



Sustainability Performance **2022**

BAETTR

Engineering the Foundation
for Future Generations

About the report

With this third sustainability report, we aim to raise the awareness and understanding of sustainability within our organization. Further to communicate our strategy and progress on sustainability to external stakeholders. The purpose is to link the strategic targets with results and stories from our great colleagues bringing sustainability to life across our sites. Sustainability is about the way we conduct business and utilize our resources, fulfilling the needs of our stakeholders with respect for the future generations.

The most often quoted definition of sustainability comes from the UN World Commission on Environment and Development; "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

In the following you find an introduction to our Grow Baettr strategy, how sustainability is integrated at strategic level, targets, and specific performance data.

Data collection is based on both primary and secondary data. Primary data covers activity data within our own organization e.g., from the ERP system, measurements from meters etc. Secondary data covers activity data from external sources, e.g., from invoices or statements. The data quality ranges from medium to high, based on measurement or calculation. The report has been reviewed externally by Green Network. The reporting period follows the calendar year. For CO₂e and waste reporting we use 2019 as baseline for scope 1 and 2, and 2021 as baseline for scope 3. The report will be published yearly, available at our intranet and website.

**The report is prepared by Lene Andersen,
HSE specialist**

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Message from CEO

Peter Pallishøj

Dear reader

You just started reading Baettr 2022 Sustainability Report. The 2022 report is already the third Baettr Sustainability Report, confirming that we have worked with the Green Transition for quite some time. However, it is not the full story, as we started a targeted journey back in 2018.

The fact that we have now had 5-6 years' focus on Sustainability has created a good foundation for the future, which is extremely vital, as the need for action has never been more important. We all need to take this very seriously - both professional as well as private, and we must do something about it. Within Baettr we are fully committed to do so. We are committed to stand accountable for our future generations and be frontrunner wherever possible.

In this Sustainability Report you can read about our performance as well as some examples of actual actions. The examples vary from the inauguration of the Baettr factory in Chennai, India to circularity focus within and between factories.

The Baettr India factory is a lighthouse within the industry when it comes to sustainability, as we have designed it to be best in class, and now it is a reality. In China we have implemented waste heat capturing in Xuzhou, which can be used for district heating, and in our Tianjin factory we are used as best example for safety culture in the entire district with 3.000 companies.

In general, we are very focused on getting the best out of the company, which we can only achieve by unleashing the best in our great employees. Therefore, our Grow Baettr Strategy also stands on a foundation, with very high focus on people, as well as People and Health is integrated in our Sustainability Strategy.

The good part is that even though we have been on this journey for some time, we are all ambitious and believe there is still a lot to improve. This, both within Baettr as well as in the entire supply chain. Consequently, we will work even more structured on targets and actions for how to improve to the benefit of all.

Enjoy the reading.

Peter Pallishøj

We are Baettr

We work every day to make wind energy the most widely available and preferred source of energy in the world. Baettr is a statement of our continued commitment to achieve this goal.

We cooperate with international OEM's operating in the wind industry, adding tangible value to our partners' value chain and business by reducing complexity and driving down costs. Always while focusing on continuously improving processes and being easy to work with, as we apply our expertise within our full spectrum of component design, casting, machining, surface treatment and assembly services.

We believe in people and collaboration. Positive change can only be brought about through collaborative effort and by imagining what we can do better. All for the ultimate beneficiaries – the people themselves.

We are a global company. And we stand accountable for our way of doing business, our impact on people's lives and our global, environmental footprint.

We honour this responsibility with a deep sense of respect for our human and material resources. Because we believe that passing on a better place for future generations is not only profitable – it is truly enriching.



Services



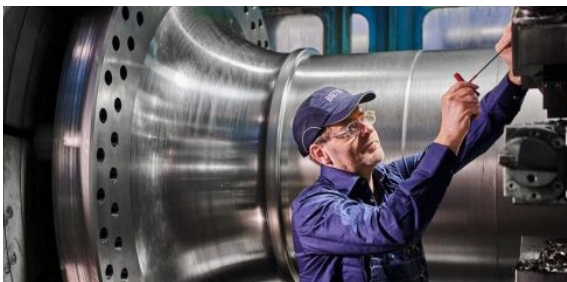
Design

Design better. Cost optimization starts with optimized designs. By letting our experienced design engineers support you in designing your component for serial production, you avoid costly production mistakes and delays.



Casting

We are casting pioneers. Our global foundries are continuously being geared for more competitive serial production to specifications, rapid prototyping and compliant time-to-market delivery. By combining human expertise and technological advances, we cast components fit for the wind turbines of the future.



Machining

Experience accurate and consistent CNC machining. Our global machining facilities have high customer proximity in main regions and provide our partners with precise, lean and professional machining solutions. All for cost-efficient and consistent results.



Surface treatment

Coated to last. Our surface treatment solutions and meticulous quality control protocols are your guarantee for reliable components that give you the best in protection and reliability. It keeps turbines spinning and reduces risk of down-time.

