

BAETTR

2024

Sustainability Report

Our progress so far – wins & challenges

Engineering the Foundation
for Future Generations



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Letter from CEO

Dear Reader,

Another year has gone by, and I am proud to reflect on Baettr's continued sustainability journey. The progress we made in 2024 has reinforced our belief that fostering strong connections with our customers and supply chain is not only essential for business success but also vital to advancing the green transition within the energy industry.

At Baettr, we understand that collaboration is key to driving meaningful change. By cooperating with both customers and suppliers, we aim to take responsibility for our CO₂ footprint. We recognize that our industry has an environmental impact which we are committed to reducing through efficiency improvements and circular initiatives. This partnership is more than good business – it is fundamental to the transformation of the energy sector.

Our shared responsibility with customers and suppliers goes beyond individual efforts; it is about co-creating a more sustainable future. This year, we have strengthened our sustainability processes and deepened our collaboration across the value chain.

As part of our commitment to responsible business practices, we have signed up for the United Nations Global Compact, reinforcing our dedication to the Ten Principles on human rights, labor, environment, and anti-corruption. This commitment underscores our responsibility to operate with integrity, transparency, and accountability.

We have also conducted our first Double Materiality Assessment (DMA) as part of our Corporate Sustainability Reporting Directive (CSRD) efforts.

This assessment has helped us to further identify the key sustainability areas that will shape our focus in the coming years, underlining our commitment to meet regulatory expectations, and creating a foundation upon which we can develop our sustainability efforts.

Baettr is Engineering the Foundation for Future Generations, and our commitment to sustainability drives how we invest in people, processes, and innovations to create a positive and lasting impact. Moving towards a more sustainable future is key to the way we operate and is, therefore, always a part of our mindset as we strive to do more across all our operations. This journey is only possible because of the dedication, expertise, and efforts of our employees, who continuously push boundaries and make a real difference every day.

I invite all our partners to join us on this important journey. Together, through collaboration and innovation, we can continue to push the boundaries of what is possible and lead the way in creating more sustainable solutions for a brighter future.

I am confident that the steps we take today will continue to shape a better, greener tomorrow for us all. Thank you for your ongoing support as we embark on this vital journey.

Peter Pallishøj
CEO



Sustainability in short

This Sustainability Report will account for the environmental, social and governance (ESG) responsibility work in connection with Baettr's Financial Reporting for 2024.

The report also outlines our Communication on Progress (COP) to the UN Global Compact.

Who Cares Wins!

Sustainability is a fundamental priority for Baettr – a must-win battle. In 2024, we built on the strategic progress of 2023, strengthening the foundation for our future sustainability efforts. Achieving real impact requires that sustainability is deeply embedded in our decision-making at every level, in every location, and across all functions.

Our Sustainability Department has grown to include two full-time employees, along with a graduate. Strengthening our Sustainability team has been a key priority this year, focusing on training and skills development, preparation for new reporting requirements under CSRD, enhancements to our sustainability reporting system, and site visits to our production facilities for hands-on training.

The Sustainability Committee, consisting of the Sustainability Manager and key members of the Executive Management Team, has ensured that Senior Management is regularly

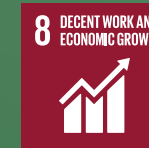
updated on the status of sustainability projects and goals. We have started appointing sustainability ambassadors in our production facilities around the world. Looking into 2025, we will begin training and educating our ambassadors, enabling them to bring our sustainability strategy and aims to life among all our employees.

A strong foundation has been laid, and structures have been established to embed a sustainability mindset throughout our organization. We have reviewed roadmaps, redefined our targets and conducted our first DMA. Alongside this, we have continued to make progress working towards our sustainability goals, introducing new projects and finding innovative ways to develop more responsible solutions that are great for our customers, the environment, partners, owners, and for Baettr.

We look forward to sharing the progress we, along with our colleagues across Baettr, have made this year and to continuing our sustainability efforts toward our 2030 targets.

If you through the report are curious about our progress, we look forward to a positive dialogue with you.

