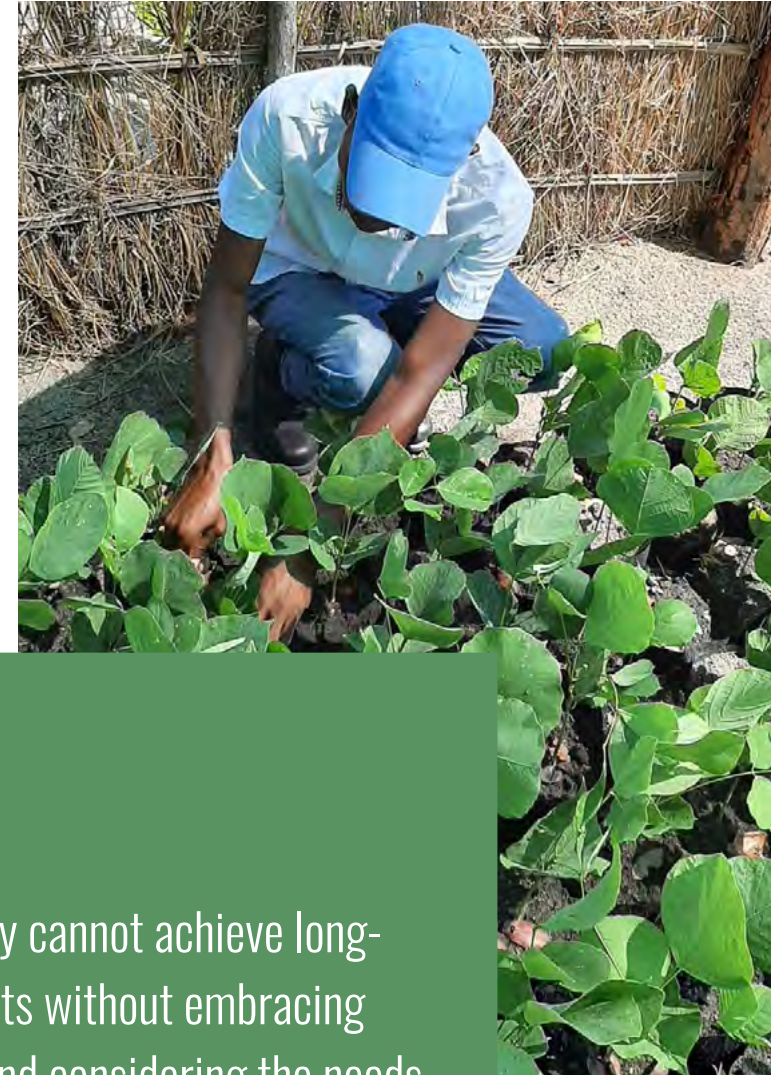
Woodbois caters to customer specifications, including the last steps of the value chain, by delivering high quality, internally and externally produced timber and timber products.



# VALUE CREATION

**There is an increasing focal shift away from shareholder value creation and investors' needs in favour of the recognition of interdependence between the value a business generates for itself over the short-, medium- and long-term, and the wellbeing of the society and the environment it operates in (IIRC, 2013).**

As investors and end customers become progressively concerned about social impact, climate change and corporate responsibility, companies are facing increasing scrutiny and are expected to be held accountable for their business practices. It is therefore vital that a business strives to create value – social and environmental, as well as financial – across its operations. According to the IR framework, the value a company creates, preserves or erodes has an impact on two levels: the company itself, which affects capital return for investors; and society at large. Given this, investors evaluate companies based on these two value streams (i.e. identifying whether a company can create value for a broader range of societal stakeholders while also creating value for itself). A wide range of activities, interactions and relationships can have an impact on the interrelation between these two value streams. When these interactions, activities, and relationships are material to a company's ability to create value for itself, they are included in the Integrated Report.



“

A company cannot achieve long-term profits without embracing purpose and considering the needs of a broad range of stakeholders.”  
(Fink, n.d)



# FORESTRY: THE BIGGER PICTURE

## Threats

Forests are of critical local and global importance. They are home to some 70% of the world's plant and animal species, including the pollinators essential to the sustainability of our food systems. Forests play a central role in the equilibrium of delicate ecosystems that supply water to communities and plants for medicines, and – crucially – they are the planet's largest carbon sinks, absorbing and sequestering CO<sub>2</sub> from the atmosphere and helping to mitigate the worst effects of climate change. But forests are under threat.



1.3 million-square kilometres  
of global forest was lost  
between 1990 and 2016.

### Climate change

While forests help to mitigate the impact of climate change, they are themselves at risk of its consequences. These include destruction by wildfires and storms, as well as devastation by invasive species encouraged into the area due to temperature and precipitation changes.

### Illegal logging

Illegal logging is responsible for the destruction of swathes of forest, leaving behind areas of land so badly affected that natural regeneration is no longer possible. This practice also contributes to biodiversity loss, conflicts with indigenous and local populations, corruption and both human and animal rights abuses.

### Population growth

It is projected that the world's population will reach nearly 10 billion by 2050. This will put extreme strain on resources provided by forests, including natural materials for manufacturing and land mass for increasing urbanisation.





# The sustainable solution

The forestry industry faces a number of very significant challenges, and Woodbois recognises the role it must play in advocating for sustainable forest management if we're to ensure the longevity of these important natural environments. We are committed to demonstrating positive leadership in this area, and doing so brings about a wealth of social, environmental and business opportunities, both for us as a company, and for the wider population.

Woodbois operates in a very fragile industry, environment and region. At the same time, sustainable forestry in Africa (as well as other developing regions) represents a tremendous opportunity to contribute to circular economies, increase individual and state revenues, and enhance skills and ethical job opportunities.



## ENVIRONMENTAL PRESERVATION

Managing forests sustainably not only mitigates the direct climate impact of wood procurement, but can be conducted in such a manner as to facilitate additional carbon sequestration, to the benefit of the global community.



## SOCIAL IMPACT

Sustainable forest management means respecting the rights of local communities, and positively contributing to their development and wellbeing.



## ECONOMIC GROWTH

Suppliers, consumers and stakeholders are increasingly demanding sustainable credentials in the companies they do business with. Those that choose to conduct business in a manner that overlooks environmental factors will ultimately be at a significant competitive disadvantage. The more people that advocate for sustainable forestry, the fewer opportunities there will be for those engaged in unethical practices.



## POSITIVE COMPANY CULTURE

Sustainable forestry depends on the ample provision of training and development opportunities. This investment in employees helps to promote loyalty and motivation, while creating a culture of ethical practice that will contribute to a wider respect – and therefore protection – of forests.



## GLOBAL PARTNERSHIPS AND KNOWLEDGE SHARING

Woodbois is in a unique position to help bolster other industries' sustainability initiatives – and therefore embed an ethos of sustainable forest management – through its inherent relationship with the very environments (forests) inextricably linked to the climate crisis.



# Forestry in Africa

A significant contributor to deforestation in Africa is the industry's largely informal nature. Much of the deforestation caused by logging is the result of unsanctioned forest clearing outside of regulated concession areas. Timber is just part of this problem, with land also cleared for farming, hunting and plantation development. Even within the formal market, logging in Africa is therefore dominated by thousands of small-scale producers that are largely isolated from global end markets.

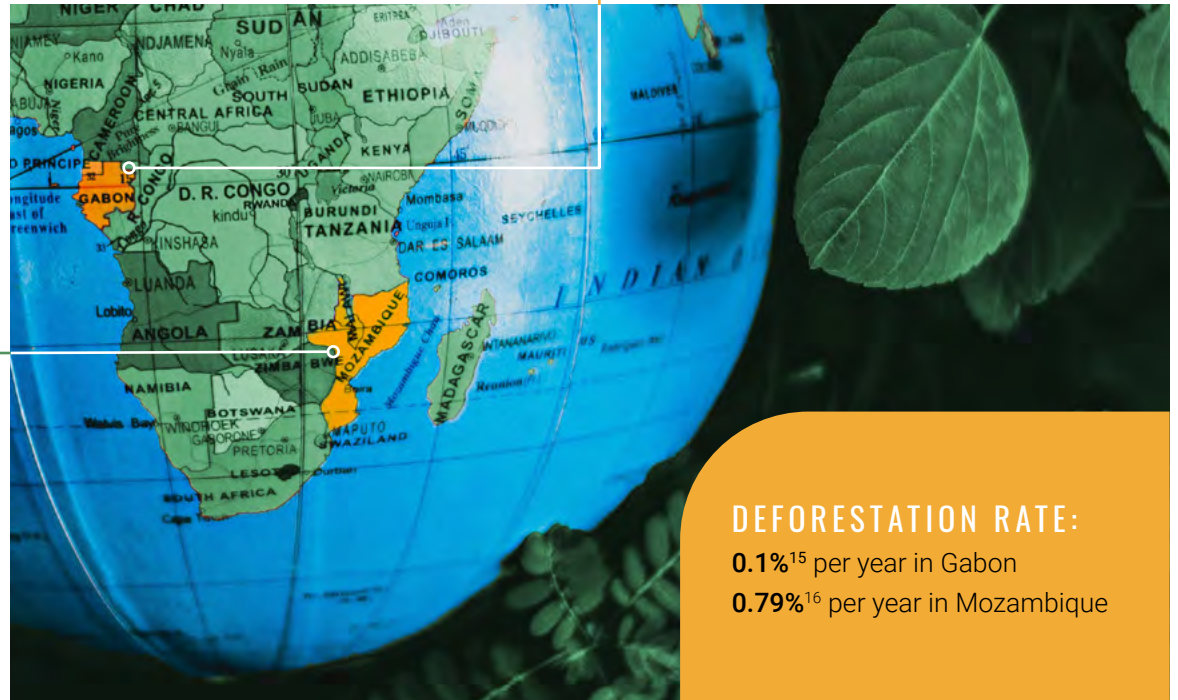
This isolation means such producers – the majority of which employ fewer than 50 workers – often view the forest and its resources as a short-term means to an economic end (often driven by poverty), rather than a long-term asset requiring best practice sustainability and conservation efforts.

Local timber suppliers also face challenges in the form of high costs related to certification and management capacity. For investors and end users alike, the African natural timber market's opacity and the scarcity of certified suppliers creates an obstacle to identifying companies that meet their sustainability requirements.

The fragmented nature of the market is compounded further down the supply chain. As timber changes hands, it can become increasingly difficult to identify whether the timber was sourced sustainably. This traceability problem can ultimately result in the manufacturing of end products sourced from forestry operations contributing to deforestation.

**MOZAMBIQUE**<sup>13</sup> is a country rich in natural resources. Forests cover 43% percent of the country's total surface area, or about 34 million hectares. Forests are critical to the country's social, environmental and economic well-being. Rapid deforestation, however, is threatening ecosystems and rural livelihoods and 267,000 hectares of forest is lost annually, mainly due to unsustainable agricultural practices. What's more, emissions from deforestation alone represent 80% of the country's total emissions.

**GABON**<sup>14</sup> is home to some 22.3 million hectares of forest area, which represents 85% of the country's total area. All of the Gabonese forest areas are owned by the state, though some are managed by private concessionaires, others by rural communities exercising their customary rights, and some remain protected as national parks. Gabon faces a relatively low rate of forest loss at 0.12% per year, with an average degradation rate of 0.09%. Deforestation is a result of small-scale agriculture and urban development, while the main causes of forest degradation are industrial mining and illegal logging in opened-up areas.



### DEFORESTATION RATE:

0.1%<sup>15</sup> per year in Gabon

0.79%<sup>16</sup> per year in Mozambique



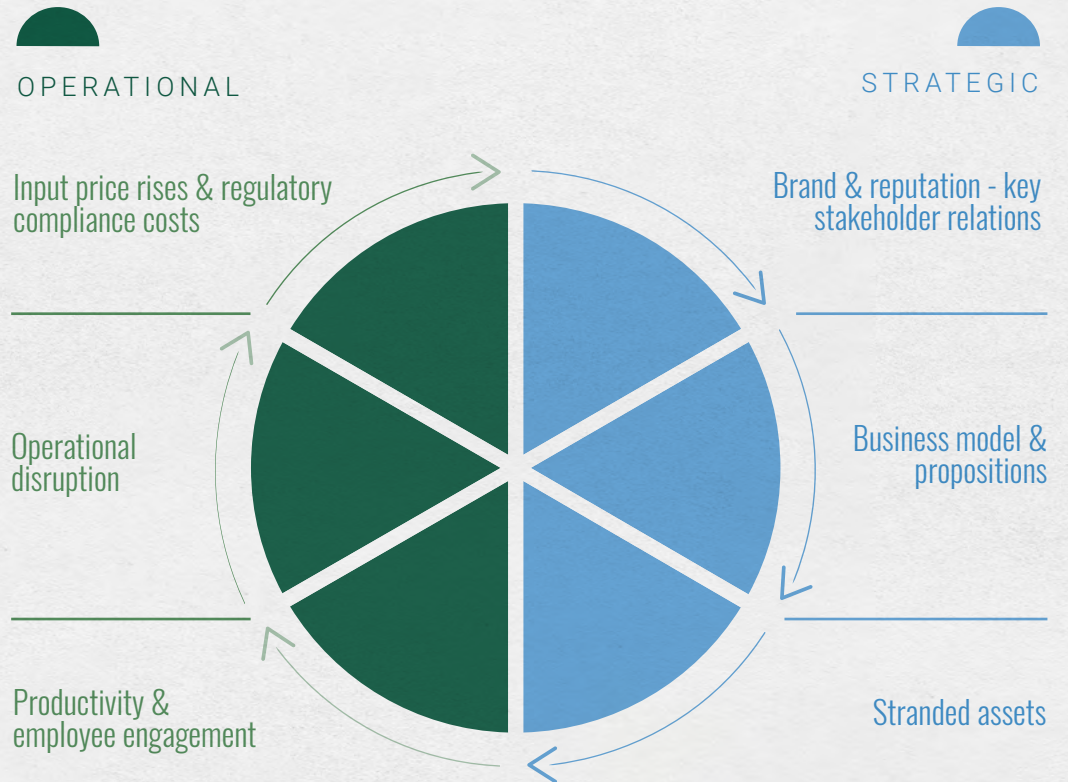
# RISKS & OPPORTUNITIES

Forestry and timber trading involves a high degree of technical, political, regulatory and environmental risks, as well as financial risk. Woodbois takes a prudent approach to manage these risks in line with its corporate objectives.

