JUPITER BACH

DEVOTED TO WIND

SUSTAINABILITY REPORT

2023

Content

1. Statement by Executive Management Team 04

2. Company highlights 07

2.1 Devoted to wind 08

2.2 Our values 10

3. Our approach to sustainability 13

4. Valuing people 17

4.1 Occupational Health and Safety 18

4.2 Human and Labor rights 26

5. Environmental responsibility 29

5.1 Promoting clean energy 30

5.2 Greenhouse gas emissions 32

5.3 Circularity and optimization 36

5.4 Digitalization 41

6. Advancing business ethics 43

6.1 Code of conduct 44

6.2 Whistleblower system 46

6.3 Sustainable procurement 48

7. Achievements and commitments 51

8. Data 55

Statement by Executive Management Team

The year 2023 has represented a transformational period for Jupiter Bach and the way we work the overall sustainability agenda. It's with pride that we share our achievements, commitments and communicate the changes we have implemented.
The last 12 months have represented a stability which was not seen in 2020-22, and this has allowed us to take significant steps forward as we continue to devote our business efforts to enable performance and innovation in the wind industry.

Refreshed strategy
At Jupiter Bach, we decided to update our strategic approach to the entire sustainability agenda. We established a cross-functional, diverse team that was tasked with setting the strategic direction for the period until 2026. Before diving into the outcome of this team effort, we would like to applaud the entire sustainability team for their constructive approach and the good results of their work.
The new strategy is elaborated with the purpose of driving a sustainable and efficient business model, enhancing our employee engagement, and identifying risks and threats to our business and managing these. We aim to be transparent in our decisions and performance and to improve our impact on the environment and society.
With the updated strategy we are focusing on three pillars:

- Valuing People
- Environmental Responsibility
- Advancing Business Ethics

We continue our commitment to the UN Global Compact - the world´s largest corporate sustainability initiative for business to align strategies and operations with principles on human rights, labor, environment, and anti-corruption. Jupiter Bach has been a signatory to the United Nations Global Compact since 2019.

Aligning focus with business impact
Jupiter Bach is a manufacturer of composite parts under a build-to-print setup. This limits our design options and minimizes impact on raw materials. The process and packaging materials is to a larger extent within Jupiter Bach's own discretion.

As we recognize this, we see ourselves focused on limiting waste from our production process. We are moving our efforts behind this important target, to enable the highest possible impact of our resources - Reducing waste with a priority to reducing non-recyclable waste.

Another effect of this change is that we have decided to end our commitment to the Science Based Targets initiative. We have sought this target with passion, but due to the restrictions in material choice we can't see a path forward in the near to mid-term future.

To sum up, our commitment to sustainability is a core element of our business agenda. At Jupiter Bach, we are convinced that being at the forefront of designing and producing nacelle and spinner covers entails taking the lead in sustainability as well. Achieving this goal necessitates the collaboration of our primary stakeholders: employees, owners, customers, suppliers, and business partners. We sincerely appreciate everyone who has contributed to making this endeavor a reality.

Sincerely,
The Jupiter Bach
Executive Management Team

2. Company highlights

2.1 Devoted to wind
2.2 Our values

2.1 We are devoted to wind

Jupiter Bach is devoted to wind: 100% of our business is focused on the wind industry. We are global nº. 1 in the field of designing and manufacturing nacelle and spinner covers. Within the field of nacelle and spinner covers we are best-in-class, and our track record includes more than 74,000 wind turbines around the world, contributing to decarbonization and the global energy sector's transition to clean power. By continually exploring opportunities in emerging markets, we help OEMs bring even more wind power to the world and do our part in the decarbonization process.
We currently have 4 production and 2 assembly sites, 60,000 m2 of capacity, and more than 1,100 employees worldwide. Today, we have a global presence with headquarters in Denmark and manufacturing and assembly sites in China, Denmark, Lithuania, Poland, and the USA.

Best-in-class technology
Jupiter Bach's mission is to deliver competitive Nacelle and Spinner covers to promote a sustainable future with renewable energy.

For both off- and onshore wind turbines, we design and manufacture vacuum-infused composite solutions.

Setting new standards
As market leader, we help drive the industry by challenging the status quo, lowering wind power's Levelized Cost of Energy (LCoE).
Close collaboration with customers and constant innovation enables us to drive continuous improvement, setting new standards and achieving the most competitive total cost in our field.

Global presence

HQ in Denmark

1,100+ global staff

6 business units

60.000 m^2 production floor

100% focus on wind

ISO9001 certified

ISO14001 certified

ISO45001 certified

2.2 Our Values

WE DELIVER • WE INNOVATE • WE CARE

These are our core values and this is how we do business.

To us, WE DELIVER means:

- We stay focused in order to deliver on our commitments.
- We align expectations.

To us, WE INNOVATE means:

- We approach new ways of thinking with curiosity and open-mindedness.
- We empower our people to act in order to find new solutions.

To us, WE CARE means:

- We operate responsibly with respect for people, planet and profit.
- We strive to continuously develop our people and organization.

3. Our approach to sustainability

Our corporate spirit is WE CARE

At Jupiter Bach, we believe that being market leader also means leading the way in sustainability.
According to the United Nations, a sustainable company is one that operates in a manner that meets the needs of the present without compromising the ability of future generations to meet their own needs. To help achieve this, Jupiter Bach is a strong supporter of the United Nations Global Compact and Sustainable Development Goals.

We demonstrate this through initiatives and practices linked to our corporate spirit: WE CARE

5 SDGs and 10 principles
At Jupiter Bach, we actively support the United Nations' Sustainable Development Goals (SDGs) and have identified five goals where our efforts can make a significant impact and yield the greatest benefits. We in JB have identified and prioritized the SDGs that are most relevant to our stakeholders and activities.
Additionally, as a testament to our dedication, we have become a signatory to the UN Global Compact since 2019.
To strengthen our dedication, we incorporate the UN Global Compact's ten universal principles into our business processes, policies, and code of conduct, emphasizing responsible and ethical practices throughout our operations.

3 pillars strategy
In the year 2023, inspired by the United Nations' ten principles and 5 Sustainable Development Goals (SDGs) selected, we at Jupiter Bach has formulated a new ESG (Environmental, Social and Governance) strategy, founded upon three pillars.

- Valuing people,
- Environmental responsibility,
- Advancing business ethics

We have updated our materiality analysis to identify the key issues and requirements of all our stakeholders, which are reflected in our strategy, objectives, initiatives and indicators. Our new strategy aims to take an integrated approach to the demands, requirements and potential issues that are already in the industry in which we operate but also expected over the next three years.
Decarbonization efforts, together with careful attention to both employee welfare and human rights considerations throughout our supply chain are presented as essential topics to be addressed.

Hence, this new strategy is designed to enable Jupiter Bach to meet our sustainability ambitions while complying with upcoming external legal requirements and responding to the growing sustainability demands of our stakeholders, particularly those related to employees, customers and owners.

Tracking performance
In each of the three pillars, several areas of action have been appointed according to our materiality assessment.

We have outlined several initiatives to support our set targets, which will be implemented over the next three years. Performance will be closely monitored to ensure target achievement and continuous improvement in these areas. By employing appropriate indicators to track goal fulfillment, we can pinpoint specific actions and allocate resources effectively.