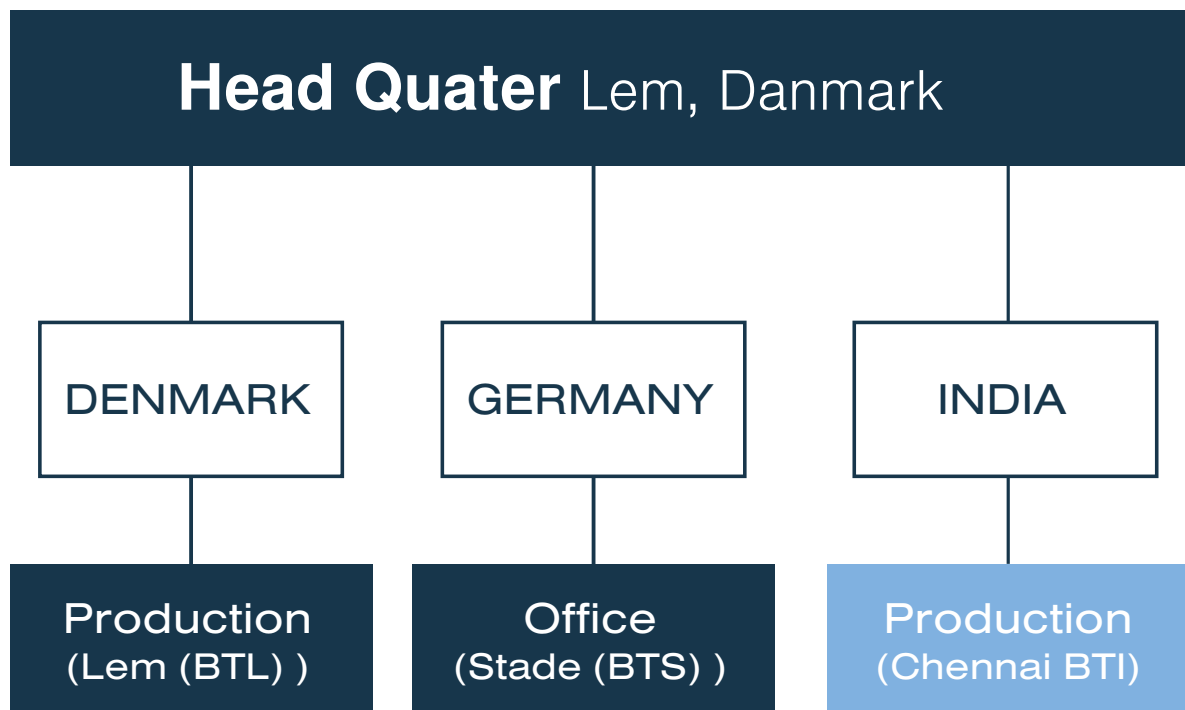


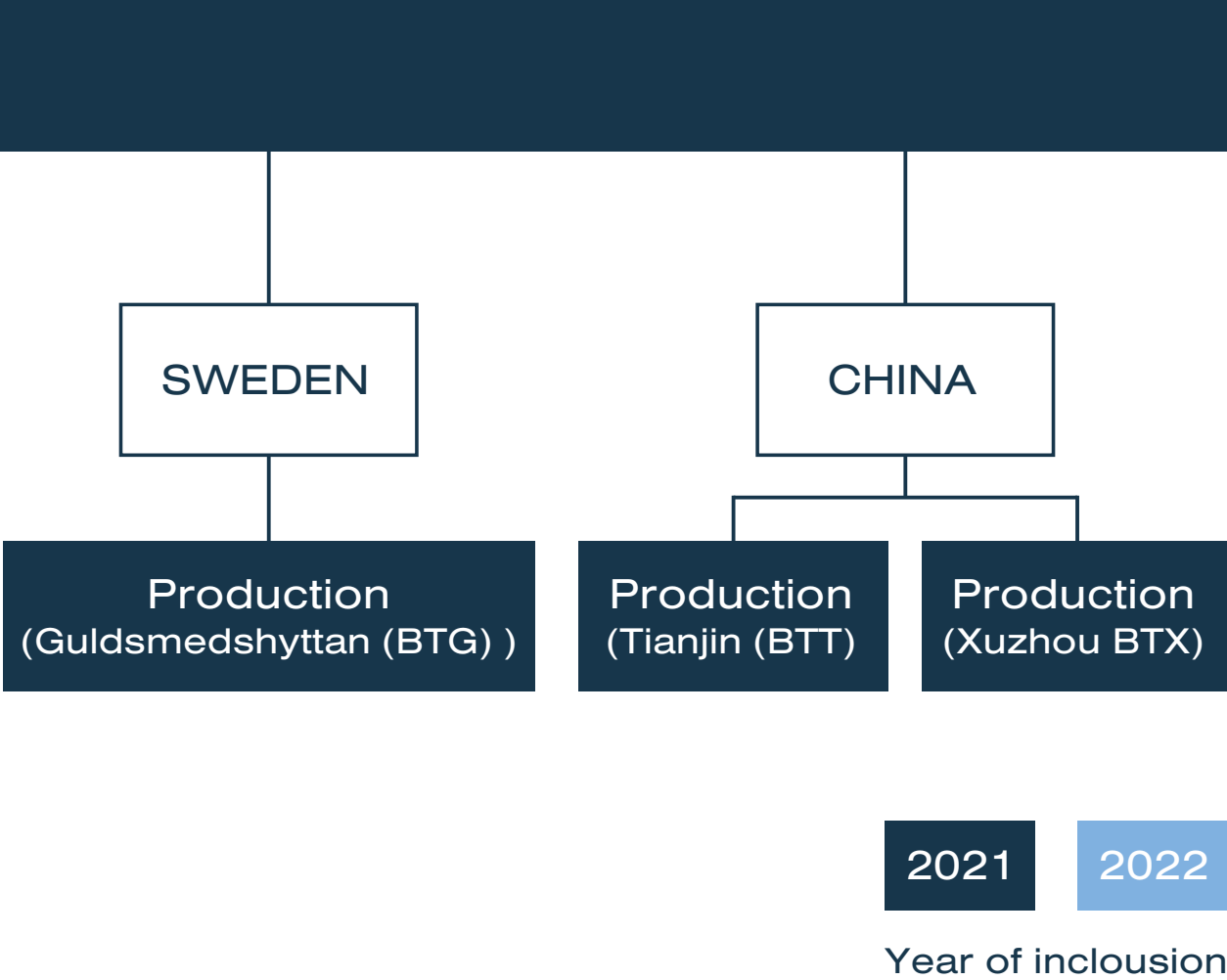
Assembly

On time, in quantity – every time. Fast and efficient logistics solutions are critical in achieving the cost-optimization demands facing the wind industry today. We are close to the major wind turbine markets all over the world - with superior customer proximity.

The organisation

Serving customers around the world, Baettr produces heavy wind turbine components for nacelles and hubs for the wind energy OEMs. Services include design, component manufacturing, machining, surface treatment, and assembly. Baettr aims to integrate sustainability into its business strategy and core processes.





The figure shows the organizational structure diagram. No activities in Chennai for 2021 as the site is new, and production started in 2022 so the site is not part of the baseline.

Grow Baettr

Baettr support the UN Sustainable Development Goals. Specific SDGs are selected based on a materiality assessment, reflecting the areas where we have a positive and /or negative impact.



Based on the materiality screening, we selected the below SDGs. The SDGs are linked to our key work streams within sustainability. In the following sections we will introduce the selected work streams and SDG's. Each workstream support at least one of the SDG's.