A focus on sustainability underpins this risk mitigation in a way that both embeds value throughout the business, and creates additional factors for consideration. As demonstrated by the framework developed by James Stacey, Cambridge Institute for Sustainability Leadership,<sup>17</sup> embracing sustainability in a business setting is associated with both risks and opportunities in an operational and strategic context.

## SUSTAINABILITY

### The commercial impact



The six areas of operational and strategic risks and opportunities associated with embracing sustainability within a business context.



# OPERATIONAL risks and opportunities

## RISKS

## OPPORTUNITIES

### MARKET FORCES

- Labour, environmental and regulatory compliance laws could cause a rise in forest maintenance and harvesting costs
- Fast urbanisation and population growth will increase demand for building materials, including wood, which could lead to a demand for more affordable products that are not necessarily sustainable
- The cost of transporting wood overseas could also rise due to the increased cost and taxation on oil

### OPERATIONAL DISRUPTION

- Environmental, political and social events could cause operational disruption
- Woodbois operates large-scale harvesting, sawmill and veneer equipment and any significant disruption to these assets could have an adverse effect on the company's financial performance
- A serious health and safety incident would result in a disruption of operations

### EMPLOYEE ENGAGEMENT

- Loss of talented and experienced staff to competitors offering better career and development or salary opportunities

- Limit production costs through modern and efficient machinery, process optimisation, green energy and/or a circular economy (waste reduction)
- Satisfy the demand for building materials for the growing population in Africa
- Implement new circular solutions to reduce dependency on production inputs

- State of the art equipment and advanced risk management can create competitive advantage
- Embedding a strong safety culture across operations, from management to the workshop floor, promotes a positive employee mindset

- Making sustainability part of the company's DNA and narrative
- Sharing the company's vision, mission and values across the organisation



# STRATEGIC risks and opportunities

	RISKS	OPPORTUNITIES
<b>BRAND REPUTATION</b>	<ul style="list-style-type: none"> <li>The company could be associated with unsustainable or unethical practices related to its own activities or those of its suppliers. This could impact stakeholders relations, including customers, suppliers and governments</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability best practices represent an opportunity to be recognised as an ethical supplier (by customers), partner (by government, institutions and suppliers), and employer (by current and future employees)</li> </ul>
<b>BUSINESS MODEL</b>	<ul style="list-style-type: none"> <li>Regulations and innovation could bring new products and solutions to the market challenging Woodbois' competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Furniture manufactures and building companies are willing to partner with companies that embrace sustainability</li> <li>Exploring the opportunity to launch new forest conservation and reforestation projects</li> <li>Leverage the company's unique position in forestry to diversify into the carbon offset market</li> </ul>
<b>STRANDED ASSETS</b>	<ul style="list-style-type: none"> <li>Degraded soil due to deforestation and erosion</li> </ul>	<ul style="list-style-type: none"> <li>Exploring the opportunity to launch new forest conservation and reforestation projects</li> </ul>



## Sustainable consumption & production drivers

- Consumer demand for sustainably-produced goods and services;
- The volatility of commodity prices;
- The energy intensity (and resulting cost) of certain new technologies;
- The trend among companies to consider the social and environmental dimensions of value chains, either for practical or reputational reasons.

*(Blowfield, 2013)*



# INPUT



Cash generated by operations, divestments, debts and equity finance



2 sawmills, 1 kiln, 1 veneer factory, 100 suppliers, Trading network



Relationship with a broad range of stakeholders: institutions, local communities, regulators, shareholders, investors and suppliers



Diverse team Experienced and highly motivated leadership and local teams



Property and licenced technologies Skills and experience



100,000 hectares of concessions on 20-year renewable leases in Gabon  
300,000 hectares of concessions in Mozambique on 25-50 year leases  
Third party timber  
Water and energy used in production and transportation

# CREATING VALUE



# OUTPUT

## Products

Hardwood and hardwood products produced and traded  
Areas of concessions harvested  
Resources used to power our operations and for our trading business

## Emissions

Total CO<sub>2</sub> emissions

# OUTCOMES

Revenues  
Paid taxes  
Investments on facilities and training



Investment in facilities and training  
Wood harvested  
Logs produced  
Logs traded



SPOTT ranking  
Traceability project



No. of employees  
Fatalities  
New hirings



Trainings  
Code of conduct



Ha of protected forests  
Reduction in GHG emissions  
CO<sub>2</sub> stored in our concessions  
Waste to energy  
Resources used to power our operations and for our trading business



# CAPITALS



Financial



Manufactured



Relational



Human



Intellectual



Natural

# SDGs





# STRATEGIC PRIORITIES

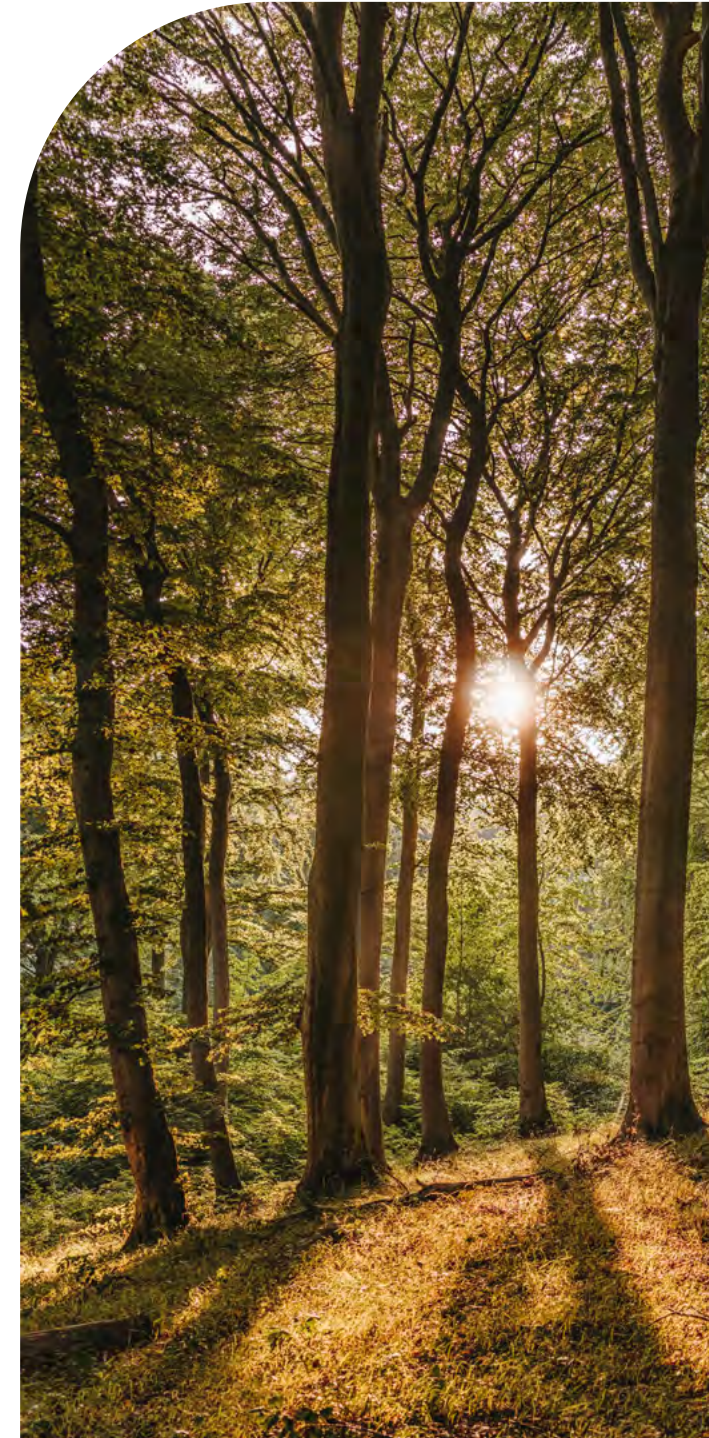
Sustainable forestry has tremendous potential to contribute to circular economies while increasing individual and state revenues in Africa.<sup>18</sup> However, this opportunity depends on several key factors:

- **how the forest industry is regulated;**
- **how forests are managed directly;**
- **adding value by producing end-products locally, rather than shipping to produce elsewhere;**
- **the need to promote intra-African trade in forest products.**

As an operator in a very fragile industry, environment and region, Woodbois is committed to running its business in a way that takes these concerns into account.

The Forest Sector SDG roadmap,<sup>19</sup> as well as the SPOTT framework, have been used as references to define our strategy and commitment to sustainable forestry. Understanding where we can make the biggest impact and respecting what matters most to our stakeholders has been the first step in defining our sustainability priorities and formulating our sustainability strategy.

Our strategic priorities define how Woodbois intends to mitigate and manage risks and maximise opportunities, and demonstrate our commitment to environmental, social and governance (ESG) best practices. Our impact on each capital will be monitored and presented annually through the company's sustainability report.





CAPITALS	MATERIAL ISSUES	STRATEGIC PRIORITIES	SDG
 <b>Financial</b>	<ul style="list-style-type: none"> <li>- Economic value generated and distributed</li> <li>- Financial assistance</li> </ul>	<ol style="list-style-type: none"> <li>1. Grow revenues organically from core business and stabilise lower cost base to achieve sustainable profitability</li> <li>2. Assess and pursue M&amp;A opportunities with like-minded producers</li> </ol>	
 <b>Manufacturing</b>	<ul style="list-style-type: none"> <li>- Efficient use of resources</li> <li>- Sustainable and high quality products</li> </ul>	<ol style="list-style-type: none"> <li>1. Ramp up new machinery and equipment investment to drive down manufacturing costs</li> <li>2. Minimise timber waste by installing equipment to maximise use of the entire log, creating products such as blockboard and briquettes.</li> <li>3. Minimise dependency on fossil fuels by using renewable energy and implementing circular solutions</li> </ol>	 
 <b>Relational</b>	<ul style="list-style-type: none"> <li>- Responsible sales and marketing</li> <li>- Developing local economies</li> </ul>	<ol style="list-style-type: none"> <li>1. Invest in long-term partnerships with selected timber suppliers embracing the same ethical and sustainability principles</li> <li>2. Invest in services and facilities for local communities</li> <li>3. Develop strong relationships with local administration and Government</li> <li>4. Strengthen sales efforts with local clients to drive core business development</li> </ol>	 
 <b>Human</b>	<ul style="list-style-type: none"> <li>- Wages and benefits</li> <li>- Training and education</li> <li>- Health and safety at work</li> </ul>	<ol style="list-style-type: none"> <li>1. Make the health and safety of all employees a key priority</li> <li>2. Invest in continuous professional and personal development</li> <li>3. Ensure fair compensation, diversity and inclusion, and proactively fight any kind of discrimination</li> <li>4. Further empower women in employment within local communities</li> </ol>	  
 <b>Intellectual</b>	<ul style="list-style-type: none"> <li>- Equal rights and conflict resolution</li> <li>- Legal harvesting</li> </ul>	<ol style="list-style-type: none"> <li>1. Leverage leadership role-modelling to live up to the value of integrity and transparency</li> <li>2. Ensure ethical conduct and anti-corruption best practices are in place</li> <li>3. Ensure labour rights are fully met</li> </ol>	    
 <b>Natural</b>	<ul style="list-style-type: none"> <li>- Climate change</li> <li>- Biodiversity</li> <li>- Protection of land (soil and water safety)</li> <li>- Greenhouse gas emissions</li> <li>- Energy usage</li> </ul>	<ol style="list-style-type: none"> <li>1. Protect forests from illegal harvesting</li> <li>2. Preserve animal habitats and biodiversity</li> <li>3. Employ soil and peat management best practices</li> <li>4. Integrate activities to enable transition to net zero emissions</li> </ol>	 







# THE CAPITALS



FINANCIAL CAPITAL

MANUFACTURED  
CAPITAL

INTELLECTUAL  
CAPITAL

SOCIAL AND  
RELATIONSHIP  
CAPITAL

HUMAN  
CAPITAL

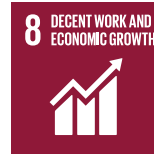
NATURAL CAPITAL



# FINANCIAL CAPITAL

We cannot drive a responsible business without healthy economic growth, and this cannot happen without the personal and professional development of our employees, as well as adequate salaries to support their families and subsequently drive the growth of their local communities. On a wider scale, our work must also drive the growth of African countries, which represent a large potential market for many businesses operating in different industries.

Woodbois' operations generate and distribute economic value to the countries in which we operate. The communities we work in are typically quite remote and many are subsistence economies. As such, our continued presence and work in these communities are determining factors in their ability to evolve and grow economically. Our vertically-integrated value chain ensures that 100% of Woodbois' products are processed in Africa, elevating productivity, creating new opportunities for skills development, advancing local processes, and ultimately bringing these countries international exposure through the export of locally-produced products, and not just raw materials.



**8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors



## MATERIAL ISSUES

- Economic value generated and distributed
- Financial assistance



## STRATEGIC PRIORITIES

1. Grow revenues organically from core business and stabilise lower cost base to achieve sustainable profitability
2. Assess and pursue M&A opportunities

### Our key priorities are:

- to identify and stabilise a lower cost base, thus ensuring sustainable profitability;
- to maximise value of raw material input through a programme of continuous improvement of efficiency;
- to better assess and pursue M&A opportunities.

Woodbois' growth contributes to the fight against poverty and inequality, while bringing innovation and infrastructure to the industry and responsibly using land and its resources to minimise environmental impact.



# Investments

In 2020, Woodbois invested **\$ 749,551** in new infrastructure and equipment. We installed brand new kilns at the sawmill in Gabon to bring the processing in-house, we dramatically expanded and improved our sawmill, and new, more efficient generators were installed. The company decided to sell down the sawmill site in Nampula (Mozambique).