Additionally, Jupiter Bach's sustainability performance has been evaluated by Eco Vadis, a leading platform for trading partners to exchange sustainability data.
Our scorecard for 2023 is 45/100, with a Committed badge, which is insufficient for our expectations. A specific plan will therefore be drawn up to strengthen our areas for improvement by taking action and increasing performance by next year, particularly in those areas where score can be significantly improved.

Within the new ESG strategy **there is the ambition to reach an EcoVadis Silver rating or better latest by 2026.**

4. Valuing people

4.1 Occupational Health and Safety
4.2 Human and Labor Rights

4.1 Occupational Health and Safety

Our people are our greatest asset and an integral part of our newly launched sustainability strategy.

We strive to continuously develop our people and organization, focusing on raising our safety culture and awareness, and making our workplaces healthier and safer.

With “Safety First” as a strategic area of our social focus within the redefined strategy, Jupiter Bach is committed to staying ahead and fostering a culture of continuous improvement. We continue prioritizing the safety of our personnel by surpassing regulations and establishing our own rigorous standards. This proactive approach ensures the well-being of our employees and sets appropriate standards ahead of time.

Our ISO 45001-certified global Health and Safety management system is vital for safeguarding the well-being of our employees worldwide. We consistently improve this system. As a result, **all our sites are certified to the ISO 45001 standard,** including our assembly site in in Ringkøbing, Denmark.

We regularly communicate our performance in terms of occupational health and safety within JB group via the intranet, as well as in employee information sessions and meetings, and at different levels in the organization.

Moreover, our policies consistently strengthen Jupiter Bach’s commitment to being an inclusive, diverse, and socially responsible workplace that unwaveringly upholds the rights of labor and humanity.

To read our health and safety policy, please visit www.jupiterbach.com.

SAFETY FIRST

In Jupiter Bach we do believe working safely and following our three Safety Behavior guiding principles in our daily operation are leading us to making our workplaces healthier, safer, and lower in risks. “Think Twice”, “Take Care”, and “Take Away Hazards” are the basics in our journey to achieve our zero-injury ambition target.

Everywhere we operate, these three habits ensure everyone puts safety first:

To us, **Safety First** means:

THINK TWICE:
Take a moment up front to ensure that your behavior and actions are safe.

TAKE CARE:
Always take care of yourself, your colleagues, and others around you.

TAKE AWAY HAZARDS:
Be proactive and remove any hazards you see to avoid unsafe situations.

Safety first, going forward
In 2020 the three Safety Behavior guiding principles were implemented. We strive for the best safety culture in the industry, meaning that our safety statements and behaviors are of the outmost importance.
Although there has been a notable decrease in the overall number of injuries, especially in lost-time injuries since then, last year saw a reversal in this trend with a slight increase.

With the goal of zero accidents in mind, this reminds us to go the extra mile. This not only characterizes us as ambitious but also as non-conformists. We firmly believe that achieving our zero-accidents goal requires the active involvement of all organization members, especially those working in manufacturing sites more exposed to occupational health and safety risks. Therefore, promoting safety behaviors systematically is essential in these environments.

From October 2023, we started running the DMS (Daily Management System), the four levels of meeting structure which involves all the employees, with the goal of improving the meeting efficiency and communication consequences. In those meetings relevant information, and particularly safety-related issues, is shared, discussed, and collected from employees in a bottom-up manner, improving our bidirectional communication from shopfloor to management.

Moreover, the engagement and active involvement of employees in health and safety committees at every site remain crucial within our safety strategy. This ensures that all employees are consulted and actively engaged in endeavors aimed at incident prevention, risk assessment, mitigation, and the overall improvement of our workplaces.

Prevention as essential principle
Prevention in all we do. The commitment to chemical safety and security in the workplace drives us to prioritize ongoing improvement and risk reduction, especially concerning hazardous chemicals. We focus on preventive assessment of new chemicals and replacing current products with safer, eco-friendly alternatives to minimize the risk of exposure to harmful substances for our employees and customers.

But preventive initiatives go beyond, and risk mitigation is essential to avoid safety incidents. Improving our workplaces go together with the risk reduction.

As an example, the expansion of the installation of guard rails in our factory in Pensacola, US. This improvement is intended to create safe walking areas in the plant, reduce the risk of collision in these areas and reduce the risk of PPE violations by providing a physical barrier as a clear reminder.

Another smart example is the extension of the crane-covered shop floor along with more ergonomic and efficient solutions for lifting and moving parts at our factory in Taurage, Lithuania.

Photo: Guardail in the FRP building, Pensacola, US.

Photo: DMS & shopfloor meeting in Dezhou, China

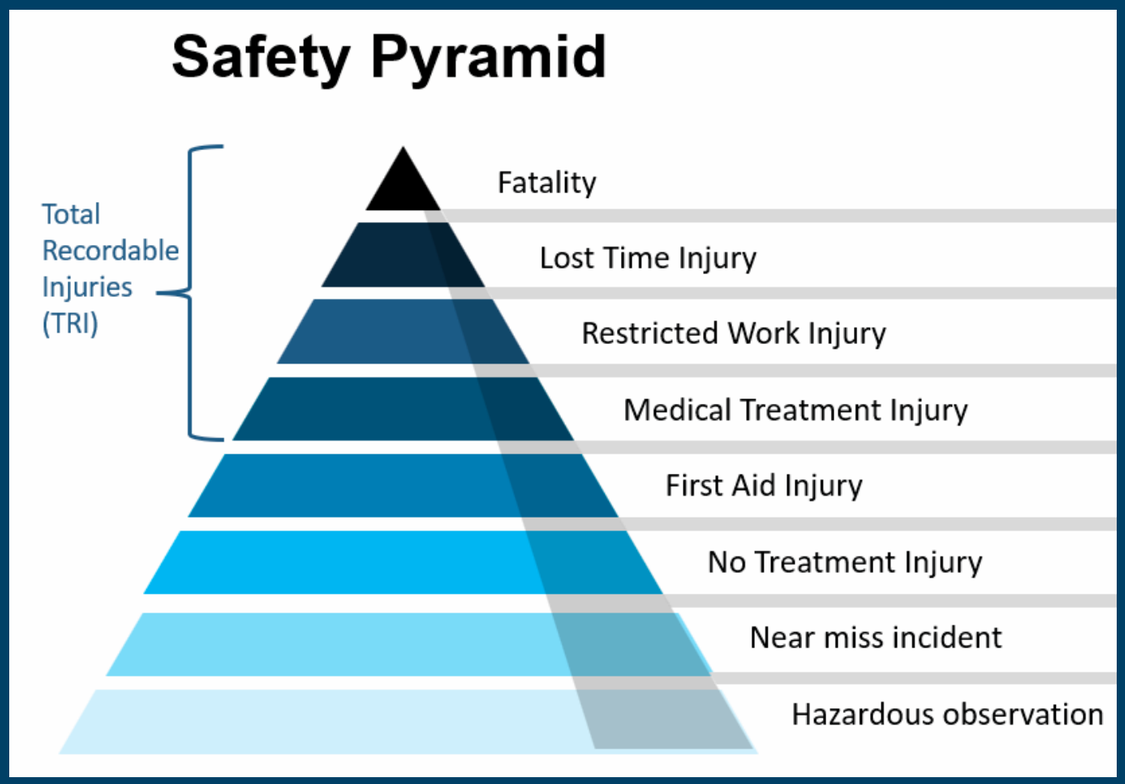
Photo: Lifting solution for moving parts, Taurage, Lithuania

Safety pyramid, a new approach
We firmly uphold the belief that safety is the responsibility of everyone, and we advocate for the broad promotion of incidents reporting by all employees and visitors.