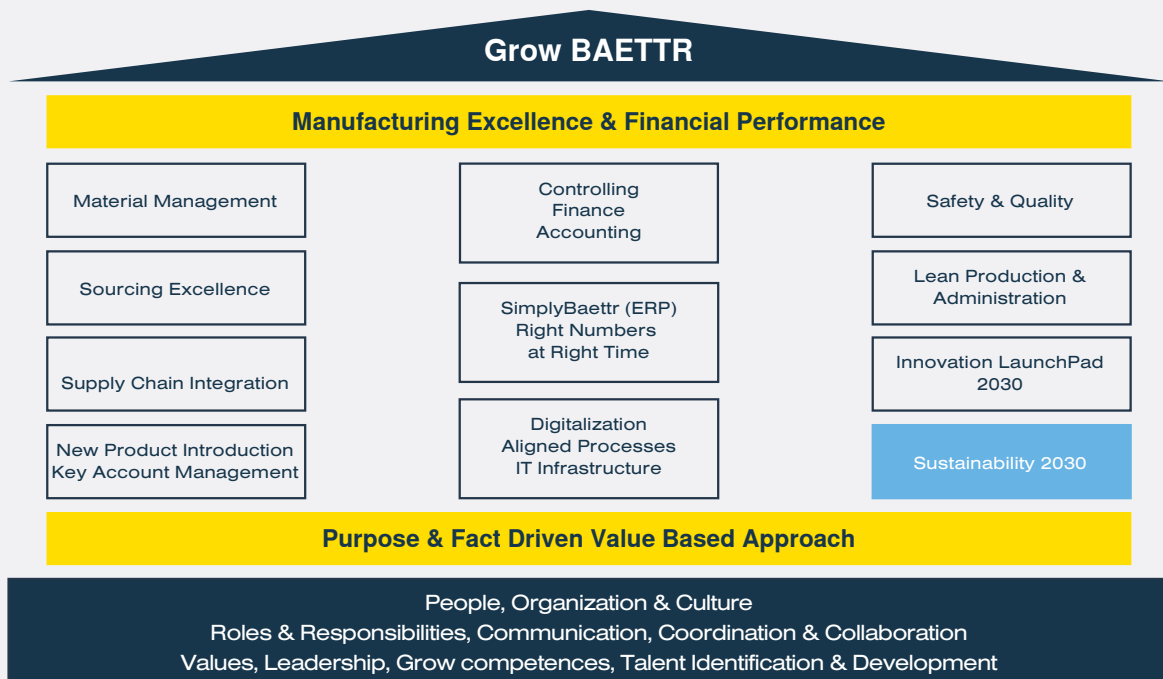
Sustainability

Sustainability is closely linked to our purpose and WHY – We contribute to the necessary green transition to make wind energy the most widely available and preferred energy source in the world.

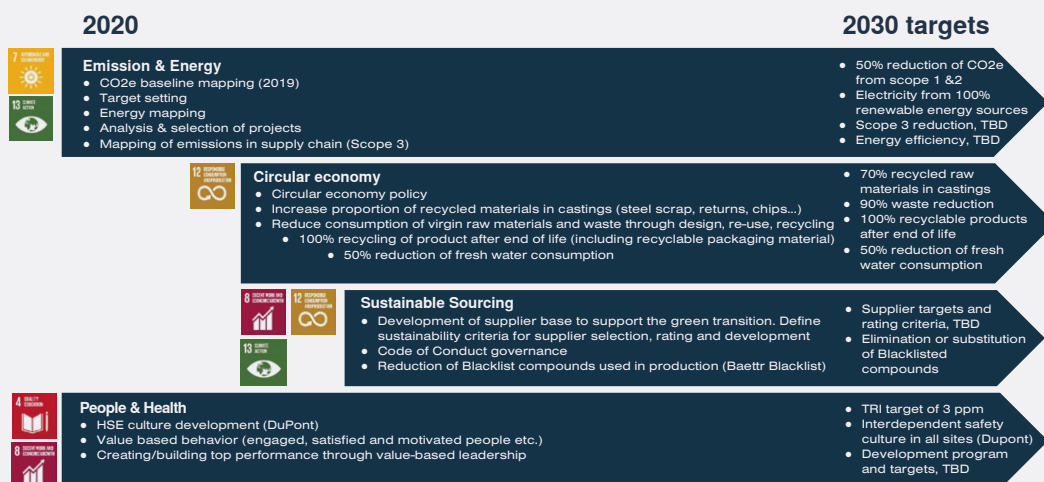
We believe that passing on a better place for future generations is not only profitable – it is truly enriching. Our company strategy, Grow Baettr builds on our values, people, culture, and leadership enabling the realization of our objectives. The strategy house is structured around 3 interdependent pillars. **Sustainability** is embedded in the strategic framework, supporting the sustainable development across the organization. We defined our 2030 **sustainability strategy** and committed to short and long term targets.

The **key business indicators** provide a one-pager summary of our 2022 performance. Targets and further details are explained in the following. See appendix in the back of the report for detailed definitions. We track the performance of each business indicator compared to our targets at defined frequencies. Some follow our monthly reporting, others the quarterly performance review cycle. All business indicators are linked to individual work-stream targets and SDGs.

1 Strategy



2 Sustainability strategy



3 Key business indicators



E for environment

The E in ESG stands for environment and represents an important part of the ESG framework. The environmental aspect focuses on how businesses impact and take responsibility for the environment. It involves identifying and managing environmental risks, reducing emissions and resource consumption, and promoting sustainable practices.

At Baettr, we place great emphasis on implementing initiatives to minimize our negative environmental impact and contribute to a more sustainable future.



Sourcing CO₂e Certificates for energy

As a first step towards Baettr's 2030 target of 100% coverage by renewable energy sources, GO* and I-REC* certificates have been contracted for 2022 electricity consumption at Baettr Xuzhou, Baettr Tianjin, Baettr India & Baettr Lem. Baettr Guldsmedshyttan is not considered since our site in Sweden is already covered by close to 100% renewable sources today. The contracts are signed with ECOHZ, one of Europe's largest players with a portfolio of more than 400 power plants across 6 continents, delivering a range of global renewable electricity solutions.

In total USD 74,000 is spend, to cover 120,000 MWh across sites. Considering the increased focus on sustainability, cost for certificates is expected to increase globally over the coming years.