**-22%**  
economic growth

  
**\$15.26m**  
revenues USD

  
**\$15,807**  
investment in HSE equipment

**\$36,368**  
investment in management plans

**\$72,846**  
investment in environmental licences

**\$0**   
financial assistance from governments

# Indicators



# MANUFACTURING CAPITAL

As a business whose operations centre around manufacturing, Woodbois recognises the opportunities it has to boost both its sustainability efforts and profitability in the technology and equipment it chooses. New machinery, for example, is not viewed as an expense but rather an investment, as more efficient equipment helps to drive down manufacturing costs while helping us meet our goals around energy consumption and emissions. The very nature of our operations also means we're well-placed to minimise dependency on fossil fuels. Our geographical position allows us to benefit from ample renewable energy sources such as the sun, while the material we handle every day, wood, can be used to create circular solutions that meet our own energy requirements.



- 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
- 9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
- 9.a** Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States



- 12.2** By 2030, achieve the sustainable management and efficient use of natural resources
- 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
- 12.a** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production



## MATERIAL ISSUES

- Efficient use of resources
- Sustainable and high quality products



## STRATEGIC PRIORITIES

1. Ramp up new machinery and equipment to drive manufacturing costs down
2. Minimise dependency fossil fuels by using renewable energy and implementing circular solutions



The global pandemic has impacted our operations and our productivity in 2020 has decreased by **45%** in terms of volume of logs harvested and by 26% in terms of volume of timber produced. Nevertheless in the first term of 2021 our performance has returned to expected pre-COVID levels.

New machinery installed in the Sawmill in Gabon

2

use of current manufacturing plants

0

introduction of non-native or invasive species

18,810 m<sup>3</sup>

volume of logs harvested

2.51 m<sup>3</sup>/ha

harvesting intensity ratio per hectare

9,357 m<sup>3</sup>

volume of Woodbois' produced timber (logs, veneer, sawn timber)

23,932 m<sup>3</sup>

volume of third party timber traded (logs, veneer, sawn timber)

33,289 m<sup>3</sup>

volume of timber traded including third party and Woodbois (logs, veneer, sawn timber)

42

sawmills providing third-party timber supplies

0

chemicals & pesticides

100%

of the logs processed in Woodbois sawmills come from company-owned operations

## Indicators






## Sustainable production is

the creation of goods and services using processes and systems that are non-polluting, conserving energy and natural resources, economically viable, safe and healthy for workers, communities, and consumers, [and] socially and creatively rewarding for all working people. If production is sustainable, then the environment, employees, communities, and organisations all benefit.<sup>20</sup>



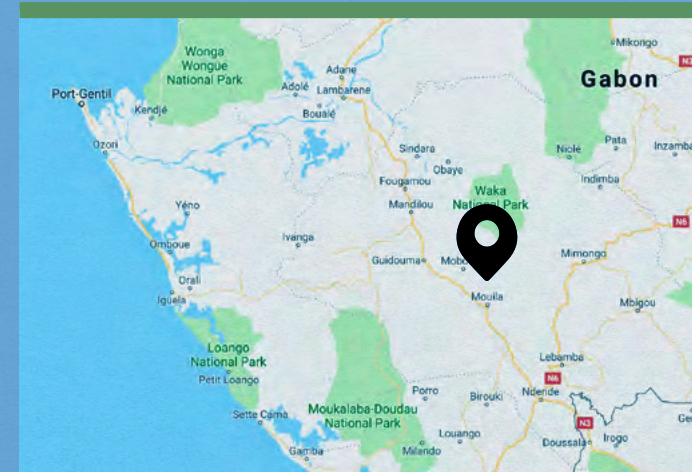
# Our facilities

## ASSET OVERVIEW

	PRODUCTION ASSETS	CAPACITY
GABON	 <b>SAWMILL &amp; KILN</b>	Sawmill - 2,000 m <sup>3</sup> per month Kilns - 2,000 m <sup>3</sup> per month
	 <b>VENEER FACTORY</b>	1,500 m <sup>3</sup> per month (post installation of new equipment)
MOZAMBIQUE	 <b>MILL</b>	1,000 m <sup>3</sup> per month

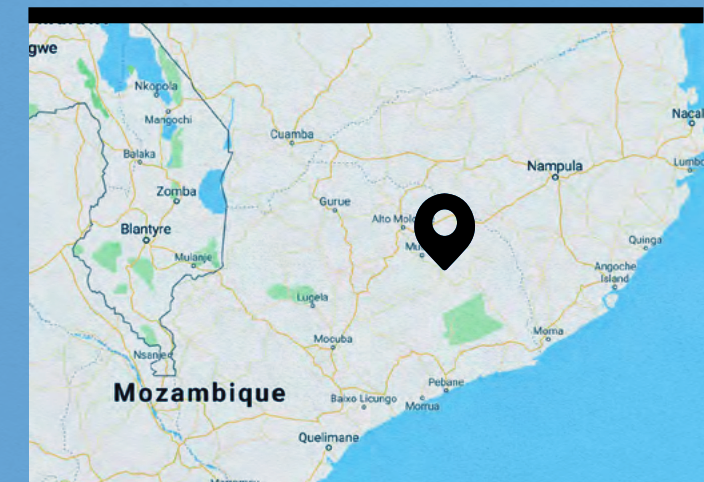


**Woodbois' Gabon facilities** are located in Mouila, a small rural community 400km from the capital city. We are the largest formal employer and offer local people skilled jobs with valuable development opportunities.



Coordinates: 1°52'19.0"S 11°01'22.4"E

**Woodbois' operations in Mozambique** are located in Gile/Uape.

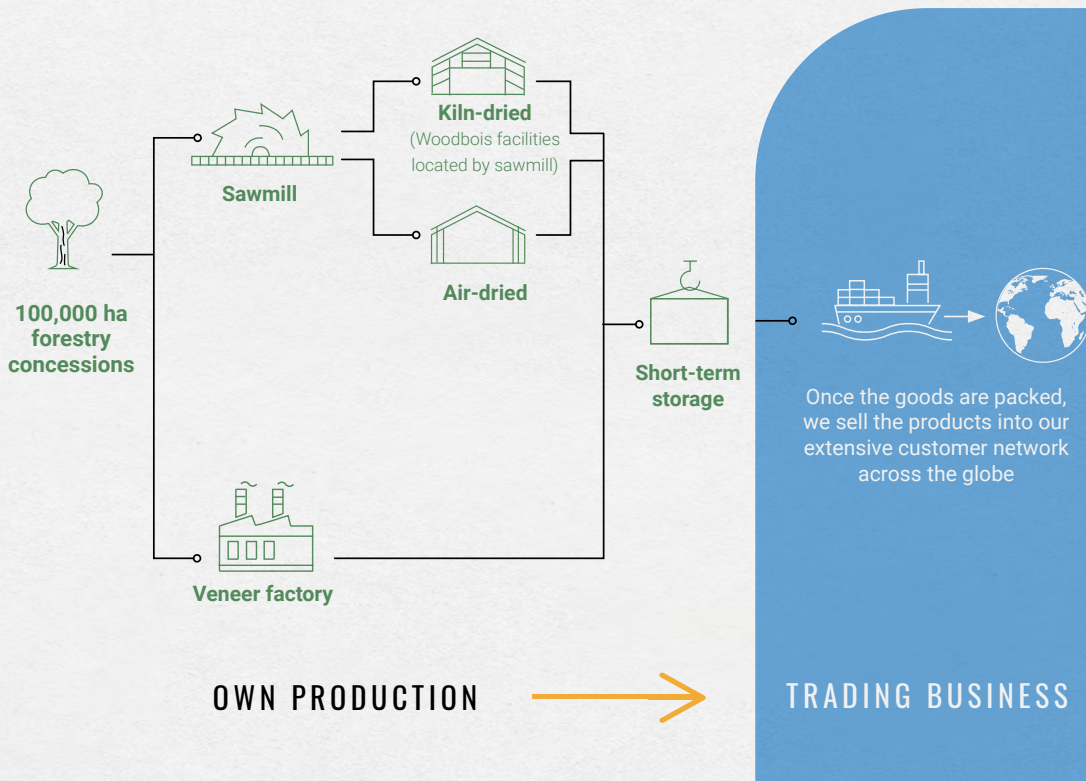


Coordinates: 16°09'36"S 038°05'05"E



# Woodbois value chain in Gabon

Woodbois has established infrastructure to capture a significant part of the value chain in Gabon.

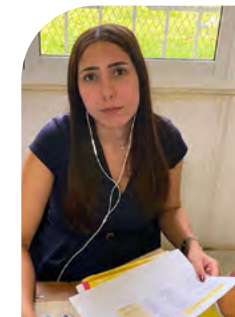


## SAWMILL OPERATIONS

With approximately 100,000 hectares under management, Woodbois has been a significant player in the Gabonese forestry sector for the last two decades. Investment and innovation are central to maintaining this industry position. Within its sawmill operations, Woodbois has invested significantly into its leading sawmill in Mouila, equipping it with the latest European machinery suitable for African hardwoods, and establishing solid training and development programmes to broaden the skillset of the local workforce. We've also hired industry-leading forestry professionals to advance this site, and to move the company's offerings further along the timber value chain into products such as blockboard.

## VENEER OPERATIONS

Our veneer operations are also a central company focus, with veneer core to the Woodbois strategy of capturing the entire timber value chain. Our veneer factory was completed in 2019 as part of our expansion plan and is also located in Mouila, just 50 kilometres away from our forestry concessions. Production from the factory – which employs a significant proportion of women – is exported mainly to the Mediterranean region, with key buyers in Italy, Morocco and Turkey.



**Ms. Inssaf Aliazzi** is the manager in charge of logistics and shipping in Gabon.



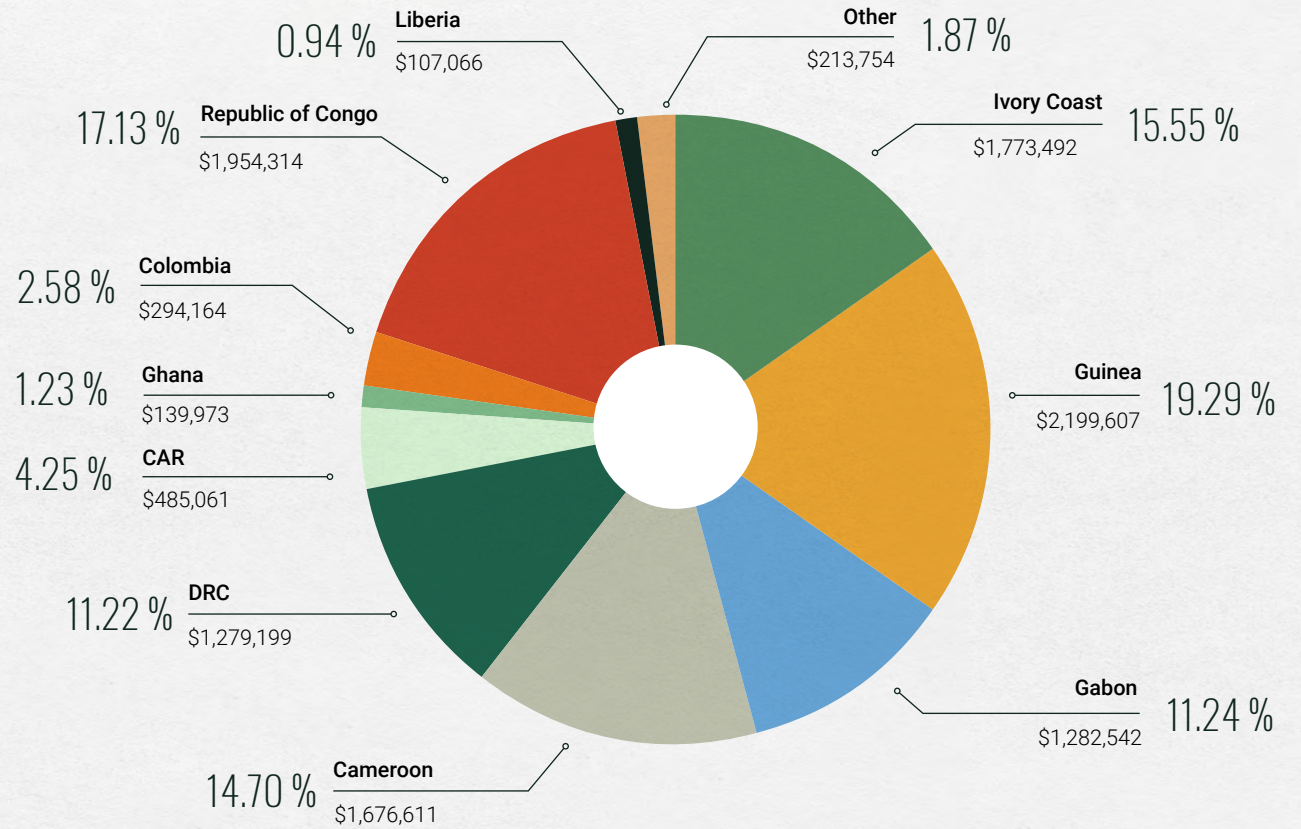


# Trading

Woodbois responsibly sources and trades products from several international – mainly African – countries. The chart shows the list of countries we source from.

## 23,932 m<sup>3</sup>

OF TIMBER SOURCED FROM THIRD PARTY SUPPLYING MILLS AND TRADED REPRESENTING 72% OF THE TOTAL TIMBER TRADED.

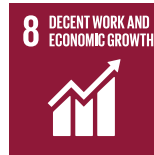


**TOTAL**  
**\$11,405,783**



# INTELLECTUAL CAPITAL

Woodbois is in a unique position to enact meaningful social and sustainable change through careful consideration of our intellectual capital. Our material issues – equal rights, conflict resolution and legal harvesting – can be addressed through the consistent application of our three key priorities: leveraging leadership role-modelling to live up to the value of integrity and transparency; ensuring ethical conduct and anti-corruption best practices are in place; and ensuring labour rights are met fully. The following paragraphs outline the work we’ve done in this area throughout 2020, including the development of a Code of Conduct, the respect of our forest management plans, and our approach to our operations in Gabon.



**8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



- 15.2** 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally
- 15.7** Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products
- 15.8** By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species



## MATERIAL ISSUES

- Equal rights and conflict resolution
- Legal harvesting



## STRATEGIC PRIORITIES

1. Leverage leadership role modelling to live up to the value of integrity and transparency
2. Ensure ethical conduct and anti-corruption best practices are in place
3. Ensure labour rights are fully met



# Code of conduct

## 1 . SAFE AND HEALTHY WORKING CONDITIONS

We commit to promoting and protecting the safety and occupational health of our entire workforce above all other priorities.