Laila T. Hansen, Senior Manager, Sustainability
Chris Clunan, ESG Coordinator



March 2025

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2024 Key Sustainability Highlights

Lost Time Injury Frequency (LTI)

1.7

% Renewable Energy

86.9

Emission Intensity, Location-based

2.656

% Recycled Raw Material in Castings

62

Total Recordable Injuries Frequency (TRI)

5.4

Gender Diversity at Management Level

 **84%**

 **16%**

% Waste for Recycling

95.6

Waste Intensity

0.155

Emission Intensity, Market-based

2.045

Employee Motivation

83%



Our Organization

As a global organization with a local presence in Europe, India, and China, we can offer an individual and personalized service to our global customers, while maintaining the same core values and behavior throughout our organization.

Global Castings was formed in 2013 as the German industrial holding company VTC GmbH & Co. KG acquired the company from Vestas. Global Castings rebranded to Baettr in 2019 and has continued to grow with the establishment of Baettr India in 2021 and the acquisition of a foundry in Ostfriesland in 2024. As we are still gathering data following our acquisition of Baettr Ostfriesland this year, the foundry is not included in the formal scope of this report.

Our production sites vary in character, which means that while the same processes occur at multiple sites, we may experience different challenges at each site. While all our sites are equipped with the latest technology and processes, the location and physical infrastructure including building age and design means that individual sites may experience different environmental challenges and a solution which works at one site may not be universally applicable across our other sites.



- + 1,200 total no. of employees
- 210,000 tons total casting capacity p.a.
- 227,000 hrs. total machining capacity p.a.



Guldsmedshyttan
Sweden
Production (Foundry)

Casting (tons p.a.): 30,000
Max. weight per item: 25 tons

150 Employees



Lem
Denmark
Production (Machine shop)
HQ

Machining (hours p.a.): max. 104,000

110 Employees (site)
60 Employees (HQ)



Xuzhou
China
Production (Foundry)

Casting (tons p.a.): 90,000
Max. weight per item: 35 tons

290 Employees



Tianjin
China
Production (Machine shop)

Machining (hours p.a.): max. 123,000

150 Employees



Ostfriesland
Germany
Production (Foundry)

Casting (tons p.a.): 40,000
Max. weight per item: 35 tons

165 Employees



Stade
Germany
Office

Global group functions

17 Employees



Chennai
India
Production (Foundry)