During 2022, work has been initiated to prepare a more detailed strategy for reaching the 2030 target. Signing long term PPA's (Power Purchase Agreements) will be part of this strategy. During 2023 first steps have been taken to enter PPA's

for both Denmark and India to cover part of Baettr's electricity consumption from 2024 and onwards. By signing these PPA's Baettr will support the development of new renewable energy projects at both locations (i.e. Wind- & solar-panel farms) contributing to the green transition. An important first milestone for Baettr.

*Guarantee of Origin" or "GO" means an EECS Certificate issued as an EECS GO under the Electricity Scheme of the EECS Rules in the applicable country of production, and which has the meaning given to "Guarantee of Origin" under Article 2 and Article 15 of the EU Directive 2009/28/EC of the European Parliament on the promotion of electricity produced from renewable energy sources in the internal electricity market;

*I-REC" means a renewable energy instrument, certified by the I-REC Standard (<http://www.internationalrec.org/>), indicating generation of electricity from a Renewable Energy Project;



Grand Opening of the Baettr India foundry

In April 2022, Baettr celebrated the opening of the new facilities in Chennai, India. The factory has been designed to be more green than any other foundry with an optimized, state of the art production flow, which will ensure a better and more clean work environment with separated processes for the foundry workers. According to CEO, Peter Pallishøj, Baettr India will save 90% of the usual energy consumption on ventilation.

“We have really tried to think all processes through and redesigned great parts of the work processes to save energy, and to secure the best work conditions for our employees. We have taken the best from our own experiences within foundry design and the best from what we have

seen elsewhere” says CEO, Peter Pallishøj. “In addition, we have set up some prerequisites that the foundry must be flexible and scalable in the future”.

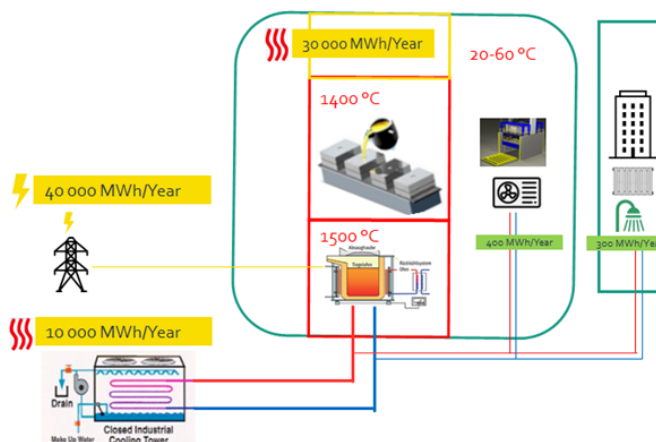


Waste heat utilization in Baettr Xuzhou

Foundries are assumed to be energy intensive. In a busy production year for our Xuzhou factory, as high as 40 GWh electricity is consumed in our melting department, which is equivalent to the electricity consumption of 8,000 typical Western households with three persons. Almost one quarter of the needed energy is actively taken away by the cooling water to keep our machines running properly.

For many years our Xuzhou colleagues have tried different ways to reuse energy from the cooling water as it is basically waste vanishing in the environment. The captured energy is used for heating our office buildings in the winter, to supply hot waters for our production colleagues to take showers after work, and to reuse the heat in our drying chamber for our production. The total recovered energy from the cooling water has reached about 600 MWh per year, so far. This is a small step in our journey to recover the waste energy in our production process and

we will continue to increase energy efficiency. We have more projects in pipeline, and in general our ambition is to continuously work on energy optimization across Baettr sites.





Circular economy

A great collaboration between the factories in Denmark and Sweden has resulted in Baettr Guldsmedshyttan being able to have 20% chips in the melt against the previous 10%. The chips are a waste product from the machine factory in Lem and by optimizing the handling process in Lem, and focusing on better sorting of the chips in the foundry in Guldsmedshyttan, the foundry is now able to reuse much more own product.

Baettr Guldsmedshyttan has also optimized internally so that it has become possible to recycle more returned iron.

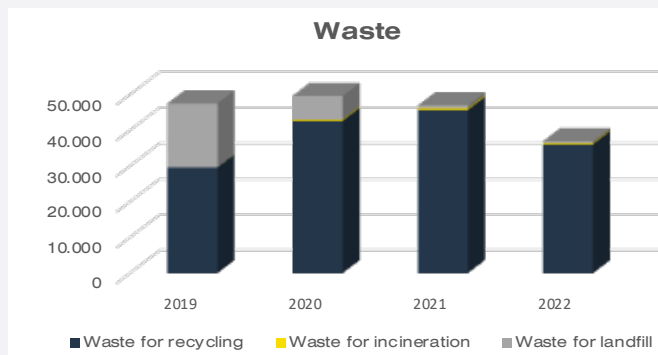
By optimizing this process, Baettr Guldsmedshyttan has reduced pig iron use by 5% of produced volume from Q1 to Q4 in 2022.



Circular economy

Circular economy at Baettr means that we strive to build circularity into our production processes by reducing raw material consumption, improving process yield and by preventing, reducing and recycling waste.

We support the UN sustainable development goal #12 Responsible Consumption & Production, to utilize resources responsibly and reduce our footprint from manufacturing. We strive to reduce resource consumption and waste in the design phase where possible. Alternatively, to identify opportunities for re-use, recycling, or recovery of raw materials. We sort in a detailed way to increase the possibility of better recycling.



S for Social

S in ESG stands for Social, which refers to the social factors that businesses consider in their operations and interactions with stakeholders. It encompasses a wide range of aspects, including employee welfare, diversity and inclusion, community engagement, human rights, and customer satisfaction.

At Baetr we prioritize the S in ESG and understand the significance of building strong relationships with our employees, customers, and communities. We strive to create a positive work environment, ensure fair labor practices, promote equality and diversity, and support the well-being of our workforce.



Baetr Tianjin awarded with safety culture title

On September 8th, 2022, an audit team organized by a local safety bureau had an audit at Baetr Tianjin for safety culture construction according to the Chinese Enterprise Safety Culture standard.

The audit team believed that Baetr Tianjin effectively organized the employees to carry out safety culture activities. Other initiatives highlighted by the audit team was that a characteristic safety culture for Baetr Tianjin

had been established, good practical results have been obtained and it has shown a good social demonstration effect.

Finally, the local safety bureau decided to award Baetr Tianjin with the honourable title "Safety Culture Demonstration Enterprise of Binhai District, Tianjin". At present, only eight companies from about 3,000 manufacturing industries in Binhai District have been awarded this title.