At Woodbois we are focused on providing a safe and healthy workplace by ensuring that tools and equipment are maintained in good order, and by supplying appropriate personal protective equipment in accordance with international standards and national laws.

All employees receive training to ensure they are competent and fit to carry out allocated duties. This includes information about risks and relevant control measures, procedures for safe evacuations of buildings and workplaces, and correct use of tools and machinery. We recognise that all staff have the authority to halt work if they consider the action unsafe.

## 2. ENVIRONMENT

We commit to protecting and respecting the natural environments in which we operate.

We strive to reduce the environmental impact of our global operations and to help conserve natural resources by planning and managing operations with a sustainability focus.

We monitor and report our environmental impacts, and ensure that all operations comply with environmental laws. Our production team strives for continuous improvement through waste minimisation, efficient resource use and other measures that reduce our environmental footprint.

## 3. LABOUR AND HUMAN RIGHTS

We support the United Nations' Universal Declaration of Human Rights.

We respect each individual's human rights and follow all employment laws and regulations. We do not tolerate any form of workplace discrimination, harassment or physical assault, or any form of child, forced, or compulsory labour.

Employees are paid regular and competitive wages, and Woodbois regularly invests in resources and training to assist staff who want to develop their full potential.

## 4. HOST COMMUNITIES

We recognise the importance of community engagement and shared prosperity.

We engage with communities at all stages of project planning and development to ensure that local opinions, feedback, and concerns are properly recorded and addressed.

We believe it is possible to deliver real socio-economic impact through our regional activities by developing infrastructure, building local skills, and developing people.

## 5. SUPPLIERS, CUSTOMERS AND OTHER BUSINESS PARTNERS

We commit to fair and ethical relationships with suppliers, customers and other business partners.

We endeavour to build long-lasting relationships based on fair selection, clear terms of business, and adherence to shared principles set out in our Code.

We follow established due-diligence procedures that enable us to select business partners who meet legal requirements and internal expectations in regards to product provenance, supply chain safety and environmental impact.

Woodbois is committed to purchasing third-party timber only where it is possible to ensure legal compliance of suppliers. The company unreservedly condemns illegal logging and irresponsible trade of endangered species.

## 6. EQUALITY

We commit to creating an inclusive environment where every colleague is valued.

At Woodbois, all employees are expected to treat each other with care and respect. We strive to provide employees with an environment where they can bring their whole self to work regardless of gender, race, sexual orientation, age, religion or disability.

We seek to reflect the diversity of the regions and communities in which we operate within our own workforce, and respect the rights of employees including the freedom of association and collective bargaining.



### 7. BRIBERY

We stand against bribery and corruption.

It is not permitted for any Woodbois employee or representative to give, offer or receive a bribe either directly, indirectly, or through a third-party business in any dealings.

### 8. TRADE CONTROLS AND SANCTIONS

We comply with all applicable trade controls and sanctions in the regions where we operate and trade.

The export of timber goods is subject to a range of regulatory requirements in different regions. Woodbois maintains constant dialogue with relevant government and trade bodies to ensure it satisfies registration requirements, export licence needs, and all additional legal obligations.

Woodbois is conscious that governments and international organisations may impose international trade sanctions on countries where the company operates. We are committed to complying with all trade sanction conditions.

### 9. ACCURATE RECORDS, REPORTING AND FINANCIAL RECORDKEEPING

We commit to publishing accurate and transparent company reports.

We endeavour to release regular operational, financial and integrated reports for the benefit of company stakeholders.

Financial statements are produced in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

### 10. TAX

We commit to paying the right taxes.

Woodbois strives to understand and comply with the legal and regulatory obligations for taxation arising from its operations.

We are committed to full compliance with external and company reporting requirements, including those concerning disclosure to tax authorities and reporting on the tax payments that we make.

### 11. PROTECTING AND MAINTAINING ASSETS

We recognise the importance of looking after our assets.

Employees are responsible for looking after company assets including business opportunities, funds, property, proprietary information, and personal equipment.

Employees must take steps to read and understand the rules regarding unacceptable use of company IT resources and comply with the relevant set of rules.

Woodbois only collects and holds personal information as permitted by law and as is reasonably necessary to meet business requirements.

### 12. INSIDER DEALING

We stand against insider dealing.

It is illegal to deal in Woodbois shares on the basis of inside information or to encourage others to do so.

During the course of their work some employees will have access to information which could influence someone contemplating investing in Woodbois shares.

Employees are forbidden from using confidential company information for personal gain, or from sharing inside information for the same purpose.



# Forest management & plans

All of Woodbois' forest management plans have been approved by local governments following preliminary community consultations and approval processes, and are strictly followed.



## HARVESTING PLANS:

Following a 23-year rotation cycle, Woodbois is allowed to harvest a section of its total concession area for three years. After these three years, the same area cannot be touched for 20 years to ensure forest regrowth.



## FOREST INVENTORY:

To ensure selective cutting of commercial species, we carefully quantify and locate exploitable forest resources, with particular emphasis on social aspects as well as protecting natural biodiversity. Each of our trees is tagged and geo-monitored so we can actively track tree species, volume and the quality of what we cut.



## LOGGING ACTIVITIES PLAN:

Vital to minimise the impact of roads.



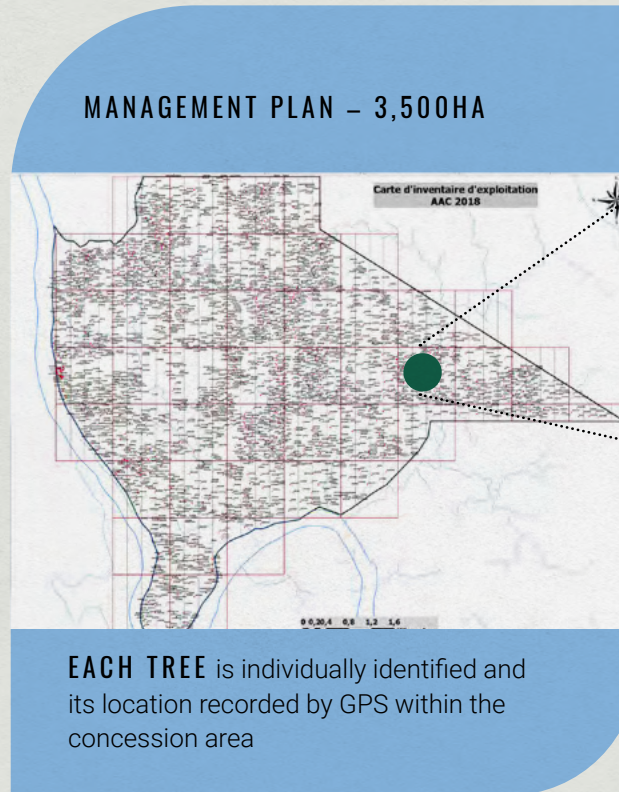
## WATER USAGE



## FOREST CONSERVATION:

Areas not in production are protected by Woodbois from illegal logging activities or other uses, such as agriculture.

Forest management plans allow us to track how many cubic metres of timber have been extracted while monitoring the impact our operations have on the environment, and ensuring we operate responsibly.



In a single hectare plot, the Company is typically only allowed to cut **6 TREES**

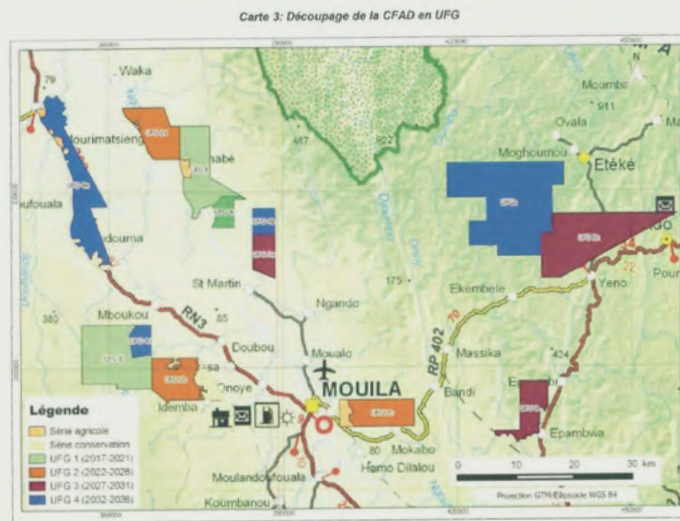
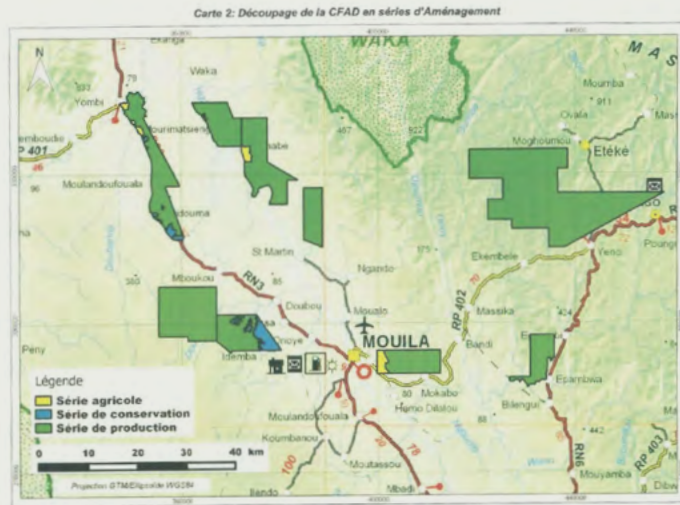
**1 HA**

This method of forest management is called **Continuous Cover Forestry** – when taking out an individual tree in an area, you open canopy to allow smaller trees to grow.

**AFTER 20 YEARS** you can re-enter the forest and the exact same exercise is carried out



This map shows Woodbois' management plan in Gabon for 2020.



## Forest operations in Gabon

- Woodbois holds eight Forest Permits in central Gabon in the province of Ngounié, north-east and south-east of the community of Mouila.
- The management plans, approved by the administration in charge of waters and forests, define the harvesting plan for the areas.
- The inventory plan determines the stocks of harvestable timber and their location; how to track and mark trees to be harvested or protected; and how to establish the route of potential roads.
- The inventory is recorded by systematic sampling.
- The counting operation consists of identifying the species of trees; measuring diameter; numbering trees via the placing of a plate; geolocating each tree via GPS; and assessing the quality of all applicable trees that have reached the minimum diameter size for harvesting.
- The harvesting plan for 2019 covers a total area of 3,762 ha. The most common tree species are Ilomba (*Pycnanthus angolensis*), Ebiara (*Berlinia bracteosa*), Dabema (*Piptadeniastrum africanum*), Mahogany (*Khaya ivorensis*), Ovang-Kol (*Guibourtia ehie*) and Okoumé (*Aucoumea klaineana*). We are also permitted to harvest from the 2019 management plan.





# HUMAN CAPITAL

We recognise the value of our people, which is why we are committed to ensuring the sustainability of our workforce just as we are the sustainability of our environment. Health and safety is our top priority. Everyone has the right to feel safe at work, and taking steps to mitigate accidents also helps to ensure the smooth flow of our operations. We invest in the continued professional and personal development of all of our staff, thus helping to strengthen local communities as well as Africa's wider social landscape. We ensure fair compensation, diversity and inclusion throughout the organisation, and are proud to proactively fight any kind of discrimination.



**8.8** 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



**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



**12.a** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production



## MATERIAL ISSUES

- Wages and benefits
- Training and education
- Health and safety at work



## STRATEGIC PRIORITIES

1. Make the health and safety of all employees a key priority
2. Invest in continuous professional and personal development
3. Ensure fair compensation, diversity and inclusion, and proactively fight any kind of discrimination



276

total number of employees

233

men

43

women

84%

% of men

16%

% of women

20%

% of women in board positions

31%

% of women in senior management positions

54

permanent employees working in the production facilities in Gabon and Mozambique

205

fixed-term and seasonal employees working in the production facilities in Gabon and Mozambique

## Indicators





## OUR COMMITMENT

Woodbois is committed to:

- Respecting human rights including the rights of indigenous and local communities.
- Gender inclusion i.e. supporting the inclusion of women across forestry operations.
- Providing essential community services and facilities.
- Respecting worker and labour rights for both fulltime and contract employees, including the right to decent work and freedom of association.
- Preventing employment and occupation-related discrimination based on gender.
- Paying at least minimum wage.
- Ensuring ethical and fair conduct and fighting corruption.

**WOODBOIS' COMMITMENT TO HUMAN RIGHTS AND TO ADDRESS OCCUPATIONAL HEALTH AND SAFETY APPLIES TO ALL SUPPLIERS.**



### **Olivier Normand is Head of Performance Management.**

Olivier has a Master's degree in aerospace engineering, is a Master in continuous improvement and Lean 6 sigma, and has over 30 years' experience managing, optimising and coaching performance improvement through the application of standardisation and lean manufacturing techniques. Olivier reports directly to the CEO and to the Gabon Country Head.

## Aligning to international best practices

With the ambition to become a market leader, Woodbois has continued to recruit high-quality personnel and train its staff to the highest standards.

As a socially responsible company, Woodbois aligns to international best practices such as the Fundamental ILO Core Conventions, ILO Code of Practice Safety and Health in Forestry Work, the UN Declaration on the Rights of Indigenous Peoples, and the United Nations Declaration on Human Rights. We are committed to extending these international best practices to all of our sourcing and suppliers.

In the second half of 2020, the company began providing educational training around issues such as:

- human and workers rights
- ethical conduct
- eliminating gender inequality within our workforce.

In 2021, the company further formalized this process by hiring a dedicated ESG manager (Richard Feteke) in Gabon who will supervise this initiative.

Woodbois pays **49% above** the local minimum wage.

## Inclusion

Woodbois pays female employees the equivalent of 81% of a male employee's salary in Gabon and Mozambique, which is above the national average. (Source: Gender Gap Africa). Woodbois continues to be committed to reducing the gender pay gap and to supporting the inclusion of women across all our forestry operations.

Our company is an equal opportunity employer, encouraging skills development through a number of channels. Eliminating discrimination starts with dismantling barriers and ensuring equality of access to training. We are committed to preventing employment- and occupation-related discrimination based on gender, and believe this is an essential prerequisite for building resilient and socially-minded economies.