Expanding beyond digitalization through QR codes for near-misses and hazardous observations reporting at all sites implemented in the previous year, a new approach for safety incidents has been implemented over 2023, the Safety Pyramid. The Safety pyramid suggests that by focusing on preventing near misses and minor incidents, the likelihood of serious incidents and fatalities can be reduced.

Hence, both injuries and minor incidents are communicated and addressed at all organizational levels and sites, providing a comprehensive overview of pertinent safety issues throughout the organization, including at Headquarters and within management.

This new approach has introduced a more organized and categorized data system, enabling faster and more efficient decision-making processes. Analyzing the figures the reporting has seen a significant increase of over 60% compared to 2022 confirming the active involvement and commitment of employees to addressing safety concerns.

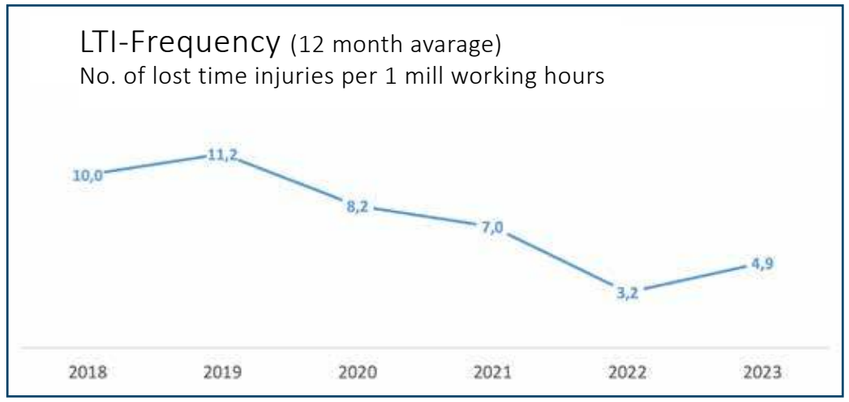


Safety Pyramid & shopfloor

Our safety performance and measures
A single employee or visitor injured is one too much.

We consistently assess our performance against various metrics to continuously evaluate the efficacy of our efforts in enhancing our safety culture.

Lost-time injury frequency has emerged as our primary metric for monitoring safety performance and driving our pursuit of safety targets. While there has been a notable improvement since 2019, the trend was disrupted in 2023, resulting in an increase in the total number of injuries and a corresponding rise in the Lost Time Injury (LTI) frequency rate. **This rate climbed from 3.2 LTIs per 1 million working hours to 4.9 by the end of the year.** Moving forward, a new key performance indicator, the Total Recordable Injuries Rate (TRIR), has been initiated and will be closely monitored to enhance overall safety performance.



TRIR calculates the frequency of fatalities as well as recordable injuries that occur in a workplace per a specific number of hours worked, usually expressed per 1 million hours worked. Recordable injuries include any work-related incidents that result in lost time injury, restricted work injury, and medical treatment beyond first aid.

Our TRIR rate in 2023 stood at 8.4 per 1 million hours worked at the end of the year.

Milestone: 2 years safe without LTIs in our factory in China

In May 2023, our manufacturing site in Dezhou, China celebrated a significant milestone of 2 years without any lost time injury.

This remarkable achievement is attributed to the collective effort and commitment of everyone at the site, highlighting the development of a strong safety culture. Moving forward, prioritizing the safety and well-being of both new and existing employees remains a top priority for Jupiter Bach. This significant accomplishment is attributed to the combined dedication and commitment of all employees at the site, underscoring the establishment of a robust safety culture.

Photo: 2 years safe achievement in Jupiter Bach Dezhou

Looking ahead, prioritizing the safety training of both new and current employees remains a paramount focus for Jupiter Bach. In June, the safety month in China, our factory held a mini sport meeting with the topic of “everyone speaks safety, and everyone will respond to emergencies” as an example of.

Photo: Employees exercising to promote good health at Jupiter Bach Dezhou, China

Safety Climate assessment

Safety targets cannot be achieved without working as a team and exchanging points of views across sites. Therefore, we at Jupiter Bach aim to give voice to our employees to gain insights into the perceptions, attitudes, and beliefs of employees regarding safety within the workplace.

During 2023, a safety climate survey based on the Nordic Occupational Safety Climate Questionnaire (NOSACQ-50) was carried out across all locations, including the headquarters. The safety climate reflects workers’ perception of the true value of safety in the organization and how safety contributes towards the reduction of occupational safety incidents and injuries.

Our purpose when conducting the survey has been to diagnose and assess the occupational safety climate as well as the effectiveness of interventions until now. By collecting feedback through the survey, we firmly believe we can assess the existing safety culture, identify strengths and weaknesses, and pinpoint areas for improvement.

Although the results show differences between sites, mainly related to culture, focus and mindset, there is room for improvement. The overall score for the entire JB Group is positive and at a fairly good level, with a proactive approach and 7% higher compared to the results of the previous assessment where it was carried out.

Discussions on results and action plans will be undertaken at each site over 2024, aiming not only to enhance safety performance but also to increase safety awareness among employees through implementation.

4.2 Human and Labor Rights

By signing the UN Global Compact, we have pledged to actively promote business ethics and combat corruption in every form.

Empowering Women and Embracing Diversity

Two key areas have been pinpointed as critical within the social pillar of our recently launched sustainability strategy: Employee Engagement and Enhance Inclusion.

As part of safeguarding our core values, we strive to make Jupiter Bach attractive and desirable place to work for current and new employees.

We are deeply dedicated to offering equal opportunities to all individuals across our global operations. We establish rigorous standards that surpass legal mandates, ensuring fairness and equality for everyone.

In line with the objective to recognize the role of each employee, JB keep promoting employee engagement, involvement and underrepresented groups inclusion.

By 2023, the proportion of women in the global workforce ended up at 41% by the end of the year, a bit lower but stable compared to the previous year. In 2023, **the promotion of select employees to senior leadership positions resulted in 27% of the Executive Management Team** being comprised of internal appointees.

Photo: Our factory in Dezhou, China held an event to celebrate the "Women´s day" on March, 8th, giving all female employee a gift and a flower for their contribution to the group.

The notable increase inspires us to intensify our focus on gender distribution and persist in our efforts to foster diversity and attain gender equality across all organizational tiers.

There are several activities conducted at the sites where employee engagement is actively promoted, and diversity is embraced as part of all of us. Employee of the Month "awards" at the US plant, recognizing true team players in the success of the JB site is an illustrative activity of that involvement.

Another example is that our factory employees in our site in China were inspired by our social pillar of "Valuing People" and core value "We Care", with a donation for an employee whose wife is seriously ill.