G for Governance

G in ESG stands for Governance, which refers to the systems and processes by which a company is directed, controlled, and managed. It encompasses the principles, policies, and practices that guide decision-making, accountability, and transparency within an organization.

We think that good governance is essential for building trust among stakeholders, including shareholders, employees, customers, and the broader community. It involves having a clear corporate structure, effective board oversight, ethical business practices, and transparent financial reporting.

Overall, Governance plays a vital role in shaping Baettr's ethical framework, ensuring proper oversight, and establishing a culture of integrity and transparency.



Peter Pallishøj meets Indian Prime Minister

On May 3rd 2022, our CEO, Peter Pallishøj, met Prime Minister Mr. Narendra Modi at the Business Forum event hosted by DI - Dansk Industri along with a delegation of Danish and Indian business leaders.

The agenda was to discuss how Denmark and India can strengthen and accelerate the green transition together, and with the recent opening of our Chennai facility and partnership with Wheels and SKEW, Peter Pallishøj representing Baettr at this executive business meeting has never been more relevant.





Climate account

Baettr has completed the second climate account for scope 1 and 2 with the baseline year 2019 and with the baseline year 2021 for scope 3. There has been a good strategy for the work and our customers and suppliers have contributed very positively to the work with the accounts.

The GHG emissions reported in this Sustainability Report have been performed in accordance with the GHG Protocol, Corporate Value Chain Accounting and Reporting Standard.

The organisational boundaries are set to 'Operational control' by having the authority to introduce and implement operating policies. As Baettr has control over all internal operations, the company can really influence the reduction of emissions.

A recalculation policy is published.

The categories were selected based on a combination of being expected to be the highest emitters, as well as deemed business critical due to stakeholder expectations on reporting.

For each scope 3 category, total emissions of GHGs (CO₂, CH₄, N₂O, HFCs, PFCs, and SF₆) is reported in metric tons of CO₂ equivalent, (tCO₂e)

since it was not possible to obtain emissions data at a detailed level to split the results per specific gas per category.

The calculated results are an expression of data availability, quality, and methodological choices. Consequently, the methodology for emission factor selection and data collection follow a few fundamental principles reflecting the best practice whenever possible to ensure coherency, transparency and representativeness of data and results. The emission factors were gathered mainly from Ecoinvent, DEFRA and Exiobase.

Baseline includes categories 1, 4 and 9.

Cat. 1 Purchased Goods and Services, we use the Supplier-specific method and all data is specific to the supplier's products.

Cat.4 Upstream transportation and distribution. All emissions from transport and distribution of products paid by Baettr. The method is distance based.

Cat. 9 Downstream transportation and the method also distanced based.

Sustainability **2022** summary



6.70

Total recordable injuries per million working hours



2.80

Lost time injuries per million working hours



63.522

Carbon footprint ton CO2e from own operations



100

Renewable energy (percentage of electricity from renewable energy sources)



97

Waste for recycling (percentage of total waste from own operations, which is recycled)



55

Recycled raw material consumption (percentage of total raw material consumption, which is from recycled raw materials)



5.2

Employee motivation & satisfaction (average score from employee survey. Scales from 1-6)



3

Number of technology innovation projects, supporting circular economy

Our approach to **Sustainability**

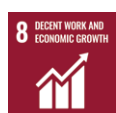
The good stories support our sustainability strategy. Showcasing specific examples of what sustainability means to us. As part of the wind industry supply chain, we contribute to a

sustainable footprint of a wind turbine. We defined 4 key work streams, that form the foundation of our 2030 Sustainability strategy.

Emission & Energy



Circular Economy



Sustainable Sourcing

People & Health

The Sustainability targets are anchored in our business strategy, Grow Baetr. We support the United Nations 2030 Sustainable Development Goals (SDG). A global blueprint for peace and prosperity for people and planet. A global core

team with representatives from Technology, Sourcing, HR and HSEQ is established to drive the progress, supported by the Executive Board as steering group. A global workstream Lead is appointed to head each workstream.

Emission & Energy



Scope - In this report we report for scope 1, 2 and 3. See earlier description.

Key business indicators - Key business indicators are:

- GHG emission (tCO₂ equivalents) – scope 1, 2 and 3



Targets - Our 2030 targets are 50% reduction of CO₂e emission from our own processes.

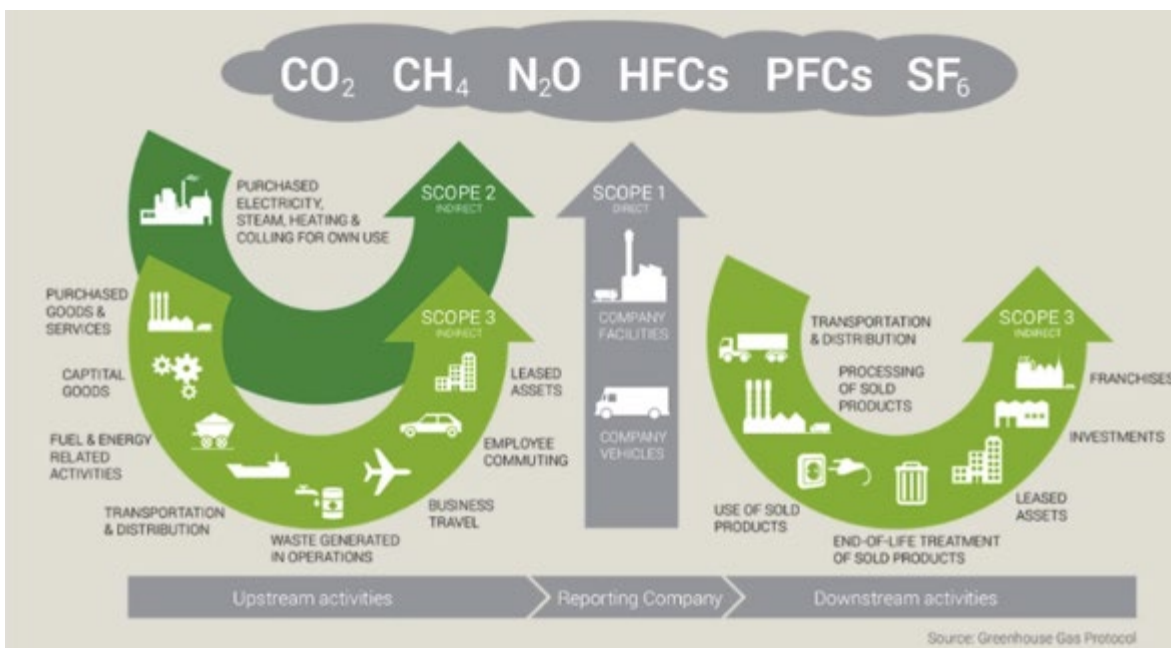
Actions - We are committed to reducing our carbon footprint, by optimizing energy consumption and ensuring all our electricity originates from renewable energy sources.