Woodbois' commitments apply to all suppliers.





# Health and safety

Woodbois takes health and safety seriously. Workplace injuries are more than just days of lost work; we understand injuries come with significant human costs that can affect the employee, their family and loved ones. Woodbois has invested significantly in best practices, safety equipment and training to embed and consistently communicate a strong culture of safety. Local workers at all our forestry operations are trained to safely operate working machinery and sawmill equipment, and taught to drive and maintain tractors, trucks and other vehicles. In 2020, Woodbois provided various training opportunities for employees in Gabon, with a total of 20 people receiving formal training over a period of between two weeks and one month.

In addition to formal training, we embed an ethos of learning and education throughout our daily operations, with all employees receiving ongoing training on new best practices, safety and techniques, ensuring our workplace operates as efficiently as possible while bolstering the skills and personal development of all of our staff. During the challenge of the coronavirus pandemic, and with lockdowns reducing the number of employees permitted at Woodbois sites, we identified an opportunity to invest in this by implementing a continuous improvement initiative and we are proud to have kept our team safe during the pandemic while strengthening the company and delivering value to shareholders.

1,420 HOURS OF TRAINING IN 2020  
NO WORK-RELATED FATALITIES WERE RECORDED  
18 TOTAL INJURIES IN THE WORKPLACE  
9.25% TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)



# Health and Safety Improvement in our Industrial facilities in Mouila

Since December 2020 we have conducted a daily follow up of 'near misses' and accidents.

We also began root cause analysis and implemented action plans for recurring accidents in order to eliminate them. Our approach is about first mitigating risk through a change of process or an engineering measure (e.g. new safety guard). If the risk cannot be eliminated we conduct a documented risk assessment, provide additional PPE (all operators are provided with PPE from day one) and train the operator(s) in managing the risk.

After each accident, on top of the required legal documents, we complete an internal accident form (omitting the name of the injured for privacy reasons), which serves as a log of the accident, the reason for it and most importantly guides an action plan to avoid the recurrence of such an incident in future. These reports are shared on a monthly basis with our headquarters.



# Grievances

Woodbois has an established company-wide grievance framework that is accessible to both internal and external stakeholders. It is our policy to ensure that all employees have access to procedures to help deal with any workplace grievances fairly and without unreasonable delay. This policy applies to all employees regardless of their length of service and can be found on the Woodbois website.

The chart below outlines our process for how we address local community grievances:



# Whistleblowing procedures

- Employee becomes aware of any malpractice, and immediately reports it to their Line Manager.
- The Line Manager notifies the Group Compliance Office (the Chief Financial Officer will act as Woodbois' Group Compliance Officer).
- The Line Manager is responsible for initially investigating all matters reported to them, in a prompt, confidential and sensitive manner.
- The Line Manager provides formal feedback to the employee and Group Compliance Officer of any investigation conducted and the resulting actions taken.
- If the employee feels the matter has not been resolved to their satisfaction, they can raise their concerns directly with the Group Compliance Officer.
- In instances where the employee does not feel comfortable

reporting a potential malpractice to their Line Manager, they are encouraged to raise any concerns directly with the Group Compliance Officer, the Chairperson of the Audit Committee or the Company Secretary, any of whom will investigate the matter promptly, confidentially and sensitively.

- The whistleblower will usually be invited to attend an investigation meeting to discuss their concerns.
- The Group Compliance Officer will provide formal feedback to the employee and Audit Committee of the investigation, and resulting actions will be taken.





# RELATIONAL & SOCIAL CAPITAL

Woodbois' trading network comprises some 300 customers across more than 60 countries. We place a high value on these connections, and we aim to foster a relationship of trust and security with our customers and suppliers.



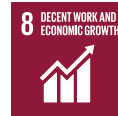
## MATERIAL ISSUES

- Responsible sales and marketing
- Developing local economies



## STRATEGIC PRIORITIES

1. Invest in long term partnership with selected timber suppliers embracing the same ethical and sustainability principles
2. Invest in services and facilities for local communities
3. Develop strong relationships with local administration and Government
4. Strengthen sales efforts with African clients



**8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



**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



**17.7** Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed

**17.11** Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

**17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

**17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

### SUPPORTIVE SDG'S



**1.2** By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions



**4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

**4.a** Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and effective learning environments for all



**5.1** End all forms of discrimination against all women and girls everywhere



23,932 m<sup>3</sup>

third party timber traded (logs, veneer, sawn timber)

33,289 m<sup>3</sup>

timber traded including third party and Woodbois (logs, veneer, sawn timber)

By 2030, Woodbois' suppliers will have to be in compliance with timber and pulp sourcing commitments.

100%

of our third-party supply is traceable (documents regarding country of origin and FMU are provided)

29%

of our suppliers are third party certified

42 

sawmills providing third-party timber supplies

Responsible trading & sourcing



# Due diligence process

Woodbois only sources forest products from partners who have succeeded in passing a due diligence process for legal and responsible forest product sourcing. To work with any supplier of timber, Woodbois requires information and documentation regarding the source of the timber including tree species, wood origin and compliance with national laws and regulations.

## 1- SUPPLIERS

Suppliers Since 2013, Woodbois has run a due diligence process inspired by EUTR/ FLEGT, which includes a checklist of documents required for screening. This process is done at the beginning of each year for existing suppliers and at the start of any collaboration with new suppliers.

## 2- SHIPMENT

Documents required:

- Bill of Lading (BL) from the shipping company.
- CITES certificate if necessary (created by Woodbois using supplier export codes).
- Movement certificate (EUR1 for EU trade; Certificate of Origin if shipment is anywhere else in the world).
- Act of Merchandise Transit (Circulation de Merchandise).
- Phytosanitary certificate.

## 3- BUYERS

Buyers sometimes provide their own supply chain mapping to ensure responsible timber purchases.

A Woodbois controller in the field verifies that suppliers comply with the due diligence process and wood quality standards on a regular basis, and then drafts a monthly report. If third-party suppliers do not meet Woodbois' selection criteria, they are placed on an exclusion list which forbids our traders from conducting business with them. This exclusion list is updated on a bi-annual basis.





# Traceability & transparency

To confirm that none of the wood traded by Woodbois is on the CITES species list, our traceability process allows us to track products across their entire journey, from the forest to manufacturing to final export. We trace both our raw material and processed timber back to the country of harvest. Any timber handled by Woodbois in any form requires a certificate of origin; neither ourselves nor our logistics providers or customers will handle timber that does not have a certificate of origin identifying its country of harvest. In collaboration with South Africa-based WorkPool, we have developed software allowing our trading and operations teams to collect all trading-related data, from inputting a simple sales or supplier enquiry all the way through to issuing invoices. This software allows us to quickly identify any supplier with out-of-date documentation, so we can eliminate them from our supply chain until their paperwork has been renewed.

We're also continuing our collaboration with DiginexESG,<sup>21</sup> a financial services and blockchain technology company, building a blockchain-based solution to help companies and investors manage ESG company risks, making sustainability reporting more transparent, secure and immediate. The DiginexESG platform has been used by the Woodbois executive team for monitoring and validation of the company's 2019 and 2020 ESG disclosures in line with the Global Reporting Initiative (GRI) Standards.





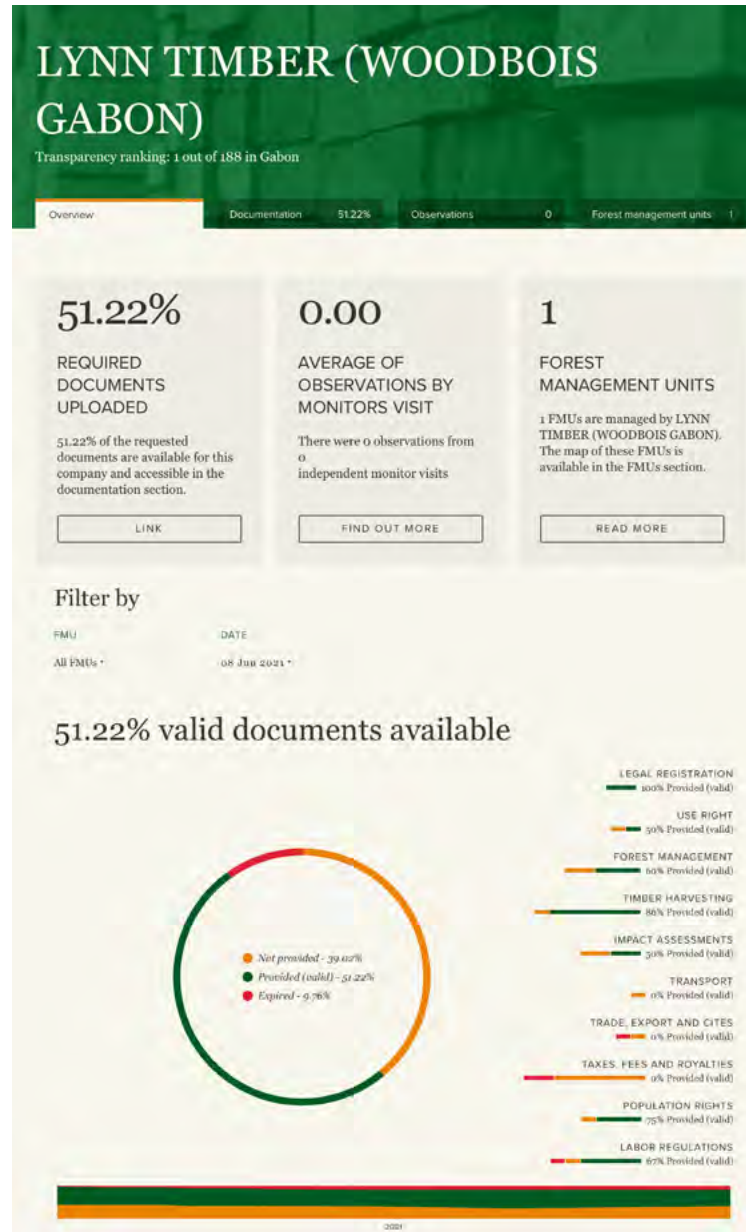
# The Open Timber Portal

As a Gabonese producer we are looking to align ourselves with the OTPs goals as quickly as possible in the immediate term. We're proud to be the fastest-acting producer in Gabon to begin the upload of documentation to the portal and are aiming for at least 75% completion this year. Any further increase in transparency within the timber space in the Congo Basin is welcomed by Woodbois as it helps both our production business as well as our trading business as we increasingly look to source from third parties.

We are keen to implement the use of OTP for our third-party trading business as we on-board new suppliers and renew documentation for existing suppliers. In the medium term, we're aiming to include a policy that states we will only work with third parties that can demonstrate a certain score in the OTP. We also intend to develop a service to help like-minded suppliers and producers improve their internal processes in order to increase their own transparency scores.

The report for 2020 is available at this link

<https://opentimberportal.org/operators/100151><sup>22</sup>







# Engaging with local communities

## OUR COMMITMENT

- Enabling sustainable use of non-timber forest products (NTFPs) by local communities.
- Free Prior and Informed Consent (FPIC) and the inclusion of Indigenous Peoples.
- Respect legal and customary land tenure rights.
- Provide business and work opportunities for local communities.

OUR COMMITMENTS APPLY TO ALL SUPPLIERS.

We strive to look after our employees, their families and the communities in which they live. Our teams are actively engaged in community consultations to ensure we respect local customs and our contributions have meaningful value (FPIC procedure reported in the Annex). This commitment extends to respecting legal and traditional land rights; for example, our forestry concessions are a direct result of community consultations. Local stakeholders help designate and map agricultural land for local use, dedicate areas for specific crops and provide education and information related to the hunting seasons. In some cases, we have established contractual agreements with communities to ensure we respect and align with local needs and customs. Woodbois is also financially contributing to the development of villages Saint-Martin and Mboukou.

In 2020, Woodbois donated **2,400 m<sup>3</sup>** of lumber to the villages of Mboukou and Saint-Martin. We also provided **4115 litres** of diesel to the villages in our harvesting area.





# Our contribution during the COVID-19 pandemic in Gabon

Like all countries in the world, Gabon faced a major and unprecedented health crisis in the fight against the COVID-19 pandemic. However, it also afforded us some opportunities.

The geographical diversity of the management team means that we were already used to communicating remotely, but the switch to screen-sharing functionality on Zoom will bolster future communication when it comes to travel and commuting. A reduced number of employees at specific locations also allowed us to create additional efficiencies as we adapted our processes and working schedules accordingly.

Recognising the potential impact the company could have on the lives of those in its local communities, Woodbois initiated a food donation programme for residents within the Douya-Onoye and Tsamba-Magotsi regions. The company organised and distributed more than 35 tonnes of food kits made up of rice, poultry, tinned fish and oil. In doing so, Woodbois was able to help families avoid making non-essential trips to urban areas, thereby limiting the spread of COVID-19.



Food distribution for the villages of Mboukou, St Martin, Moalo, Megabe and Mokongolo.

---

- 250 bags of rice
- 250 carton of poultry
- 150 cans of oil
- 150 boxes of pasta
- 100 sardine boxes



# NATURAL CAPITAL

The inherent nature of our business means that our natural capital is a central focus of our sustainability efforts. We face significant material issues: climate change, protection of biodiversity, protection of land (and ensuring soil and water safety), greenhouse gas emissions and overall energy usage. As such, responsible and ethical forestry sits at the heart of our operations, driving our key priorities of protecting forests from illegal harvesting, preserving animal habitats and biodiversity, employing soil management best practice, and integrating activities to enable a transition to net zero emissions.

Woodbois is committed to responsible and ethical forestry. We aim to enhance the benefits healthy forests bring to our ecosystems, while recognising the subsistence needs and customary rights of local communities and indigenous peoples.

In 2019, Woodbois began using Global Forest Watch, an online platform that provides data and tools for monitoring forests. By taking data from various satellites, Global Forest Watch can give real-time information on forest fires and other potential deforestation situations. We will continue to use Global Forest Watch to monitor activity in our concession areas.