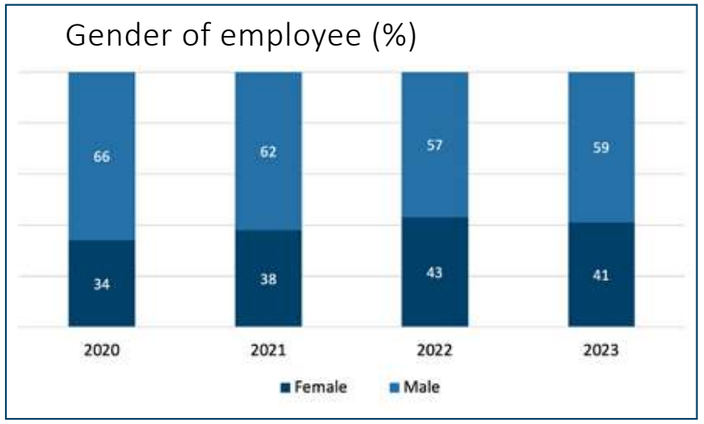
Supply Chain

In our supply chain, we prioritize human and labor rights, considering them essential criteria when evaluating our suppliers. As part of our approval process, we require suppliers to sign the Jupiter Bach Supplier Code of Conduct, demonstrating their commitment to upholding these rights.

We continue performing regular audits with our suppliers to ensure compliance with our standards, including sustainability aspects, highlighting our emphasis on ethical business practices in our supplier preferences.

Key aspects discussed with suppliers among others are related to health and safety, management systems and legal compliance.

To learn more please refer to section 6.



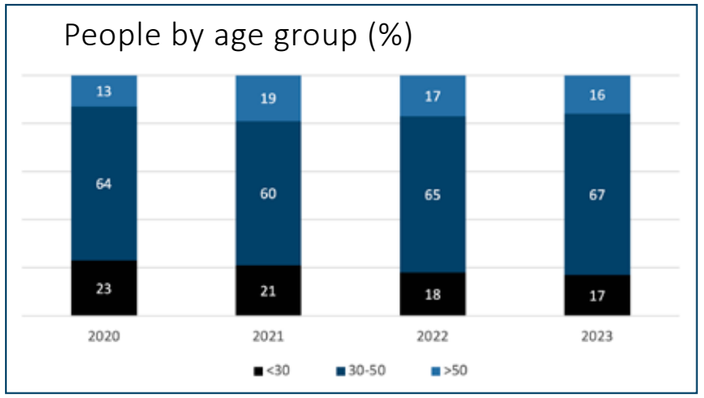


Photo: The Fall 2023 Plant Cornhole Tournament, in Jupiter Bach Pensacola, US, where employee engagement and participation is actively supported.

5. Environmental Responsibility

5.1 Promoting clean energy
5.2 Greenhouse gas (GHG) emissions
5.3 Circularity and optimization
5.4 Digitalization

Minimizing our environmental impact has been identified as strategic for Jupiter Bach within the new ESG strategy, and we are achieving this through the implementation of a comprehensive global environmental management system.
To maintain consistency and high standards, all our sites are ISO14001 certified. This certification enables us to enforce consistent standards company-wide and monitor our performance in reducing carbon footprint, waste generation, and energy and water consumption.

5.1 Promoting clean energy

Our business contributes to the transformation of the global energy system through our customer and product portfolio which is 100% focused on the wind industry.

Our core focus on designing and supplying nacelle and spinner covers allows us to deliver maximum customer benefit while keeping costs to a minimum. By providing these essential components, we actively support the supply of affordable clean energy.

Pioneering innovation and taking the lead in responsibility
Advocating for clean energy not only embodies our dedication but also entails driving innovation to maintain our position as industry leaders. We're committed to delivering sustainable solutions that contribute to a greener future.
Our iO design platform contributes to material needs of the industry but also a significant leap in our commitment to decarbonization and being environmentally responsible, facilitating the development of cleaner and more sustainable products.
In practice, the iO concept's new casting methods enable automated production with timely optimization for both high-volume and prototyping. The single platform also makes packaging, transport, and assembly more efficient and optimized. Compared to traditional nacelle cover production, the iO design enables better utilization of materials and less generation of waste. It is estimated that by implementing our iO-structural concept, substantial savings of up to 50% in direct steel structure costs can be achieved.
In 2023, we developed and shipped our first prototype full container from iO design concept to one of our main customers.

Photo: Our team in Lithuania successfully developed a prototype full container from a scalable iO design concept, shipped to one of our customers

Moreover, our factory in Dezhou, China was awarded as one of the "2023 High-quality Development Advanced Enterprises" at the "Breakthrough Year of Key Projects" in the Conference held in Tianqu New District, the district Party Working Committee and the Management Committee. JB cherished that recognition, making persistent efforts, continuing to play an exemplary role in leading, and then to make new achievements of high-quality development of Tianqu New District.

We deeply appreciated this acknowledgment, inspiring us to persistently strive forward, maintaining our exemplary leadership role, and striving to achieve further milestones in the high-quality development of Tianqu New District.

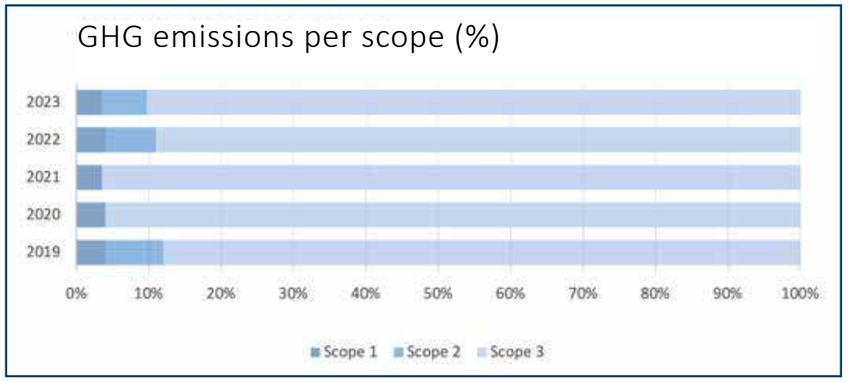
Photo: Recognition plaque awarded by Jupiter Bach Dezhou. China

5.2 Greenhouse Gases (GHG) emissions

Jupiter Bach is fully committed to minimizing carbon footprint and addressing the challenges of climate change as a clear goal within the environmental pillar.

Our carbon footprint is calculated using the widely recognized Greenhouse Gas (GHG) Protocol, a reputable standard for measuring and managing greenhouse gas emissions. External validation by expert professionals ensures the accuracy and reliability of our calculations.

Carbon footprint reporting typically categorizes emissions into three scopes: scope 1, scope 2, and scope 3, including related direct and indirect emissions. Since 2019, we have maintained consistent measurements of our carbon footprint, using 2018 as the baseline year for scope 1 and 2 emissions, and 2019 as the reference year for scope 3 emissions. These comprehensive assessments enable us to monitor our progress effectively and drive substantial reductions in our carbon emissions.



Direct emissions, scope 1
Scope 1 covers direct GHG emissions from owned or controlled sources.

For Jupiter Bach, the major scope 1 emissions include natural gas, fuel used for power generators, volatile organic compounds (VOCs) and company owned vehicles.

In 2023, emissions from our scope 1 accounted to 2279 MT CO2e, a slight increase of 3% compared to the previous year in all scope 1 sources of emissions. The increase is due to higher fuel consumption by vehicles, despite the decrease in the use of natural gas and the emission of volatile organic compounds (VOCs).

**MT CO2e means Metric Tons of CO2 equivalent emissions*

Emissions from electricity and district heating, scope 2
Scope 2 emissions in JB consist of GHG emissions generated from the generation of purchased electricity and district heating.

In 2023, emissions within scope 2 accounted for 6% of our total CO2e inventory emissions. This primarily stemmed from the electricity consumption at our manufacturing and assembly sites.