The transition to renewable energy have taken effect in 2022. We support the sustainable development goals #7 affordable & clean energy and #13 climate action, to reduce the GHG emission and promoting renewable energy.

Each site has determined local energy saving and CO₂e reduction targets.

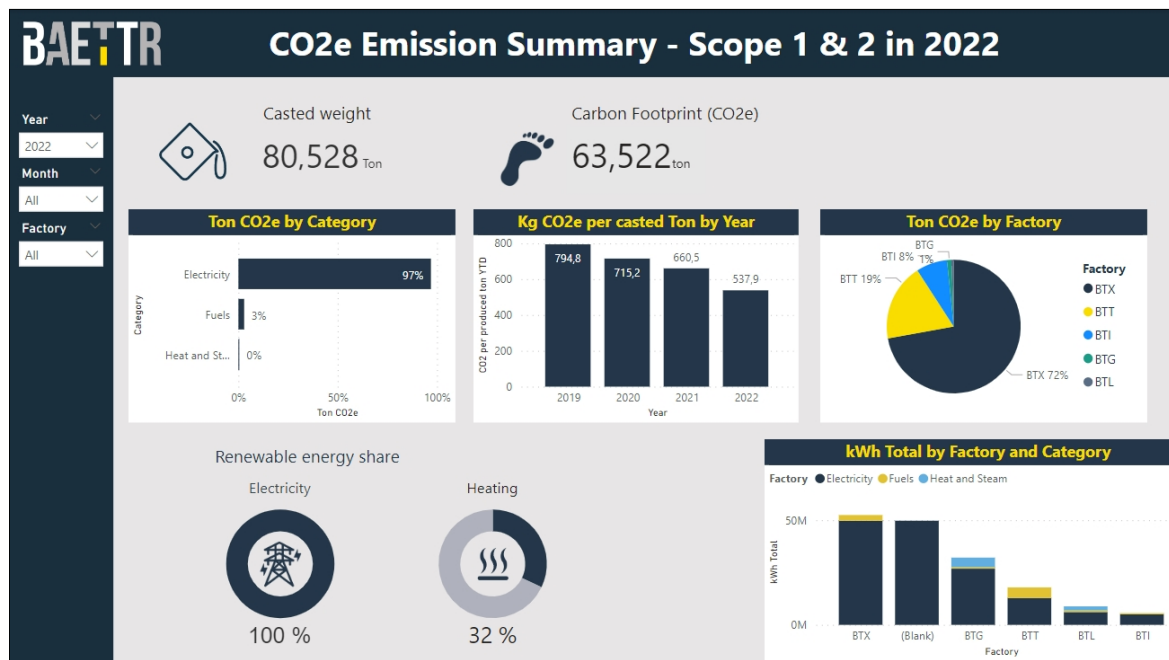
The GHG emissions are grouped in scope 1, 2 and 3, defined in the GHG protocol. The most common types are illustrated in below figure.

Scope 1 include GHG emission such as gas for process heating and diesel for forklifts and excavators within the company. Scope 2 include electricity and district heating from utilities. Selected parameters from scope 3, covering goods and services and transport, are included in this sustainability report.



Source: Green House Gas protocol – scope 1, 2 and 3 illustration

The energy consumption and CO2e emission is reported and compiled from all sites at a monthly basis in the below dashboard.



Source: Sustainability report, CO2 summary 2022 – total emission, scope 1 and 2.

Electricity comprises 96% of our total energy consumption, primarily derived from the melting process in the foundries.

Development from baseline year 2019 to 2022 shows a 32% reduction from 794.7 to 537,8 kg CO2e per casted ton. Primarily caused by the closure of a site and general energy optimization, resulting in a reduced energy intensity per casted ton.

When we benchmark our CO2e emission level with the industry, our foundries perform better than the average foundries in both Sweden and China. However, we continue the optimization to strengthen our position and competitiveness.

2021 emission, globally (Kg CO2e/ casted ton)	2030 target (Kg CO2e/ casted ton)
538	397

Industry reference, emission of kg CO2e per ton of castings.

Foundry industry reference, Sweden	Foundry industry reference, China	Foundry industry reference, India	Baettr BTG, Swedish foundry	Baettr BTX, Chinese foundry	Baettr BTI, India foundry
36	886	1213	19	617	734

Fig. Emissions of kg CO₂^e per tonne of castings.

Source: Swedish Foundry association Climate indicator 2020. Baettr figures are based on 2022 data.

Circular Economy



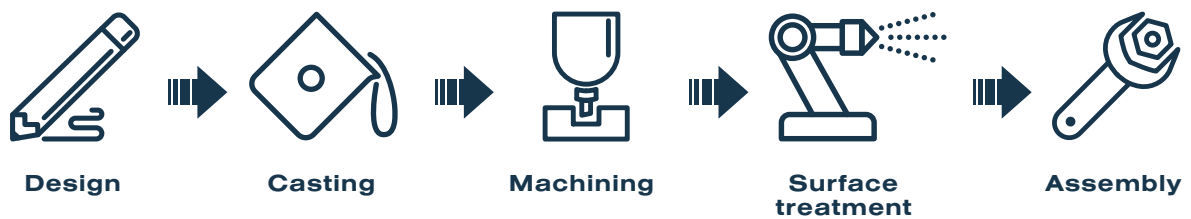
Our components are made of casted iron and thereby fully recyclable. There is full traceability on each component from alloy composition to the manufacturing site. The material composition is a mix of virgin and recycled raw materials.

Virgin raw materials include pig iron and alloys. Recycled raw materials include steel scrap, metal chips and excessive waste iron from the casting process. Currently comprising above half of the raw material composition.