## This includes:

- Protecting forest areas against deforestation, degradation and conversion for unauthorised or illegal resource use, settlement and other prohibited activities.
- Restoration of non-compliant deforestation and conversion.
- Implementing a landscape-level approach to preserving animal habitats and biodiversity.
- Permitting no hunting, or permitting sustainable hunting and fishing only.
- For any present and future potential plantation timber suppliers to not plant on peat land.
- Adopting the High Carbon Stock approach to any future potential plantation timber suppliers.
- Not working with suppliers that use GMO (genetically modified organisms).

**Our commitments apply to all suppliers.**



**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries



- 15.2** 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally
- 15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species
- 15.7** Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products
- 15.8** By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species



## MATERIAL ISSUES

- Climate change
- Biodiversity
- Protection of land (soil and water safety)
- Greenhouse gas emissions
- Energy usage



## STRATEGIC PRIORITIES

1. Protect forests from illegal harvesting
2. Preserve animal habitats and biodiversity
3. Employ soil and peat management best practices
4. Integrate activities to enable transition to net zero emissions

As of 2020, the Company does not have any peat land area in its landbank



Our carbon analysis from 2020 indicates a decrease in fuel consumption and consequently GHG emissions. However, since production in 2020 decreased because of the global pandemic it is difficult to compare this data with that of previous years.

**ENERGY CONSUMPTION**      2019      2020

Diesel consumption on the ground and in processing facilities (GJ HHV)	30,150	24,506
Petrol consumption on the ground and in processing facilities (GJ HHV)	280.77	201
Total energy consumption from fuels (diesel, petrol) (GJ HHV)	30,430	24,708
Total energy (fuels and electricity) intensity ratio per final production (logs) (GJ HHV/m <sup>3</sup> )	0.89	1.31

\* Diesel assumed to be 100% mineral diesel Petrol assumed to be 100% mineral petrol  
 Biomass assumed to be wood chips  
 GHG Protocol Website: "NCASI Spreadsheets for Calculating GHG Emissions from Wood Products Manufacturing Facilities Workbook Version 1.0"

2019      2020

Direct (Scope 1) GHG emissions for use of fuels	tCO <sub>2</sub> e	2,277	1,849
Biomass converted into energy	t	1573	1250
Other indirect (Scope 1) GHG emissions: on-site biomass incineration	tCO <sub>2</sub> e	92.84	72.94
Volume of logs harvested	m <sup>3</sup>	34,361	18,810
Total GHG emissions intensity	tCO <sub>2</sub> e/m <sup>3</sup> logs	0.07	0.10
Volume of Woodbois' produced timber (logs, veneer, sawn timber)	m <sup>3</sup>	12,717	9,357
Total GHG emissions intensity	tCO <sub>2</sub> e/m <sup>3</sup> timber	0.18	0.20



Indicators



# Transparency

In 2020, Woodbois was again recognised for its sustainable activities in the Sustainability Policy Transparency Toolkit ('SPOTT') ESG policy transparency assessments for the worldwide timber and pulp industries. In the annual assessment, Woodbois was ranked third out of more than 100 companies by SPOTT, and highest amongst the public companies. This was our second year of assessment and saw the company move further up the rankings, reflecting our efforts to improve the standards of our ESG policies, and provide transparency and good governance alongside our sustainability-focused operating model.

**RANKED #3  
ON SPOTT'S ESG POLICY  
TRANSPARENCY ASSESSMENTS  
FOR TIMBER AND PULP**



# Forests management and climate change

Our forest management and responsible sourcing practices have a direct impact on SDG 15 and on our ability to preserve the forest environment while supplying wood and wood products in the long term. Inadequate and aggressive management practices could affect the potential of the lands where we operate, reducing the positive impact on local communities in terms of resources and job opportunities.

Sustainable forest management plays a two-fold role in mitigating climate change. Firstly, forests absorb carbon dioxide from the atmosphere and transform it into biomass via photosynthesis. Secondly, sustainably-managed forests are critical in addressing the environmental impacts of droughts, floods, storms and forest fires, all of which are expected to intensify as climate change progresses.

## OUR CONTRIBUTION

- We protect our forests to reduce deforestation and degradation, by 2030 we aim to eliminate it altogether.
- We take firm action against deforestation, harvesting fewer trees than management plans permit, and working on a 23-year rotation plan that ensures the regrowth of harvested forest and maximises carbon absorption.
- We work closely with governments and local communities to address illegal activities, helping to ensure that forests are protected and that their productive capacity is optimised in the long term.
- We strictly follow both national and international regulations and standards for flora and fauna protection (CITES, IUCN), and commit to zero conversion of natural forests.
- To avoid unsustainable and non-compliant use of forest resources, Woodbois donates a significant volume of logs to local communities.
- By sourcing and manufacturing wood and wood products we offer an alternative to less sustainable products.
- By 2030 Woodbois plans to no longer work with any suppliers that take part in deforestation or conversion.

**WOODBOIS' COMMITMENT TO ZERO DEFORESTATION OR ZERO CONVERSION OF NATURAL ECOSYSTEMS APPLIES TO ALL SUPPLIERS.**



By pursuing sustainable forest management, Woodbois aims to help reduce the negative effects of climate change on forests and forest-dependent people, while at the same time ensuring that forests can fulfil their key role in mitigating climate change.



**OUR FORESTS IN GABON SEQUESTER OVER 160,000 TONNES CO<sub>2</sub>e PER YEAR** (assuming 1.69 tonnes CO<sub>2</sub>e sequestered per hectare per year and considering 8-10 hectares of forests harvested).<sup>23</sup>

**OUR FOREST IN MOZAMBIQUE SEQUESTERS 186,000 TONNES CO<sub>2</sub>e PER YEAR** (assuming that intact natural African forests sequester 0.6 tonnes CO<sub>2</sub>e per hectare per year).<sup>24</sup>

In 2020, 0% illegal and non-compliant deforestation was reported. If non-compliant deforestation or conversion occurs in the future, Woodbois is committed to the restoration of the areas involved.

The company is already working with the Gabonese government and by 2025 will not accept any form of deforestation.

Woodbois is constantly monitoring climate change and has identified a list of specific parameters to measure over time, including:

- Temperature increases which could impact the dynamics of local flora and fauna;
- Rainfall changes which could lead to flooding and soil saturation.

## OUR COMMITMENT

- Best management practices for soils and peat to minimise the use of chemicals, including pesticides and chemical fertilisers, to no use of World Health Organisation (WHO) Class 1A and 1B pesticides and chemicals listed under the Stockholm Convention and Rotterdam Convention.
- Reduced-impact logging.
- Zero burning in the forest.
- Protecting natural waterways with buffer zones.
- Developing a complete climate change risk assessment. This includes identifying climate-related risks that are relevant to the company, and proposing measures that should be made at the forest management unit in Gabon.
- Developing a Natural Capital Assessment based on the protocol provided by the Natural Capital Coalition. We are engaging with consultants who can help us perform more detailed High Conservation Value (HCV) and Social and Environmental Impact (SEIAs) assessments.

**OUR COMMITMENTS APPLY TO ALL SUPPLIERS.**



## Improvement of the Operations

To reduce our carbon footprint, we monitor our energy consumption on a weekly basis and take relevant action when it increases (e.g., equipment maintenance and repair). We endeavour to increase production without increasing our footprint. In partnership with the commercial team, we monitor our wood recovery rate on a daily basis, and have seen a 4% improvement in three months. We improved our sawing quality and waste reduction by organising training workshops with saw operators. We also found new markets for undersized boards, upcycle and recycle small pieces of wood for the hobby market, and use our waste wood to generate energy for our kiln and boilers.

Additionally, we have improved the maintenance and operational time of our equipment and we conducted an awareness training session on diesel consumption for all of our drivers.



## Waste management

Woodbois does not use chemicals or pesticides to manage waste. Wood waste is shared with all neighbouring villages (2400 m<sup>3</sup> in 2020) and the remaining wood waste is used as biofuel for the veneer factory and kilning operations (1250 tonnes in 2020).

## Use of chemicals

Woodbois doesn't use chemicals in any forestry, sawmill or veneer operations, including pesticides and chemical fertilisers (i.e. World Health Organisation Class 1A and 1B pesticides or chemicals listed under the Stockholm Convention and Rotterdam Convention), chlorine or chlorine compounds. To capture and dispose of pests, we use an integrated management approach with non-chemical devices.

## Firefighting

At Woodbois, we believe the best approach to reducing the risk of wildfires is preventative firefighting. Our proactive three-pronged approach – effective weed control, firebreak construction and ring-hoed trees – drastically reduces fuel loads prior to the dry season. By engaging local communities to identify potential hot spots, we ensure fires are kept to a minimum. Our preventative approach is extremely effective; Woodbois has never lost a single tree to fire in any of its project areas.

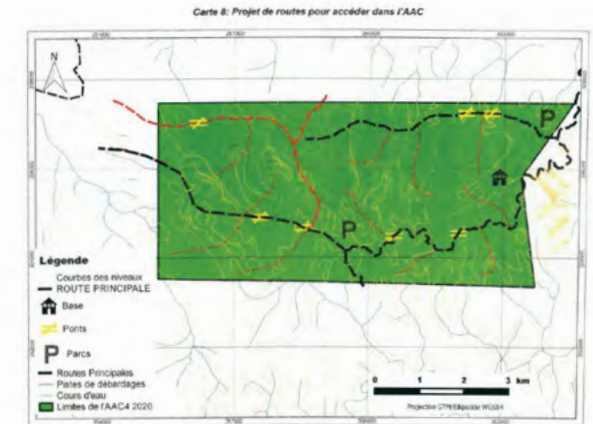
## Minimising the impact of logging roads

The dense, compact surface of logging roads prevents rainwater from soaking into the ground, causing soil erosion that can carry fertile topsoil away from forests and into streams, polluting water resources and making it difficult for harvested forests to regenerate. Woodbois minimises the impact of logging roads by basing main tracks, wherever possible, on existing roads and elephant paths, and avoiding secondary roads unless absolutely necessary. Our forestry management plan creates new roads efficiently and carefully, with infrastructure dimensions minimised as much as possible while adhering to safety and sunlight rules. Watercourse crossings are constructed without raising the water level, which could potentially lead to flooding upstream and the destruction of forest. Bridges and other structures are planned and constructed according to varying seasonal flows.

**SUSTAINABLE FOREST  
MANAGEMENT PRACTICES**

= healthy forests

= more resources & job opportunities



Crucially, harvesting only takes place along carefully laid out skid trails. After harvesting, skid trails are rehabilitated to avoid permanent soil compaction and roads are closed to prevent poaching and illegal settlements. In just a few months, skid trails and harvesting gaps are covered by tree regeneration, while roads disappear after a few years due to the natural regeneration of pioneer tree species. Woodbois is committed to using best-in-class practices to minimise the impact of logging on the surrounding environment.

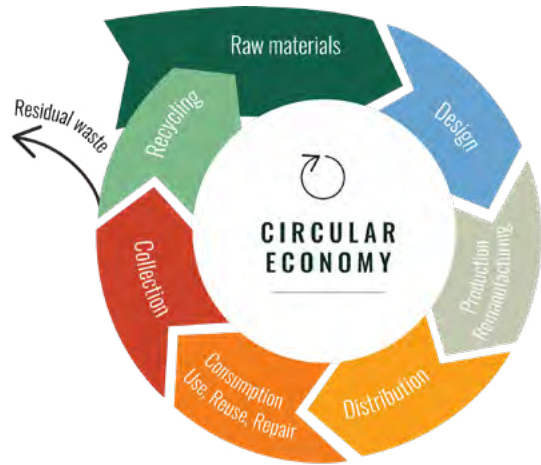




# The value of wood products within the circular economy

The forest products value chain is a prime example of a circular economy.

## • Approach To Enhancing Economic and Nature-Capital Impact



## • The forest product value chain

Presented by WBCSD Forest Sector SDG Roadmap



- Substituting conventional building materials for mass timber reduces construction phase emissions by **69%**.
- Substituting conventional building materials with wood in half of new urban construction could provide **9%** of global emissions reduction needed to meet 2030 targets for keeping global warming below 1.5 °C.
- 80% less CO<sub>2</sub>e emitted when manufacturing a wooden table than a plastic table. (purely on emissions factors).
- As an added benefit wooden furniture also stores carbon at a rate of 1t per 1m<sup>3</sup> for its lifetime.<sup>25</sup>

	Weight of the table	Emissions due to the production of the table
<b>Hardwood Wooden Table</b>	32 kg	10.0 kg CO <sub>2</sub> e
<b>Plastic Table</b>	16 kg	49.7 kg CO <sub>2</sub> e

AVOIDED EMISSION **39.7 kg CO<sub>2</sub>e**

## • Woodbois' approach to enhancing economic and nature-capital impact

### Expand production capacity and hectares of forest under management.

Woodbois wishes to increase its hectares under management to further enhance the benefits to all stakeholders.

### Certification of natural forests.

The Company is currently working with PPEFC and has started the process of consultation.

### Reforestation in the form of plantation or natural forest alongside partners.

Woodbois is exploring reforestation solutions for available degraded land with corporates to identify carbon credit / offsetting opportunities.

### Capital expenditure to move further along timber value chain.

Woodbois has extensively expanded its sawmill and built a veneer factory in Mouila. The Company has committed to investing more capital to move along the value chain providing more skilled work for the local community.



### Reduce timber waste.

In moving along the value chain, Woodbois seeks to reduce its waste, further enhancing its role in the Circular Economy mandate created by the Bio-Economy Alliance.



# FSC Certification

Woodbois has FSC chain of custody certification in Denmark and has initiated its journey towards FSC Certification in 2020, as well as engaging with the Programme de Promotion de l'Exploitation Certifiée des Forêts<sup>26</sup> (PPECF).

Within the next ten years Woodbois is committed to:

- Gaining FSC certification for 100% of our FMUs.
- Sourcing only wood/wood fibre that meets FSC Controlled Wood requirements.
- 100% third-party verification for FMUs.
- Sourcing only wood/wood fibre that is in legal compliance, as verified by a third party.

**57** ha  
of forest have been  
restored.

## Mozambique: reforestation project update

### REFORESTATION ACTIVITIES IN THE MADEIRAS SL CONCESSION



Opening holes for pillars



Preparation of the soil. Demarcation of the beds



Placing ceiling pillars



Pillar plantation



Covering process



### SURVEY OF PLANTED TREE SPECIES

Our planted tree species survey was conducted by GPS, enabling us to track annual growth and silvicultural treatments for each species planted. This data will be updated annually to help monitor increases from replanting or reduction from death. The survey will be replicated at other concessions.