Although we have ceased purchasing green electricity certificates to claim renewable energy through Energy Certificate Attributes (ECAs), two of our sites continue to exclusively utilize 100% green electricity certified through contractual agreements with our electricity suppliers.
District heating is used in JB HQ and our manufacturing site in Lithuania, representing together less than 1% of total scope 2 emissions.

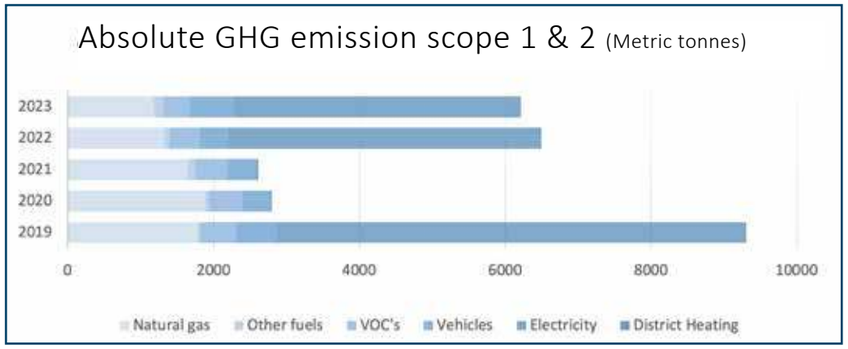
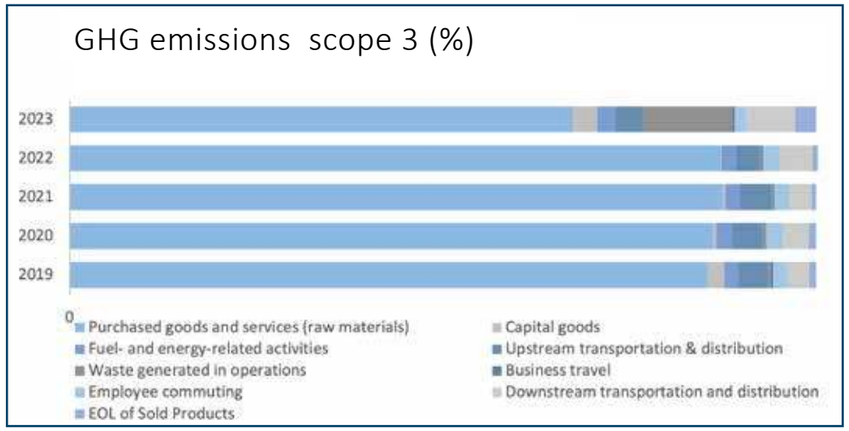


Photo: Overview of our factory in Taurage, Lithuania, where 100% electricity used comes from renewable sources.



Indirect emissions, scope 3

Jupiter Bach's scope 3 emissions encompass various activities and processes across our entire value chain:

- emissions related to purchase of raw materials (purchased goods and services),
- capital goods (plugs, molds and information technology services),
- fuel and energy-related activities,
- upstream and downstream transportation and distribution,
- waste disposal,
- business travel,
- employee commuting,
- and end-of-life treatment of sold products.

Since 2019, we have conducted a comprehensive calculation of full scope 3 emissions, encompassing all emissions resulting from the activities outlined.
Our analysis consistently indicates that raw materials purchased contribute to almost 70% of our scope 3 emissions.
Chemicals and fiberglass purchases stand out as the main sources of our raw material emissions. The procurement of these materials alone represents 86% of our emissions related to raw material purchases.

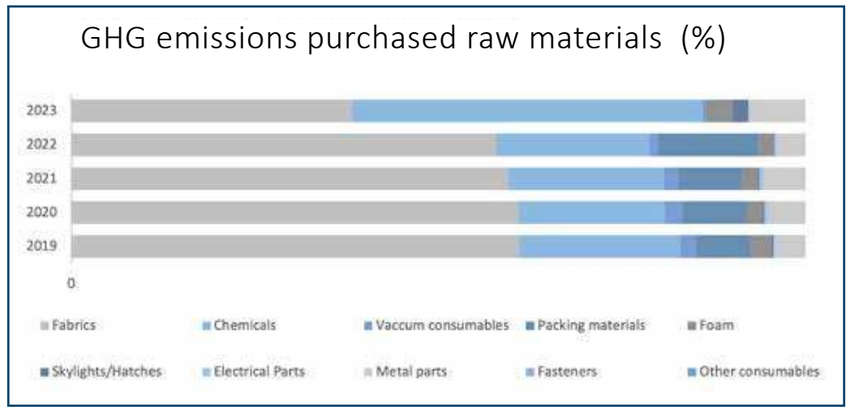
While the contribution percentages per category have remained relatively stable overall, the recent update regarding emission factors used for calculation has led to an uptick in capital goods, waste generated during operations and the end-of-life treatment of sold products (referring to waste generated after the nacelle is decommissioned). Emissions associated with these categories have experienced a notable increase, providing us with valuable insights into the importance of optimizing materials and minimizing waste wherever feasible.

Capital goods are mainly related to CAPEX investment and molds manufacturing.
In 2023, the manufacture of molds for a project alone accounted for over 30% of CO2e emissions within this category. On the other hand, emissions linked to upstream and downstream transportation have risen due to the higher volume of goods transported from our suppliers and our manufacturing site in China to Europe and the US.

This awareness and data breakdown enables us to focus on and prioritize initiatives targeting emission reductions associated with these materials, bringing us closer to achieving our environmental sustainability goals.

When it comes to metrics, we use the indicator of Kg CO2e scope 1, 2 and 3 emissions per metric m2 fiberglass shipped to evaluate our environmental performance. In 2023, index shows a decreased compared to 2022, from 73 kg down to 68 Kg CO2e/m2 fiberglass shipped. Therefore, despite the increase in total emissions in 2023 compared to 2022, the ratio improved by 7%. The main reason for the improvement in emissions per m2 is attributed to the 10% increase in fiberglass shipments compared to a 4% increase in emissions.

Furthermore, in addition to assessing the emission rate per square meter of fiberglass shipped, JB has initiated performance monitoring by utilizing MT GRP manufactured at the sites. In 2023, ratio shows 7.1 MT CO2e emission per MT GRP manufactured.



Carbon footprint reduction targets

CO2 reduction targets are deemed science-based when they align with the latest climate science recommendations to fulfill the objectives of the Paris Agreement. This global agreement sets a limit on global warming to well below 1.5°C above pre-industrial levels, in acknowledgment of the growing urgency for climate action. So, we at JB are deeply committed to playing our part in combating climate change.

We joined the Science-Based Targets Initiative in 2021. However, and due to difficulties facing scope 3 emissions in the value chain, the company has decided to abandon its commitment to the Science Based Targets in 2023. This decision was made because of the company primarily being a "build to spec manufacturer". A deep dive into the required activities found that too many of the activities were outside control of the company.
In particular, materials purchased used defined by our customers accounts for +62% of our total CO2e emissions. Key chemicals (UP resin and gelcoat) and fiberglass are our main Scope 3 contributors (80% of total CO2e from purchased goods). As first step in our effort to work on solutions, in 2023 we engaged in dialogue with raw materials suppliers that account for 2/3 of our scope 3 emissions.