Casting (tons p.a.): 50,000
Max. weight per item: 35 tons

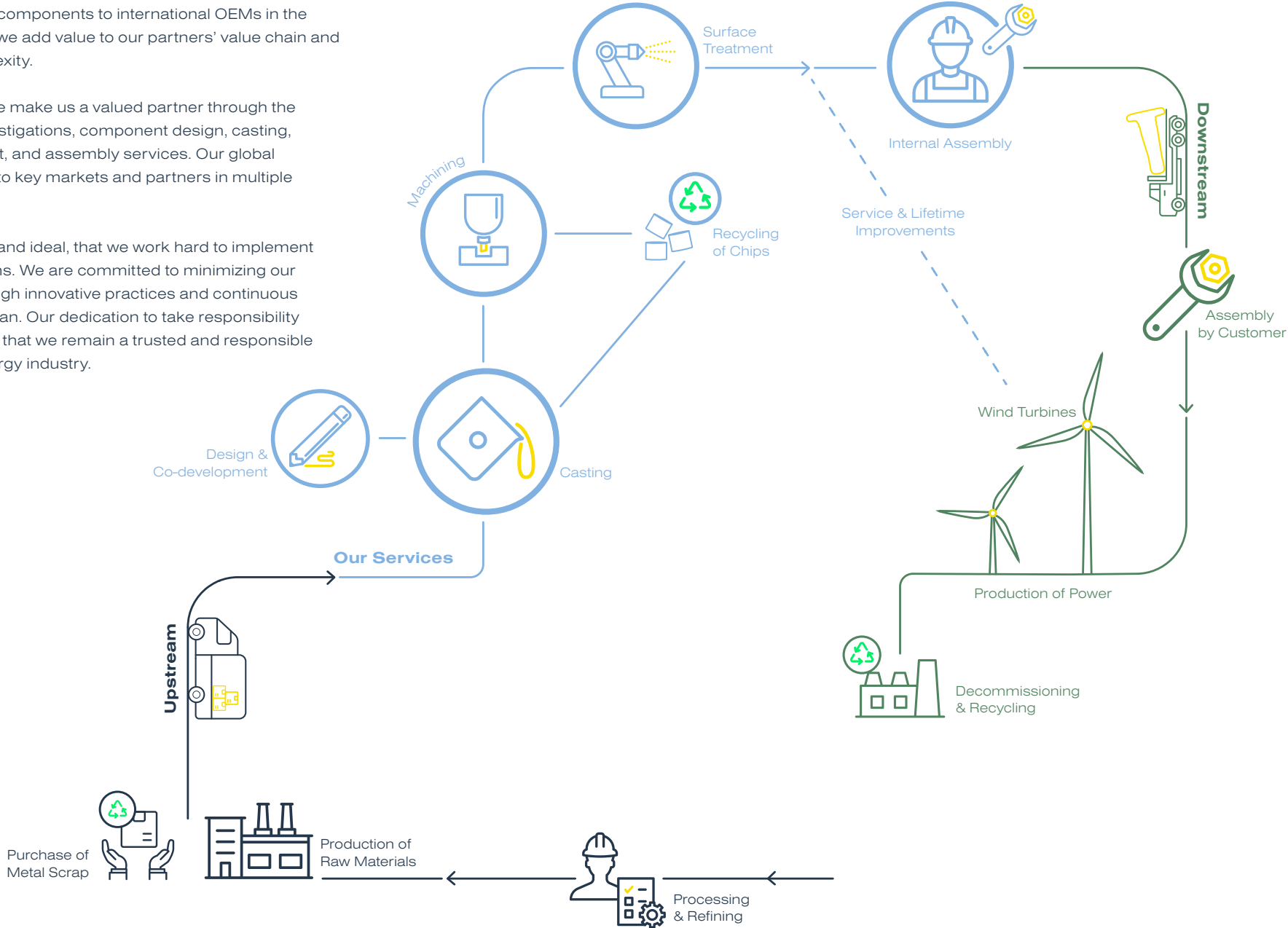
320 Employees

Business Model & Value Chain

As a leading supplier of cast components to international OEMs in the global wind energy industry, we add value to our partners' value chain and business by reducing complexity.

Our experience and expertise make us a valued partner through the full spectrum of material investigations, component design, casting, machining, surface treatment, and assembly services. Our global presence ensures proximity to key markets and partners in multiple regions.

Sustainability is a core value and ideal, that we work hard to implement in all aspects of our operations. We are committed to minimizing our environmental footprint through innovative practices and continuous improvement, wherever we can. Our dedication to take responsibility for the environment, ensures that we remain a trusted and responsible partner in the renewable energy industry.



Services & Solutions



Design for Manufacturing

Baettr's design advisory services contribute to lower production costs, enhance quality, and ensure stable supply chain deliveries.



Concept Co-development

By working with our customers to identify design challenges early in the process, we can add more value by supporting the resolution of challenges from a material and/or process perspective.



Design Review

Baettr design, better solutions.

Reviewing component design to eliminate design flaws can prevent costly consequences and delays. Our experienced engineers can support the design process, ensuring consistent, cost-competitive, and specification-accurate manufacturing of your components. The Baettr "Way to Market" stage-gate model ensures due diligence, structured processes, and compliance with APQP4Wind and industry standards.



Casting

Casting components: Building futures.

Over a decade of experience producing high-quality, cost-competitive casted components for the wind industry means that leading renewable energy OEMs trust us for consistent performance and specification-compliant manufacturing. Continual innovation and investments in the latest technology is our commitment to remaining the preferred supplier to our customers through our global casting infrastructure.



Machining

Perfection is in the details.

Our advanced machining technology transforms raw cast items into assembly-ready components with precision in and compliance with customer specifications. Heavy investment in technology maintains a globally optimized supply chain with strategically placed machining facilities.