Scope – Circular economy at Baettr means that we strive to build circularity into our production processes by:

- Reducing raw material consumption
- Improving process yield
- Preventing, reducing and recycling waste

Initially we will focus on the casting processes and following we will expand to the remaining service areas:





Key business indicators – Our key business indicators are:

- Recycled raw materials (%)
- Waste intensity (waste per ton casted)
- Number of technology innovation projects, supporting the circular economy

Key business indicators, currently in development, are among others casting process yield, new sand, water, resin and binder consumption per ton good casting. Expected to be included from 2022.

Target - Our 2030 targets are 70% recycled raw materials in castings, 90% reduction of waste for landfill and incineration, and 50% reduction of fresh-water consumption. Waste targets are compared to the 2019 baseline.

Actions - We support the sustainable development goal **#12 responsible consumption & production**, to utilize resources responsibly and reduce our footprint from manufacturing. We strive to reduce resource consumption and waste in the design phase where possible. Alternatively, to identify opportunities for re-use, recycling, or recovery of raw materials.

A charging software is implemented in the foundry in Guldsmedshyttan to optimize the melt composition. This will further provide transparency of the composition of virgin and recycled raw materials. On average 34% of the raw materials in our products are recycled raw materials. Next step is to identify further opportunities for optimizing the melt and strive to increase the proportion of recycled raw material.

The top 3 waste fractions by volume are waste sand, metal scrap (chips, returns) and dust which cover >80% of the total waste volume. In 2022 we mapped waste for all sites and made a automate reporting for waste streams on product level. The target for 2022 is to set targets incorporation with our supplier and make action plans for projects for recycling more waste fractions.

Our total waste generation has decreased from 2019 to 2022 in volume and intensity. From 480 to 458 kg waste per ton casted. The reason why it only dropped 5% is, that we are doing a higher waste reporting validity compared to 2019. The decrease is a good sign of progress.

Examples of waste turned into value is the metal chips from machining, which are compressed into pellets and used as raw material in the melt. Our factory in Lem have done a great work with separating the chips, and because of this our factory in Sweden can use more return chips.

The integration of circularity into our value chain continues and will be further developed in the coming year.

Sustainable Sourcing



Baettr support the sustainable development goals **#8 decent work & economic growth, #12 responsible consumption & production and #13 climate action**. Related to working environment, resource consumption and carbon footprint in the supply chain.

Our Code of Conduct is based on the the UN Global Compact principles on human rights, labour, anti-corruption and environment, outlining

our corporate social responsibility requirements to our suppliers as well as our own organization.

Scope – Sustainable Sourcing is about the development of our supplier base to support the green transition. The initial scope is limited to key material and service providers based on materiality. Expecting this is where the largest gains can be achieved.



Key business indicators – Key business indicators expected to reflect our customer requirements, initially on CO2e emission, in our supply chain. Initially on the suppliers' scope 1 and 2 emissions – on long term to include their supply base as well. Other key indicators expected are percentage of renewable energy sources and general compliance to Baettr Code of Conduct.

Target – We have now completed scope 3 mapping and the next goal is to set reduction

targets in collaboration with suppliers. The selected commodities are 3. party production parts, pig iron, steel scrap, and transport. Hereby we cover approximately 80% of the total global spend value across Baettr sites.

Actions – The first step is to define sustainability criteria for supplier selection, rating, and development during 2023 as part of the overall supplier sustainability strategy.

When defined, the global sourcing processes will be updated ensuring focus and compliance.

People & Health



Scope – People and Health is about ensuring a workplace where all Baettr employees thrive, create great results and Grow Baettr.



Key business indicators – Our key business indicators are:

- Total recordable injuries (TRI)
- Lost time injuries (LTI)
- Dupont safety culture level
- Education of apprentices (number of completed educations)
- Employee survey - YourVoiceMatters@Baettr

YourVoiceMatters is initiated to ensure we have an open and continued dialogue with our employees and managers to ensure engagement and team development. The development is measured through a yearly employee survey.

Target – Our 2030 safety target is maximum three Total Recordable Injuries (TRI) per million working hours and no Lost Time Injuries (LTI). To achieve this level, we strive for an interdependent safety culture in all sites. Where we all take responsibility for our own and colleagues' safety.

Actions – We support the sustainable development goals **#4 quality education** and **#8 decent work and economic growth**, related to education and working environment by strengthening the Dupont safety culture and safety leadership. Focusing on safety awareness and leadership throughout the organisation. A HSE culture training is implemented in all sites.



Activities supporting the Dupont safety culture and leadership program in the machining site in Tianjin, engaging and involving employees.



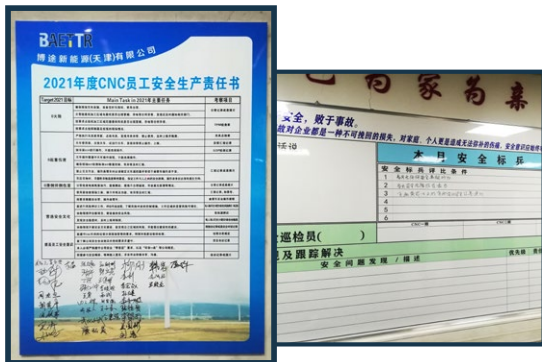
BTT Safety vision, principle and leadership commitment.



Safety talk and behavior-based safety.



Safety meeting in an open way.



Shift safety Kanban with target and activity.

Collect safety slogan and visualize the safety reminding.



The foundation of Grow Baettr is our People!

To secure a strong foundation within Baettr we need to ensure continuously development within our organization – both for leaders and employees. In 2021 we started our value-based leadership journey called Leading@Baettr and as an extension to this leadership program, we initiated our Baettr Behaviour Program for all employees in June 2022.

Leading@Baettr is a leadership development program where we develop our leaders in what we define as good leadership and good leadership behavior within Baettr – and everything starts with our values.

The Baettr Behaviour Program

In June 2022, we launched the Baettr Behaviours – a set of six behaviours connected to our three values; Stand Accountable, Imagine Better, and Be Respectful. We did so because we believe that if we have the right behaviour within our organization, we will have a better work environment which in the end will lead to better performance.

In the time after launching the Baettr Behaviours in June 2022, we have focused on bringing the Baettr Behaviour Programme to life. The programme is meant to create a driver to talk about these behaviours in our daily work and interaction with each other, it is the next step in ensuring that all Baettr employees are living and acting according to these behaviours.