The process of developing a decarbonization plan is ongoing, guided by a roadmap that assists us in fulfilling our commitment to minimizing carbon emissions. **Our medium-term commitment is to be carbon neutral in scope 1 and 2 by 2025.**

5.3 Circularity and optimization

Circularity extends beyond just recycling; it involves optimizing resource usage and preserving the value of products and materials throughout their lifecycle.
We strive to preserve resource value by reintegrating them into the product cycle, minimizing waste, and promoting sustainable resource management. Aligned with the principles of responsible consumption and production, we emphasize efficient resource utilization, waste minimization, and prioritizing reuse as the primary disposal method. Through this effort, we aim to reduce our environmental footprint and contribute to the creation of more sustainable products.

Metrics established to assess environmental impact are related to GHG emissions, energy consumption, waste generation, and water consumed in our production processes. These indices provide valuable metrics for monitoring and improving our environmental performance, allowing us to track and optimize our resource usage, and minimize waste generation as well as water consumption.

Reusing material
We place emphasis on maximizing material usage through innovative and practical initiatives. By giving products and materials a second life, we minimize waste and reduce our environmental impact.

At JB reusing wooden pallets and IBC containers from transport are common practices which reduce waste and supports sustainability by minimizing the need for new packaging materials. Implementing a systematic approach to refurbishing and reusing these materials contributes to cost savings and environmental stewardship within our logistics processes.
An example of initiative is the pallet repurposing carried out in our factory in Pensacola, US, where worthy pallets are reused by local craftsman who make furniture. Unusable wooden waste is collected by an external partner for recycling. This process is replicated in other manufacturing sites in JB, where wooden waste is either given to pallet suppliers or taken by our employees.

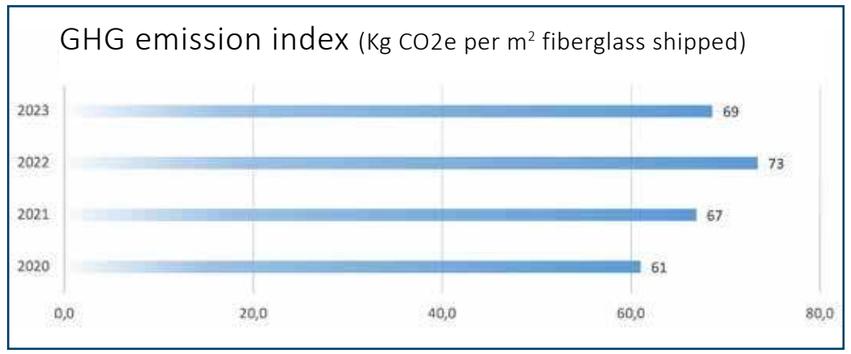
Energy
Improving energy efficiency and minimizing consumption are top priorities for our organization. We actively monitor and regulate energy usage while setting targets to ensure our operations are environmentally friendly.

We are taking steps like extending LED lighting technology and restructuring processes across all our sites to optimize energy usage.

Overall, our total energy consumption continues to decline, with a 4% reduction compared to 2022. Additionally, the energy consumption rate per square meter of fiberglass shipped has decreased by 13%.
Deeping dive into figures, reduction has been driven by the reduction of electricity consumption, thanks to several initiatives at all sites. Examples include installing smart electricity temperature controllers and enhancing wall insulation in our factory Pensacola, US, as well as incorporating motion sensors in specific areas of our facility in Police, Poland. Similarly, improved gate opening and closing mechanisms have been introduced to prevent heat loss, facilitated by the placement of information stickers on the gates.

Another solution, such as using air fans instead of air conditioning in our factory in China, has optimized energy consumption, providing a saving of 4% of total energy consumption in the factory and avoiding the emissions of 88 MT CO2e.
Moreover, a reduction in district heating energy usage and fossil fuel consumption used for heating purposes, excluding natural gas, has contributed to this decrease.

The only exception is the increase in fossil fuel usage for company vehicles.



Waste

Waste management is a fundamental aspect of our operations at every facility, in line with our global standards and environmental targets. We work closely with local waste-handling companies and partners to determine the most efficient recycling methods for our waste.

In 2023, we achieved a recycling rate of 16% for our waste materials. Although we recognize that this percentage is comparatively low, we are actively striving to optimize our material processes and adopt improved segregation practices.

Over the past three years, we have consistently maintained a stable value in terms of kilograms of waste per square meter of fiberglass shipped. This value stands at 5.0 kilograms of waste per square meter of fiberglass shipped by year end in 2023, a slight decrease of 8% compared to previous year.

Beginning with the premise that the goal in waste management is to produce no waste at all, we have implemented numerous initiatives across our sites to reduce waste generation. Our aim is to make our waste more suitable for reuse and recycling, thereby reducing reliance on incineration or landfill disposal.

In our factory in Dezhou, China, a key project has been undertaken to minimize cutting edge of our fiberglass items manufactured in one of the nacelle platforms, meaning savings in material used as well as waste production. The project demonstrates a 15% reduction in the cutting line, from 20mm to 17mm, resulting in savings of 2.2 metric tons of resin and 4.4 metric tons of solid waste. Overall, this amounts to a total saving of 17 metric tons of CO2e.

Regarding solid waste like cut-off cured fiberglass and nacelle cover parts after end-of-life, recycling technology for that waste remains limited. Until recycling solutions are found, we actively seek to optimize material usage and minimize waste wherever feasible. We continue sending a portion of our glass mats' waste to trusted partners who specialize in recycling or reusing material, thereby giving the waste a new purpose.
In 2023, our sites in China and Lithuania shipped part of their glass fiber to local partners who succeed to recycle our waste and turned it into chopped glass fiber. Our factory in Lithuania plant shipped 19 tons of glass fiber to our European partner, saving 36 tons of Co2, compared to if our users used virgin glass fiber.

Moreover, we are actively pursuing other waste-related initiatives.
Regarding incoming IBC containers for resin and gelcoat, we collaborate closely with partners who can reuse them instead of disposing of them as scrap, preventing plastic and steel waste from ending up in landfills.
In our factory in the US, more than 400 IBC containers are yearly recycled. Same in our sites in Lithuania and Poland.
In our factory in China, metal frame of IBC container is dismantled and recycled, reducing hazardous waste by 8 metric tons per year.

Concerning hazardous waste stemming mainly from chemical processes, various actions have been implemented to address this issue. On our Polish site, a more effective emptying system ensures a minimum of 50 kg (5%) of leftovers per container, resulting in a decrease in a significant volume of hazardous waste. At our manufacturing site in Lithuania, the introduction of direct top coating and painting machines has yielded significant benefits. We have observed a notable reduction in auxiliary materials such as buckets, rollers, and chemical leftovers.

Packaging and transportation are also part of our processes focus. The switch from wooden to metal pallets for storage and transport has been introduced for some items in our factory in Taurage, Lithuania, where some benefits has been seen in terms of packaging waste minimization (wood, polystyrene and bubble wrap).
Furthermore, alongside these initiatives, the adoption of paperless solutions for handling documentation electronically has also yielded benefits by reducing purchases of paper and cartridges across sites.

To learn more please refer to section 5.4.

Water

Water consumption at our facilities is mainly attributed to the cleaning process of fiberglass parts before shipment, sanitation purposes, and site cleaning. It is important to note that our manufacturing process for nacelles and spinner covers manufacturing does not involve water usage. We prioritize responsible water management by closely monitoring our water consumption and actively seeking ways to reduce it.