Chanfuta in natural regeneration weeks after the fire

### FILLING PLASTIC VASES WITH SOIL

During this reporting period, an additional 1,470 plastic vases were filled with soil, creating a total of 4,900 soil-filled vessels.



Flowerbed

### SOWING

The 1,470 pots were planted across three beds (490 in each): two in Umbila and one in Umbaua, as shown in the images below.



Example of some vessels subjected to reseeded

### RESEEDING

Reseeding was undertaken in pots where seeds did not germinate in the first sowing, as illustrated in the following images.

### IRRIGATION

Irrigation is a continuous activity carried out day-after-day that will be gradually reduced as the seedlings gain strength in their stem in the nursery.

### UMBILA SEED PROCESSING (CAPSULE REMOVAL)

The umbila seed is protected by a capsule requiring a superficial burn to remove its thorns.



Umbila seed protected by a spiny capsule

### CULTURAL TREATMENTS

Using a pointed piece of wood, the soil was scarified (flushed) in the pot and weeds were removed, the aim of which is to obtain well-formed and healthy seedlings during their development.



Chanfuta Nursery. Scarification process (fluffing) of the soil and elimination of weeds in the pots

### FIREBREAKS

Although some activities take place simultaneously, as in the case of irrigation and reseeded, the process of opening a fire break around the reforested areas previously devastated by the fire also started with a short-handled hoe.



Firebreak opening process

### JARDIM ZAMBÉZIA – GILÉ AND MONTARA FOREST

In the Jardim Zambézia - Gilé and Montara Forest Concessions, the ongoing activity consists of weeding other closest competitors around the plants using a short-handled hoe, whose purpose is to reduce the competition between the plant and weeds in the absorption of water, nutrients and mineral salts from the soil.



Plants without weeds or other competitors



## Establishment of new afforestation - reforestation & carbon credit division

Woodbois has identified an attractive commercial opportunity to deliver reforestation projects at scale in Africa while generating carbon credits for corporate bodies in the expanding Voluntary Carbon Markets. The new initiative – which is part of the company's Reforestation and Carbon Credit division which has been officially launched in 2021<sup>27</sup> – will answer growing calls for high quality nature-based carbon sequestration projects, contributing to a wider global effort to address the ecological and socio-economic stresses posed by climate change.

Woodbois wants to actively involve local governments and communities in all stages of these types of projects. The business will provide invaluable environmental, social and economic benefits to the local communities, and support emerging national efforts to build green economy initiatives in Africa. The strong focus on climate, biodiversity, local skilling and employment is expected to further boost the company's standing as one of the best-in-class ESG investments.

The entry into the carbon credit market also has the potential to play a major role in future growth. With more than 1,600 companies with revenues exceeding a combined total of more than \$11 trillion committing to net zero carbon emissions by 2050,<sup>28</sup> and Mark Carney's UN backed-taskforce<sup>29</sup> mandate to bring the Voluntary Carbon Market to scale, this market is forecast to grow significantly over the coming years. Woodbois believes that its entry into this important and growing market will bring multiple synergies, as well as providing a valuable add-on to the company's existing sustainable forest management operations.



## The Voluntary Carbon Market (VCM)

- The 2015 Paris Agreement, signed by 196 states, set out a commitment to limit temperature rise to 2°C above pre-industrial levels;
- The 2°C limit is a critical threshold beyond which scientists predict the earth would suffer irreversible damage;
- GHG emission commitments are NOT on track to meet Paris agreement goals;
- Corporations have a central role to play in meeting global emissions targets;
- Climate scientists have made it clear that a deep transformation is needed to achieve climate goals ;
- It is universally agreed that carbon credit markets are a significant part of the solution;
- The carbon offset demand is expected to multiply 20 times by 2030 and 130 times by 2030;<sup>30</sup>
- Large scale sequestration projects will be required to supply carbon credits to meet rapidly growing demand;
- Forest preservation and reforestation are currently the most effective ways to remove carbon from the atmosphere;
- Timber is the only construction material that stores carbon;
- Hardwood as a commodity is likely to become an increasingly-valuable and inflation-proof asset class;
- Woodbois sustainably manages one million acres of forest.



# Woodbois Reforestation and Carbon Credit Plan in Gabon

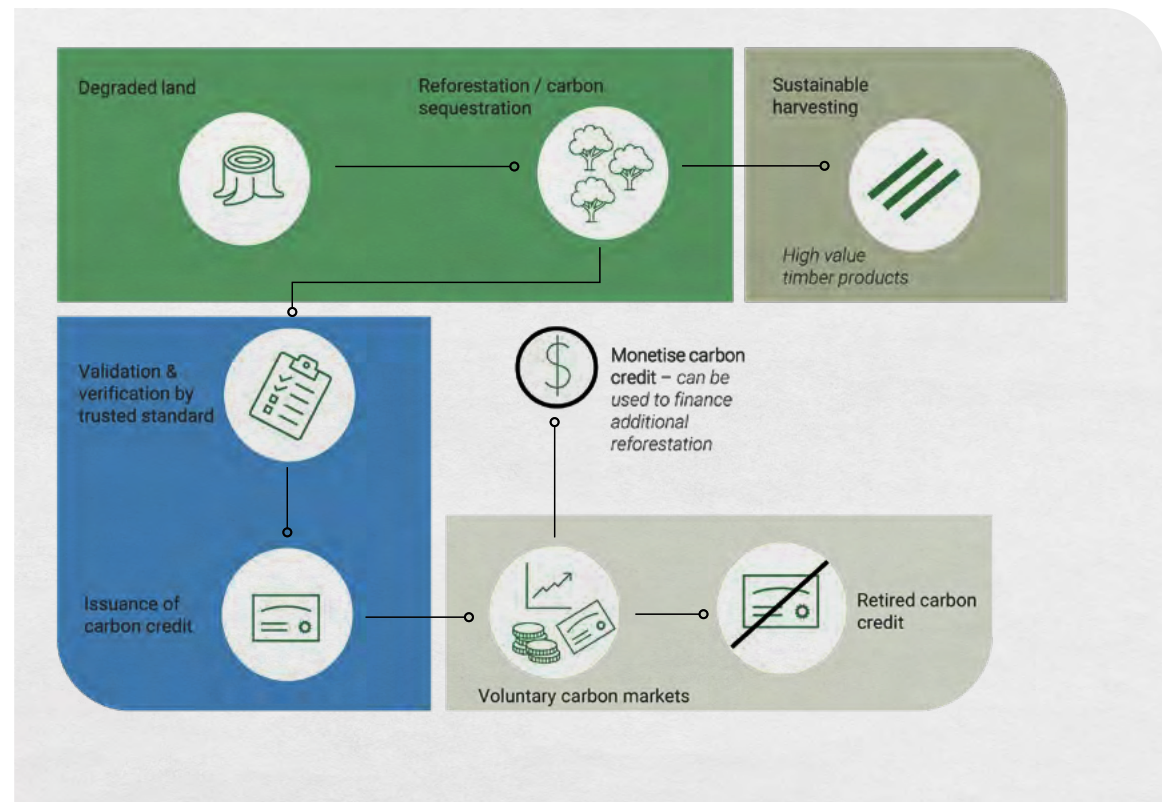
Woodbois is committed to engaging in reforestation projects across Gabon. These projects bring a number of benefits to Gabon, including alignment with its goal of land degradation neutrality by 2030 and reduced forest cover loss. This commitment also gives Woodbois more scope to partner with NGOs and multinationals seeking their own carbon reduction objectives.

## REFORESTATION PROJECT PROCESS

- Project sites previously exploited for illegal logging / extractive industries
- Lack of investment and expertise has previously prevented reforestation
- Project developer coordinates with the Government to secure long term concession
- Native species used to restore efficient ecological system

## CO-BENEFIT

- Positive environmental impact – biodiversity, soil and water quality, CO<sub>2</sub> sequestration
- Poverty alleviation, skilling and stable employment for local communities
- Capability building and educating in sustainable practices
- Reduced social mobility in project geographies





# REFORESTATION IS THE MOST COST EFFECTIVE SOLUTION

Photosynthetic carbon capture is the most reliable and cost-effective method available today for restricting the rise of atmospheric CO<sub>2</sub> concentrations.

The Intergovernmental Panel on Climate Change suggests new forest projects could sequester 25% of the CO<sub>2</sub> required to maintain the 2°C temperature goal.

○ 2052  
ISSUANCES  
COMPLETED

## PROJECT LIFE CYCLE

2022  
PROJECT  
START



Project developer secures plot and plants with native species



Project validated and verified by private standard  
Trees continue growing and sequestering CO<sub>2</sub>



Credits are issued on regular basis after verification of sequestration levels



Project enters revenue generation phase – credits are sold to corporates and retired to offset emissions



Tree CO<sub>2</sub> sequestration reaches plateau at end of project life cycle  
The trees remain efficient biological carbon sinks



# ANNEXES

## FPIC PROCEDURE

When Woodbois opens up a new area of forest to be harvested, the company follows an internal FPIC (Free Prior and Informed Consent) procedure to ensure that locals are properly informed and that their concerns and needs are taken into account in the context of the prospective operation.

### Identifying concerned locals and their representatives

- Having been present in Gabon for over 20 years, the company is well known among the local communities in which we operate, allowing us to easily identify local communities that may be present in our area of operation.

### Inform the local community of the company's plans, document any concerns or needs that the indigenous people have

- The company has strong relationships with local communities, typically meeting local leaders every two months to update them on our activities as well as address concerns or questions surrounding our operations. These are documented and followed up.

### Implementation of local community needs within our projects. Regularly monitoring and evaluating agreements that are in place

- Our Operations Manager actively meets local community leaders and representatives.
- She also makes sure that any agreements or concerns that may have been highlighted are actively followed up on by specific members of the operations teams on the ground.



# FORESTRY TRACEABILITY ASSESSMENT

The Traceability Assessment Guide (TAG) created by Smurfit Business School in collaboration with Woodbois is reported below.

	Category	Task Description	Method/Source	Examples/Explanation	Check
<b>Phase 1: Internal Support</b>	Project	Management support	Internal Consultation	Management project sponsorship, transparency, consultation, communication of benefits	
		Input from staff on the ground	Internal consultation	Select relevant individuals and method of information collection (e.g. interview, questionnaire)	
		Resource allocation	Internal consultation	Determine the budget and personnel available for the project	
<b>Phase 2: Capability Assessment</b>	Stakeholders	Identify all internal and external stakeholders	Stakeholder Identification Table	Workers, NGOs, Shareholders etc.	
		Evaluate the stakeholders	Stakeholder Salience Model	Urgency, Power and Legitimacy	
		Ascertain stakeholder interests	Research	Priorities, personalities, desired level of involvement	
		Identify conflicting stakeholder interests	Research	Environmental, legal, economic	
	Compliance	Mandatory/Legal Requirements	Documentation	Country of Origin, Country of Destination, (e.g. GDPR, VPA, The Lacey Act, Due Diligence)	
		Voluntary Requirements	Documentation	FSC, PEFC, Others (if applicable)	
	Risk Management	Identify risks	Research & internabconsultation	Financial, Country, Cross-Cultural and Commercial	
		Evaluate & assess the risks	Codification or Personalisation	Likelihood and impact of risk	
		Develop a plan of mitigation or elimination	Internal consultation	Process adjustments, backup plans, operational redundancies	
		Execute the plan	Internal consultation	Implementation	
		Monitor the results	Internal consultation	Reports, interviews, questionnaires	
	Knowledge Management	Review and adjust	Internal consultation	Amend plan if required	
		Identify the traceability data to be recorded	Internal consultation	Timber species, movement through the process, volumetric data	
		Determine Transparency Strategy	The Transparency Matrix	Secret, Transparent, Withheld, Distracting	
	Knowledge Transfer	Decide Knowledge Management Strategy	Codification / Personalisation	Digital/paper recording, verbal communication	
		Identify information to be transferred	The Disclosure Matrix	Strategic, Critical, Non-Critical, Optional	
		Identify Knowledge Transfer Strategy	Codification / Personalisation	Digital/paper transfer, verbal, direct access	
		Data verification method	Internal consultation	Biometric, encryption, signature, barcode	
	Design Considerations	Identify feedback and control method	Internal consultation	Manual review, digital record, communication plan, relationship management	
		Operating parameters, tolerances and alerts	Technical review	Target outputs with minimum and maximum deviation tolerances, and live-alerts	
		Universal file formats	Technical review	Ability of other software or users to view outputs (e.g. MS Office vs iWork)	
		User experience	Technical review	Ease of usespeed of use, compatibility with work processes	
		Training	Technical review	Complexity, user interface, simplicity to communicate, intuitiveness	
Integration with other systems		Technical review	Compatibility with other systems (e.g. API, desktop vs mobile), and ease of deployment		
Reporting		Technical review	Ability to create customisable reports in a usable and presentable format		
Cost of adjustment		Technical review	Ability to adapt to new requirements without incurring prohibitive cost		
Ease of adjustment		Technical review	Level of adjustment to the system possible without developer input		
Data integrity		Technical review	User activity logging and method by which data is protected from retroactive manipulation		
Data security		Technical review	Method by which data is stored and transferred (e.g., cloud, blockchain, internal server)		
Localisation	Technical review	Language, currency, units of measurement, date format			