Surface Treatment

Protection that withstands the elements.

The right surface treatment is a vital ingredient in securing optimal component protection and service lifespan. Our specialized surface treatment departments are a natural extension of our machining facilities, optimizing and controlling the full supply chain for the customer, because we believe the value chain should remain simple, efficient, and transparent.



Assembly

On time, in quantity – every time.

We are strategically located near major wind turbine markets worldwide, offering superior customer proximity. This enables us to provide OEMs with reliable sub-assembly solutions related to finished machined castings, reduce complexity and optimize the entire supply chain, all the way to the wind turbine site.

Grow Baettr



Grow Baettr Strategy is built on our values, people, culture, and leadership, which form the foundation of our strategy house and organization.

Our strategy house is purpose-driven, providing a roadmap for Baettr's growth, and reinforcing our commitment to creating positive social and environmental impacts in line with global sustainability priorities.

The inclusion of the UN Sustainable Development Goals (SDGs) in our strategy house and integration of these goals in our strategy emphasize our commitment to sustainability.

It is built around three main pillars covering the different business areas in our company. Each individual business area has its own roadmap to guide progress, forming a strong foundation for our overall strategy.

Our strategic framework is deeply connected to our purpose, "Engineering the Foundation for Future Generations," and integrates sustainable thinking throughout our organization.

Financial Summary 2024



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Financial Year 2024

In 2024, the financial landscape was shaped by economic stabilization alongside persistent uncertainties. Market stability, particularly in logistics and sourcing, has created a more predictable operating environment. However, the geopolitical landscape remained turbulent, requiring an alert approach to supply chain management. These evolving market conditions have deepened our understanding of raw material prices, transportation costs, and the ongoing impact of geopolitical instability.

Our financial performance in 2024 was marked by steady progress and promising developments, leading to increased volume. A key driver of this growth was the strong performance and scaling of our factories.

A significant milestone this year was the acquisition of a foundry in Ostfriesland, Germany. This investment required resources to onboard the facility and ramp up production volume. While the integration process demanded considerable effort, the transition has progressed well from a production standpoint, and we see strong long-term potential in this addition to our portfolio.

Overall, we are pleased with this year's financial results. The groundwork laid during this period positions us well for future growth. This year has been pivotal in strengthening our operational capacity and fostering further sustainable expansion.

Investing in Our Future

In 2024, energy efficiency was a key focus of our investment strategy, aligning with both cost reduction efforts and broader environmental objectives. We made significant investments in new equipment designed to lower energy consumption, enhancing resource efficiency while reducing our overall environmental impact.

Our ESG-related investments prioritized initiatives that improve environmental performance, promote workplace inclusivity, and enhance operational efficiency. For a detailed overview of the specific actions taken in 2024 and planned for 2025, please refer to section Environmental.

Outlook for 2025 & Future Financial Commitments

2025 Outlook

Building on the progress of previous years, 2025 will be a year of growth while strengthening our commitment to sustainability, efficiency, and resilience. We anticipate continued expansion, driven by increasing activity and rising production volumes. At the same time, we continue monitoring global uncertainties, including political instability, fluctuating raw material prices, and supply chain challenges. These factors require a focused approach to execution, resource management, and operational efficiency to ensure stability and long-term success.

A key priority for 2025 will be further reducing our environmental impact. While we expect higher total casted tonnage, we do not anticipate a significant increase in our overall climate footprint. This is due to our commitment to process optimization, innovation, and improved energy efficiency, which we expect will lower emissions intensity per tonnes produced.