In 2023, our overall water consumption amounted to 21 liters per m2 of fiberglass shipped, a similar number compared to 2022. As our washing activity and headcount have remained stable, consumption has remained unchanged.

Sustainability & cost reduction, hand in hand

Transportation of waste have also an impact on environmental footprint. By employing compacting machines for processing infusion material waste, we have achieved a fourfold reduction in transport needs in our factory in Police, Poland. This proactive approach not only minimizes our environmental impact but also reduces operational costs. As a result, estimated savings exceed 530 tons of CO2e emissions due to transport decrease.

Photo: Compacting machines in Police, POL

5.4 Digitalization

We at JB progress in digitizing our operations and enhancing productivity through smart and efficient methods, and we remain dedicated to crafting innovative solutions that bolster our sustainability initiatives.

We have digitized our work instructions at our factory in Police, Poland. iPads have been deployed to the production area and are equipped with covers and cases to protect them from damage. This solution has helped us manage and update documentation more efficiently.
Each time an update is made in the system, the current instruction is automatically sent to the tablet. We no longer need to worry about operators using outdated revisions of instructions. This contributes to a reduction in non conformities in the factory as well as significantly reducing paper consumption. The next step is to enhance the instructions with instructional videos for each process, which will help our colleagues from other countries better understand the instructions.

Moreover, with the support of the global departments IT and QHSE, some improvements keep being implemented to the overall project. The key element for the whole setup entire setup lies in the proper utilization of metadata within Sharepoint, creating smart views and controlling documents through an approval flow. This approach has been first tested with our team in Pensacola, US, being demonstrated that work very well, and easy to maintain.

Furthermore, our factory in Taurage, Lithuania, has implemented several innovative solutions worth mentioning:

- TV screens in our workshops to facilitate work visualization, streamline updates, and prevent errors due to outdated revisions.

Photo: New iPads used in our factory in POL presented by our project leader Łukasz Lemański, together with our Technical Project Manager, Filip Antochowski.

TV screen solution in the lamination shopfloor. Taurage, Lithuania.

- Electronic training documentation management system offers time-saving benefits, user-friendly simplicity, and streamlines our training procedures, enhancing our documentation management processes.
- system to digitize material safety data sheets, ensuring quick access and easy updates as needed.

Both digital solutions not only lead to more efficient and productive operations but also result in significant paper savings, further reinforcing our commitment to environmental responsibility.

6. Advancing business ethics

6.1 Code of conduct
6.2 Whistleblower system
6.3 Sustainable procurement

Signing the UN Global Compact, we promised to do our part to advance business ethics and oppose corruption in all its forms. Therefore, awareness and responsibility are the core of our business.

Advancing business ethics, alongside our other sustainability objectives, remains a continuous endeavor that requires the collective commitment of every individual at Jupiter Bach.
We do not just promote free and fair competition – our policies enforce it. We actively work against extortion, bribery, facilitation payments and all other forms of corruption, unlawful and unethical market conduct. We avoid conflicts of interest, ensuring that personal interests do not unduly influence our professional judgment.
In short, no business over bad business.

Strategically, our new ESG strategy has prioritized four areas within the Governance pillar:

- Employee awareness, ensuring understanding and compliance,
- Transparency, improving communication, trust and ensure compliance and whistleblowing.
- Data protection, including policies and procedures related to data protection regulations and cybersecurity.
- Sustainable procurement, engaging our supply chain.

6.1 Code of conduct

Our code of conduct represents the principles, standards and ethical expectations of Jupiter Bach. Our work is sustainable when meets stringent ethical standards.

The purpose of our code is to ensure that everyone working on our behalf, including all employees, business partners and suppliers, knows exactly where we stand.
Jupiter Bach has established codes of conduct that outline the core values of the company regarding corporate and personal responsibility. These principles are presented in two versions: Employee Code of Conduct and Supplier Code of Conduct.

Moreover, our IT Code of Conduct complements our existing codes. We maintain elevated standards in our IT practices, which, along with our policies on Artificial Intelligence Language Models and Social Media, encompass compliance with internet ethics and adherence to software license regulations.

Responsible operation is in our DNA
Our code of conduct is a vital guide for employees and decision-making in our daily operations.

To ensure understanding and compliance, all employees have been trained since implementation in 2021. Non-operators undergo mandatory e-learning sessions, while operators receive the training as part of their initial training as well as ongoing development.

Our code of conduct includes:

- Compliance
- Human Rights and Labor Rights
- Ethics
- Environment, Health, and Safety
- Business partner and suppliers

Compliance with laws and regulations
No significant incidents of non-compliance with laws or regulations reported in 2023.

6.2 Whistleblower System

Starting in 2023, a new whistleblower system is available for Jupiter Bach employees to report any breach, suspicious misconduct or wrongdoing within a work-related context. Over 2023, 100% of our sites have implemented a whistleblower system.

The channel is operated in a secure manner and reported cases are processed confidentially and impartially by the designated person of JB. Any report in good faith will be protected from all forms of retaliation.

In 2023, two cases were submitted through the whistleblower system and handled as proceed.

Photo: Whistleblower poster to enable direct access to reporting (in Lithuanian language)

6.3 Sustainable procurement

Sustainable procurement ensures that procurement activities align with our organizational sustainability objectives, legal requirements, and stakeholder expectations. By integrating sustainability into procurement governance framework, JB expects to drive positive environmental, social, and economic impact throughout our supply chain.

Thus, JB remains committed to communicating our Code of Conduct to all suppliers.
Our Supplier code of conduct outlines the expectations and standards we require from our suppliers.
Starting with our approval process, suppliers are required to demonstrate their commitment to our rights requirements by signing the Jupiter Bach Supplier code of conduct, which includes adherence to our gift and entertainment policy. This obligation now applies not only to critical suppliers but also to those who supply us with goods that are less essential for our business operations.

In 2023, we started reviewing the implementation and monitoring process of the Supplier Code of Conduct, and whether our suppliers are aligned with it through supplier assessment, including present audits. Audits conducted have been focused on raw materials suppliers, conducting audits to providers of chemicals, fiberglass, foam and metal parts. Scope included health and safety, environmental and other sustainability related aspects as use of green electricity. Currently, the percentage of audits remains minimal, comprising less than 10% of the total supplier base. However, we aim to enhance audit performance with the goal of increasing this percentage in the next three years.

Our main goal is to not only ensure and promote compliance with laws and ethical business practices in our supply chain but also to actively engage with our suppliers to reduce carbon footprint emissions (scope 3) wherever we can influence. Therefore, we actively encourage collaboration, so our JB team is willing to share their expertise and provide support to suppliers, fostering a collective effort towards sustainability.

7. Achievements and commitments

Valuing People

2023 ACHIEVEMENTS

- Safety climate JB score improved by +7% vs 2020 assessment
- Safety Pyramid implementation
- New Total Recordable Injury Rate (TRIR) as key indicator to broad and improve safety performance tracking

2024 COMMITMENTS

- 45001 multisite recertification for all our sites
- Employees' satisfaction (NPSs) & improvement plan
- Strengthening the assessment of psychological risks

Environmental Responsibility

2023 ACHIEVEMENTS

- iO concept nacelle prototype successfully developed
- Engaging in dialogue with suppliers of raw materials that account for 2/3 of our scope 3 emissions
- More accurate index to track environmental performance based on manufacturing output (GRP metric tons)

2024 COMMITMENTS

- 14001 multisite recertification for all our sites
- Roadmap to be carbon neutral in scope 1+2 by 2025
- Increase ratio of green electricity purchased by using PPA in our factory in the US
- Initiate dialogue with 100% of our key suppliers regarding sustainability aspects

Advancing business ethics

2023 ACHIEVEMENTS

- 100% of our sites have implemented a whistleblower system
- Increase women in senior leadership positions by 27%
- Preliminary evaluation of sustainability concerns regarding upstream suppliers with potentially risk.