We want to ensure that we are exposed through the behaviours and recognize them by acting, behaving, and providing continued learning. An added value in the implementation have been that we are now proving feedback to each other around behaviours, that will not only develop the employees but will also allow us to become role models together as an organisation.

Everyone is responsible for living the Baettr Behaviours every day and everyone must act as catalysts within the organization to make sure everybody lives the behaviours, talk about them, and reflect on their own behaviour.

When educating our employees in the Baettr Behaviours we ensure that no matter where in the world you work or with whom you work within our organization, you can expect to be met with the right set of behaviours.

We have since we started the Leading@Baettr journey developed 70 leaders, who have all completed in the leadership program and our aim is to have all Project Managers and all Specialist onboard the program in 2023.

We truly believe that the foundation for our organization is to ensure that our people are exposed and adhere to a set of values that defines us as an organization. This will create a sense of belonging and an extended purpose for all employees beside utilizing their core competences.



LEADING @BAETTR

Indicators and data

With our sustainability strategy and the outlined workstreams, we are truly committed to build sustainability into our culture and processes. We embarked on the sustainability journey beginning of 2020, proud to share the good stories and the strong commitment from our top management and sustainability core team.

More data is presented in the following from the baseline year in 2019 and 2022 performance.

Safety	Unit	2022	2021	2020	2019
Lost time injuries	Number	5	9	10	15
Lost time injuries (LTIs), frequency	LTIs per million working hours	2,8	4,37	5,11	07.12
Total recordable injuries	Number	14	21	26	39
Total recordable injuries (TRIs), frequency	TRIs per million working hours	6,7	10,19	13,28	18,9
Energy					
Casted tonnage	Tons	80528	99.315	111.174	104.670
GHG emissions					
Direct energy (scope 1)	Tons CO2e	2.020	2.412	2.714	12.855
Indirect energy (scope 2)	Tons CO2e	61.502	79.514	76.802	70.330
Indirect energy (scope 3)	Tons CO2e	206.420	268.180	-	-
Total GHG emissions	Tons CO2e	269.942	350.106	79.516	83.185
Emission intensity	Tons CO2e/ tons casted	3,352	3,525	0,715	0,795
Waste					
Waste for recycling	Tons	36.133	45.670	42.653	29.585
Waste for incineration	Tons	369	536	382	67
Waste for landfill	Tons	423	717	6.593	17.862
Total waste	Tons	36.925	46.923	49.628	47.514
Share of waste for recycling	%	97,9	97,3	85,9	62,3
Waste intensity	Tons waste/ tons casted	0,458	0,472	0,446	0,454
Raw materials					
Raw materials, recycle rate in product composition	%	55	52	55	58
People					
Unit					
Employee motivation and satisfaction (survey result)	Score	-	5,2	5,2	4,6
Full time employees (FTE)	Number	918	972	887	n/a
Gender diversity at management level, male employees	%	77	79	77	n/a
Gender diversity at management level, female employees	%	23	21	23	n/a
Apprentices (CNC & administration)	Number	12	13	12	10
Educated apprentices	Number	3	1	2	2
Innovation					
Technology innovation projects	Number	3	3	3	-
Certifications					
Number of sites	Number	5	4	4	5
Sites with ISO 45001 certification	%	100	100	100	100
Sites with ISO 14001 certification	%	100	100	100	100
Sites with ISO 9001 certification	%	100	100	100	100

Evaluation and looking ahead

Some of the most significant trends from the baseline year 2019 to 2022 are within safety, energy consumption and recycling of waste.

We see a positive trend in the development of TRI and LTIs from 2019-2022. Programs as the Dupont Culture training are implemented to further improve the development and maturity of our HSE culture. This will be ongoing in 2023.

The energy intensity shows a decreasing trend. During 2022 we have worked with optimizing our Casting Yield. This is defined by the amount of finished casting weight that comes from every ton of material melted in the furnace. When increasing the yield, the power consumption per melted ton will decrease. On top of that, there is also other energy optimization projects that has

contributed to the decreasing trend. These are in areas of heating, compressors & compressed air consumption, ventilation etc.

Energy optimization targets are determined for all sites, progress is monitored monthly and will also be reported in the 2023 sustainability report. Looking forward to share more good stories and milestones. Data sources and more details are available with our HSEQ department.

We stand accountable for our way of doing business, our impact on people's lives and our global, environmental footprint. Because we believe that passing on a better place for future generations is not only profitable – it is truly enriching.

Appendix

Definitions of the business performance indicators used in the report:

Total recordable injuries:	TRI covers following type of injuries defined below, LTI, RWI, MTI. Documented in our global HSE Management business procedure.
Lost Time Injury (LTI):	All injuries that require the injured person to stay away from work minimum 24 hours (often one full shift), or which result in death or permanent disability.
Restricted Work Injury (RWI):	A person is so injured that he/she cannot perform normal duties. Therefore he/she is temporary transferred to other duties or has significant restriction to his/her normal duties.
Medical Treatment Injury (MTI):	An injury that requires a certain level of treatment by an external medical professional such as medic, paramedic, nurse, physiotherapy, or chiropractic.
Carbon footprint:	Green House Gas (GHG) emission defined in the Green House Gas Protocol. The scope of this report covers the GHG emission from our own processes, the so-called scope 1 and 2 emission. The carbon footprint is calculated based on activity data and emission factors. All sources are available in a separate data collection reference sheet, enclosure 1.
Renewable energy:	Renewable energy includes energy from wind, water, solar, wood chips and wood pellets. The calculated percentage include electricity from renewable energy sources. Heating and fuels are not included in the indicator figure.
Waste for recycling:	Waste for recycling include waste fractions that are either recycled or reclaimed by Baettr or a 3rd party.
Recycled raw material:	From the ERP system, we track the melt composition and the percentage of virgin and recycled raw material. The recycled raw material includes steel scrap, metal chips, return iron (excessive waste iron from the casting process such as pouring basin and returns from main shaft).
Employee motivation & satisfaction:	Employee motivation and satisfaction is measured through an employee survey, conducted yearly. The result of this is a score between 1-6. The measurement provide input to development and improvement actions across the organization.
Technology innovation projects:	Included projects, supporting circular economy, are chill casting technology, the WeldCast innovation project and technology to utilize excess heating in the foundries.

Enclosures

Enclosure 1:
Data collection in the tool Position Green.

For further details

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