## ESG INDICATORS

GRI indicators	Description	Unit	2020
GRI 102-1	Name of the organization.	NA	<b>Woodbois LTD</b>
GRI 102-2	Activities, brands, products and services. a. A description of the organization's activities. b. Primary brands, products and services, including an explanation of any products or services that are banned in certain markets.	NA	Woodbois Limited is a leading producer, processor and manufacturer of sustainable African hardwoods and hardwood products supplied to a global customer base. Woodbois also supplies industrial timber and timber products into Africa, and is a trusted supplier of diverse, internationally sourced sustainable timber and timber products to customers around the world.
GRI 102-3	Location of the organization's headquarters.	NA	London, UK, Port Louis, Mauritius; Copenhagen, Denmark.
GRI 102-4	Location of operations. a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	NA	Woodbois manages and operates natural forest concessions in Gabon and Mozambique and has production facilities in both countries. Our trading team is based in Copenhagen with African operations in Gabon and Mozambique, including a network of over 100 suppliers.
GRI 102-5	Ownership and legal form. a. Nature of ownership and legal form.	NA	Woodbois Limited is a holding company listed on the AIM section of the London Stock Exchange.
GRI 102-7	Scale of the organization. i. Total number of employees.	Number	276
GRI 102-8	Information on employees and other workers. a. Total number of men.	Number	233
GRI 102-8	Information on employees and other workers. a. Total number of women.	Number	43
GRI 102-8	Information on employees and other workers. a. % of women.	%	16%
GRI 102-8	Information on employees and other workers. a. % of men.	%	84%
GRI 102-8	Information on employees and other workers. a. Total number of people in senior manager positions.	Number	13
GRI 102-8	Information on employees and other workers. a. Total number of women in senior manager positions.	Number	4
GRI 102-8	Information on employees and other workers. a. Board members.	Number	5
GRI 102-8	Information on employees and other workers. a. Women in board positions.	Number	1
GRI 102-8	Information on employees and other workers. a. % of women in board positions.	%	20%
GRI 102-8	Information on employees and other workers. a. % of women in senior management positions.	%	31%
GRI 102-8	Information on employees and other workers. a. Total number of permanent employees working in the production facilities in Gabon and Mozambique.	Number	54
GRI 102-8	Information on employees and other workers. a. Total number of fixed-term and seasonal employees working in the production facilities in Gabon and Mozambique.	Number	205
GRI 102-8	Information on employees and other workers. a. Total number of fixed-term and seasonal employees working in the production facilities in Gabon and Mozambique.	%	79.15%
GRI 102-14	Statement from senior decision-maker. a. A statement from the most senior decision-maker of the organization (such as CEO, chair or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	Page	Letter from Paul Dolan.
GRI 102-20	Executive-level responsibility for economic, environmental and social topics. a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics. b. Whether post holders report directly to the highest governance body.	Page	Governance
GRI 102-47	List of material topics. a. A list of the material topics identified in the process for defining report content.	Page	Materiality analysis
GRI 102-50	Reporting period.	NA	The current report refers to the financial year from January to December 2020.
GRI 201-1	Direct economic value generated and distributed. i. Direct economic value generated: revenues.	US\$	\$15,260,000
GRI 201-1	Economic growth.	%	-22%
GRI 201-2	Direct economic value generated and distributed. Investment in management plans.	US\$	\$36,368.53
GRI 201-3	Investment in environmental licences.	US\$	\$72,846.14
GRI 201-4	Investment in HSE equipment.	US\$	\$15,807.00
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage (average % above minimum wage).	%	Woodbois pays 49% above the local minimum wage.
GRI 203-1	Infrastructure investments and services supported.	US\$	\$749,551.00
	Investments per capita (per number of employees). Gabon	US\$	\$3,638.60



GRI indicators	Description	Unit	2020
GRI 302-1	Energy consumption within the organization. Diesel consumption on the ground and in processing facilities.	LTS	682,631.00
GRI 302-1	Energy consumption within the organization. Diesel consumption on the ground and in processing facilities.	GJ HHV	24,506.45
GRI 302-1	Energy consumption within the organization. Petrol consumption on the ground and in processing facilities.	LTS	5,608.00
GRI 302-1	Energy consumption within the organization. Petrol consumption on the ground and in processing facilities.	GJ HHV	201.33
GRI 302-1	Energy consumption within the organization. Total energy consumption from fuels (diesel, petrol).	LTS	688,239.00
GRI 302-1	Energy consumption within the organization. Total energy consumption from fuels (diesel, petrol).	GJ HHV	24,707.78
GRI 302-1	Energy intensity. Total energy (fuels and electricity) intensity ratio per final production (logs).	GJ HHV/m <sup>3</sup>	1.31
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	page	Our facilities.
GRI 304-1	Total forest land.	ha	405,816.00
GRI 304-1	Operational forest land (forest management plans).	ha	337,459.50
GRI 304-1	Area with actual harvesting.	ha	7,483.00
GRI 304-1	Area dedicated to conservation.	ha	16,232.60
GRI 304-1	Shared community, conservation and multi-use.	ha	44,639.80
GRI 304-2	Construction of new manufacturing plants.	NA	New machinery installed in the Sawmill in Gabon.
GRI 304-2	Use of current manufacturing plants.	Number	2
GRI 304-2	Introduction of non-native or invasive species.	Number	0
GRI 304-2	Volume of logs harvested.	m <sup>3</sup>	18,810.00
GRI 304-2	Harvesting intensity ratio per hectare.	m <sup>3</sup> /ha	2.51
GRI 304-2	Volume of Woodbois' produced timber. (logs, veneer, sawn timber)	m <sup>3</sup>	9,357.00
GRI 304-2	Volume of third party timber traded. (logs, veneer, sawn timber)	m <sup>3</sup>	23,932.00
GRI 304-2	Volume of timber traded including third party and Woodbois. (logs, veneer, sawn timber)	m <sup>3</sup>	33,289.00
GRI 304-2	Sawmills providing third-party timber supplies	m <sup>3</sup>	42
GRI 304-3	Habitats protected or restored (Mozambique).	ha	57
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations. Flora.	Number	12
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations. Fauna.	Number	11
GRI 304-4	National conservation list species on the concession in Gabon. Flora.	Number	5
GRI 304-4	National conservation list species on the concession in Gabon. Fauna.	Number	10
GRI 305-1	Direct (Scope 1) GHG emissions for use of fuels.	tCO <sub>2</sub> e	1,848.88
GRI 305-1	Other indirect (Scope 1) GHG emissions: on-site biomass incineration.	tCO <sub>2</sub> e	72.94
GRI 305-4	Total GHG emissions intensity.	tCO <sub>2</sub> /m <sup>3</sup> logs	0.10
GRI 305-4	Total GHG emissions intensity.	tCO <sub>2</sub> /m <sup>3</sup> timber	0.20
GRI 306-2	Recovered downgraded wood provided to the community.	m <sup>3</sup>	2,400.00
GRI 306-2	Biomass converted into energy.	Tonnes	1,250.00
GRI 402-1	Minimum notice periods regarding operational changes.	Number in weeks	Mozambique: 4 weeks for permanent and fixed-term employees. Gabon: 8.6 weeks for permanent and 2 weeks for fixed-term employees.
GRI 403-9	Work-related injuries (Gabon and Mozambique).	Number	18
GRI 403-9	Work-related fatalities (Gabon and Mozambique).	Number	0
GRI 404-1	Total hours of training per year (Gabon).	Hours	1,420.00
GRI 404-1	Average hours of training per year per employee (Gabon).	Hours	6.89



# REFERENCES

1. SPOTT.org. 2021. About SPOTT | SPOTT.org. [ONLINE] Available at: <https://www.spott.org/about/>. [Accessed 07 June 2021].
2. Sustainable Development Goals :: Sustainable Development Knowledge Platform. 2021. Sustainable Development Goals :: Sustainable Development Knowledge Platform. [ONLINE] Available at: <https://sustainabledevelopment.un.org/?menu=1300>. [Accessed 07 June 2021].
3. COMIFAC: Commission des Forêts d'Afrique Centrale. 2021. COMIFAC: Commission des Forêts d'Afrique Centrale. [ONLINE] Available at: <https://www.comifac.org>. [Accessed 07 June 2021].
4. PPECF COMIFAC. 2021. PPECF. [ONLINE] Available at: <http://www.ppecf-comifac.com/Qui-sommes-nous.html>. [Accessed 7 June 2021]
5. Timber Regulation - Forests - Environment - European Commission. 2021. Timber Regulation - Forests - Environment - European Commission. [ONLINE] Available at: [https://ec.europa.eu/environment/forests/timber\\_regulation.htm](https://ec.europa.eu/environment/forests/timber_regulation.htm). [Accessed 07 June 2021].
6. Home - CBFP - Congo Basin Forest Partnership. 2021. Home - CBFP - Congo Basin Forest Partnership. [ONLINE] Available at: <https://pfbc-cbfp.org/home.html>. [Accessed 07 June 2021].
7. Vizzuality. 2021. Home | Open Timber Portal. [ONLINE] Available at: <https://www.opentimberportal.org>. [Accessed 07 June 2021].
8. Lombard Odier launches Natural Capital strategy. 2021. Lombard Odier launches Natural Capital strategy. [ONLINE] Available at: <https://www.lombardodier.com/contents/corporate-news/media-releases/2020/november/lombard-odier-launches-natural-c.html>. [Accessed 07 June 2021].
9. Circular Bioeconomy Alliance | European Forest Institute. 2021. Circular Bioeconomy Alliance | European Forest Institute. [ONLINE] Available at: <https://efi.int/cba>. [Accessed 07 June 2021].
10. SASB Materiality Map. 2021. SASB Materiality Map. [ONLINE] Available at: <https://materiality.sasb.org>. [Accessed 07 June 2021].
11. Sustainable Development Goals :: Sustainable Development Knowledge Platform. 2021. Sustainable Development Goals :: Sustainable Development Knowledge Platform. [ONLINE] Available at: <https://sustainabledevelopment.un.org/?menu=1300>. [Accessed 07 June 2021].
12. Forest Products Annual Market Review. 2021. UNECE. [ONLINE] Available at: <https://www.uncece.org/fileadmin/DAM/timber/publications/SP48.pdf>. [Accessed 7 June 2021].
13. World Bank. 2021. Forests of Mozambique: A Snapshot. [ONLINE] Available at: <https://www.worldbank.org/en/news/infographic/2018/12/12/forests-of-mozambique-a-snapshot>. [Accessed 07 June 2021].
14. Country profile Gabon. 2021. Country profile Gabon. [ONLINE] Available at: <https://www.timbertradeportal.com/countries/gabon/>. [Accessed 07 June 2021].
15. redd.unfccc.int. 2021. No page title. [ONLINE] Available at: [https://redd.unfccc.int/files/gabon\\_frl\\_submitted\\_feb2021.pdf](https://redd.unfccc.int/files/gabon_frl_submitted_feb2021.pdf). [Accessed 07 June 2021].
16. documents1.worldbank.org. 2021. No page title. [ONLINE] Available at: <http://documents1.worldbank.org/curated/en/693491530168545091/pdf/Mozambique-Country-Forest-Note.pdf>. [Accessed 07 June 2021].
17. Cambridge Institute for Sustainability Leadership. 2021. Cambridge Institute for Sustainability Leadership. [ONLINE] Available at: <https://www.cisl.cam.ac.uk>. [Accessed 07 June 2021].
18. www.afdb.org. 2021. No page title. [ONLINE] Available at: [https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/How\\_Forestry\\_contributes\\_to\\_the\\_AfDB\\_High\\_5\\_Priorities.pdf](https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/How_Forestry_contributes_to_the_AfDB_High_5_Priorities.pdf). [Accessed 07 June 2021].
19. docs.wbcsd.org. 2021. No page title. [ONLINE] Available at: [https://docs.wbcsd.org/2019/07/WBCSD\\_Forest\\_Sector\\_SDG\\_Roadmap.pdf](https://docs.wbcsd.org/2019/07/WBCSD_Forest_Sector_SDG_Roadmap.pdf). [Accessed 07 June 2021].
20. Sustainable Production Defined | Lowell Center for Sustainable Production | UMass Lowell. 2021. Sustainable Production Defined | Lowell Center for Sustainable Production | UMass Lowell. [ONLINE] Available at: <https://www.uml.edu/research/lowell-center/about/sustainable-production-defined.aspx>. [Accessed 07 June 2021].
21. Sustainability reporting easier, faster and affordable. 2021. Sustainability reporting easier, faster and affordable. [ONLINE] Available at: <https://www.diginex-solutions.com/diginex-esg>. [Accessed 07 June 2021].
22. Vizzuality. 2021. LYNN TIMBER (WOODBOIS GABON) | Open Timber Portal. [ONLINE] Available at: <https://opentimberportal.org/operators/100151>. [Accessed 07 June 2021].
23. redd.unfccc.int. 2021. No page title. [ONLINE] Available at: [https://redd.unfccc.int/files/gabon\\_frl\\_submitted\\_feb2021.pdf](https://redd.unfccc.int/files/gabon_frl_submitted_feb2021.pdf). [Accessed 07 June 2021].
24. Green Earth Appeal. 2021. Agroforestry Carbon Sequestration Rates - Green Earth Appeal. [ONLINE] Available at: <https://greeneearthappeal.org/co2-verification/>. [Accessed 07 June 2021].
25. Science Direct. 2020. Developments in the Built Environment Volume 4, November 2020, 100030. [ONLINE] Available at: <https://www.sciencedirect.com/science/article/pii/S2666165920300260>. [Accessed 7 June 2021]. Website
26. PPECF COMIFAC. 2021. PPECF. [ONLINE] Available at: <http://www.ppecf-comifac.com/Qui-sommes-nous.html>. [Accessed 7 June 2021].
27. IR Solutions, Q4 Europe. 2021. IR Solutions, Q4 Europe. [ONLINE] Available at: <https://ir.q4europe.com/Solutions/woodbois/3990/newsArticle.aspx?storyid=14990701>. [Accessed 07 June 2021].
28. unfccc.int. 2021. No page title. [ONLINE] Available at: <https://unfccc.int/climate-action/race-to-zero-campaign>. [Accessed 07 June 2021].
29. United Nations. 2021. Biggest financial players back net zero | United Nations. [ONLINE] Available at: <https://www.un.org/en/climatechange/biggest-financial-players-back-net-zero>. [Accessed 07 June 2021].
30. McKinsey & Company. 2021. A blueprint for scaling voluntary carbon markets | McKinsey. [ONLINE] Available at: <https://www.mckinsey.com/business-functions/sustainability/our-insights/a-blueprint-for-scaling-voluntary-carbon-markets-to-meet-the-climate-challenge>. [Accessed 07 June 2021].

WOODBOIS  Ltd.

**Woodbois Ltd**

**Registered Address:**

P.O. Box 161, Dixcart House,  
Sir William Place,  
St Peter Port, Guernsey GY1 1GX  
Tel: +44 (0)20 7099 1940

[www.woodbois.com](http://www.woodbois.com)