2024 COMMITMENTS

- Include ESG aspects within supplier audit and assessment
- Global HR policies implemented across sites
- Cybersecurity and risk prevention activities, including employee training

8. Data

8. Data

People	Unit	2023	2022	2021	2020	2019
Employees headcount[1]	Number	1,156	1,149	1,057	1,254	1,349
direct labour	Number	938	958	805	1,140	1,217
indirect labour	Number	218	191	252	114	132
< 30 years	%	20	18	21	23	-
30 – 50 years	%	64	65	60	64	-
>50 years	%	16	17	19	13	-
in leadership positions[2]	%	3	3	3	5	-
in senior leadership positions[3]	%	1	1	1	1	-
Employee headcount per region						
Europe	Number	665	784	608	746	689
China	Number	329	225	283	387	444
US	Number	162	140	166	121	216

Gender diversity	Unit	2023	2022	2021	2020	2019
Female employees, headcount[1]	%	41	43	38	34	22
< 30 years	%	17	15	15	20	-
30 – 50 years	%	67	70	68	70	-
>50 years	%	16	15	17	10	-
Females in leadership positions[2]	%	43	38	26	30	-
Female in senior leadership positions[3]	%	27	0	0	7	-

Occupational health and safety	Unit	2023	2022	2021	2020	2019
Lost time injuries	Number	11	7	20	23	35
of which fatal	Number	0	0	0	0	0
Frequency of Lost Time Injuries (LTI's)	LTI's per 1 mill. working hours	4.9	3.2	7.0	8.2	11.2
Frequency of Lost Time Injuries (LTI's)	LTI's per 200.000 working hours	1.0	0.6	1.4	1.6	2.2
Total Recordable Injuries Rate (TRIR)	Total injuries per 1 mill. working hours	8,4	-	-	-	-

1 December numbers. | 2 Managing at least 3 people. | 3 Director level and above.

GHG emissions	Unit	2023	2022	2021	2020	2019
Scope 1 / direct energy	MT CO2e	2,279	2,201	2,594	2,777	2,871
natural gas	MT CO2e	1,185	1,325	1,644	1,883	1,781
gas/oil (heating)	MT CO2e	124	69	101	50	30
fuel for vehicles (mobile combustion)	MT CO2e	608	391	404	378	559
VOC's	MT CO2e	362	416	445	466	501
Scope 2 / indirect energy	MT CO2e	3,936	4,296	21	18	6,432
electricity	MT CO2e	3,923	4,270	0	0	6,408
district heating	MT CO2e	13	26	21	18	24
Scope 1+2 / total CO2e emissions	MT CO2e	6,215	6,497	2,615	2,795	9,303
per m² fiberglass shipped	Kg CO2e/ Metric m² fiberglass shipped	6,7	7.8	2.4	2.4	-
per MT GRP manufactured	Tn CO2e/ MT GRP manufactured	0,7	-	-	-	-
per revenue	MT CO2e /DKKm	7,0	8.6	2.9	3.4	9.1
Scope 3 / indirect	MT CO2e	57,542	54,737	70,803	67,525	71,377
purchased goods and services	MT CO2e	38,794	47,674	61,909	58,149	60,981
capital goods	MT CO2e	1,846	99	260	341	1,621
is fuel and energy related activities	MT CO2e	1,437	1,085	1,391	1,454	1,338
upstream transportation & distribution	MT CO2e	2,125	1,704	2,964	2,641	2,780
waste generated in operations	MT CO2e	6,876	176	260	320	324
business travel	MT CO2e	160	110	38	40	214
employees commuting	MT CO2e	861	1,240	1,454	1,531	1,326
downstream transportation & distribution	MT CO2e	3,846	2,291	2,118	2,397	2,121
end-of-life of sold products	MT CO2e	1,597	358	408	652	671
Scope 3	MT CO2e					-
per m2 fiberglass shipped	Kg CO2e/ Metric m² fiberglass shipped	61,9	65.6	64.5	58.5	-
per MT GRP manufactured	Tn CO2e/ MT GRP manufactured	6,4	-	-	-	-
per revenue	MT CO2e	65,2	72,5	79.8	83.2	69.6
Scope 1+2+3 / total CO2e emissions	MT CO2e	63,757	61,234	73,418	70,320	80,680
per m² fiberglass shipped	Kg CO2e/ Metric m² fiberglass shipped	68,6	73,4	66,9	61,0	-
per MT GRP manufactured	Tn CO2e/ MT GRP manufactured	7,1	-	-	-	
per revenue	MT CO2e /DKKm	72,2	81.2	82.7	86.7	78.6

Energy	Unit	2023	2022	2021	2020	2019
Direct energy	MWh	8,505	8,499	10,253	11,102	11,304
natural gas	MWh	6,480	6,553	8,135	9,313	8,809
diesel (for heating)	MWh	46	283	420	203	124
fuel for vehicles	MWh	1979	1,663	1,698	1,586	2,371
Indirect energy	MWh	11,693	12,528	13,903	14,521	14,693
electricity	MWh	9,483	9,813	11,432	12,428	12,220
from renewable sources	%	22	29	100	100	24
district heating	MWh	2,210	2,715	2,471	2,093	2,473
Total energy use	MWh	20,198	21,027	24,156	25,623	25997
from renewable sources	%	20.7	25.8	57.0	56.3	20.3
Energy Index	KWh energy/ Metric m² fiberglass shipped	21,8	25.2	22.0	22.2	-
Energy Index	MWh energy/ MT waste/MT GRP manufactured	2,3	-	-	-	-

Waste	Unit	2023	2022	2021	2020	2019
Waste	MT	4,654	4,535	5,973	6,131	6,617
for recycling	MT	733	579	997	600	1,440
for incineration	MT	2,956	3,032	3,970	4,525	3,446
or for landfill	MT	647	698	666	628	1,360
for hazardous waste	MT	318	227	340	378	371
Waste Index	Kg waste/ Metric m² fiberglass shipped	5,0	5.4	5.4	5.3	-
Waste Index	MT waste/ MT waste/MT GRP manufactured	0,5	-	-	-	-

Fresh water	Unit	2023	2022	2021	2020	2019
M³ fresh water	M³	19,517	17,938	25,920	26,956	26,264
Water Index	Liters water/ Metric m² fiberglass shipped	21,0	21.5	23.6	23.4	-
Water Index	M3 water/ MT GRP manufactured	2,2	-	-	-	-

Local community	Unit	2023	2022	2021	2020	2019
Official sanctions or fines, safety	Number	0	0	0	0	2
Official sanctions or fines, environment	Number	0	0	0	0	1

Certifications	Unit	2023[1]	2022[1]	2021[1]	2020[1]	2019[1]
Sites with ISO 14001 certifications*	%	100%	100%	100%	100%	100%
Sites with ISO 45001/ OSHAS 18001 certifications*	%	100%	100%	100%	100%	100%

[1] *Sites with 5 or more employees.*

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