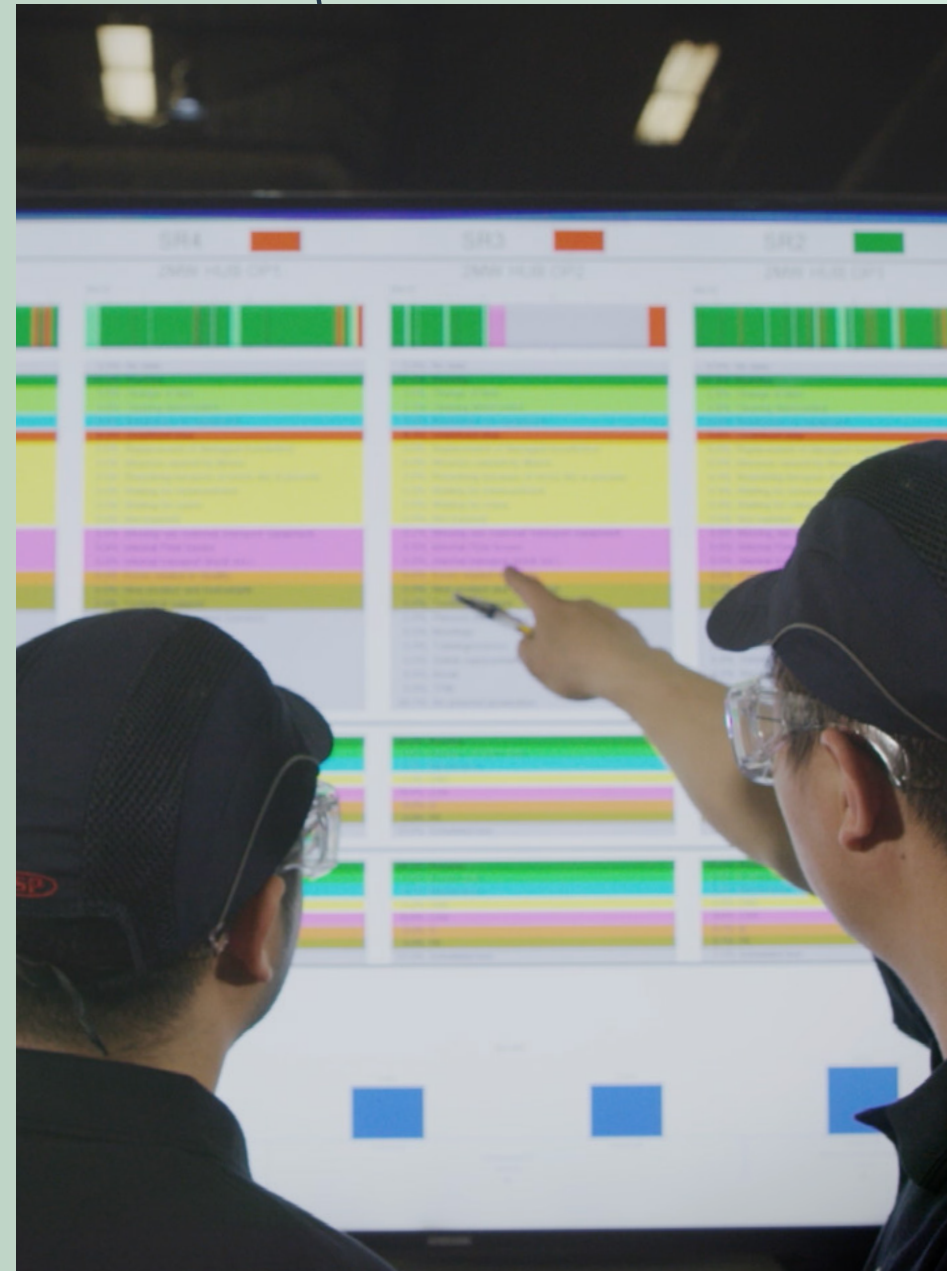
One of our primary investment areas will be energy efficiency and the transition to greener energy sources. Exploring alternative energy solutions and innovative technologies, such as battery storage, will be key elements of this strategy. By optimizing energy use, we aim to lower costs, reduce dependency on volatile energy prices, and further decrease our environmental footprint.

Beyond energy efficiency, we will strengthen our efforts in waste management by improving resource utilization in production, minimizing waste, and supporting a more circular manufacturing approach. Our Double Materiality Assessment (DMA) identified negative impacts from air pollution around our furnaces as a key area for improvement. In 2025, we will enhance dust management and air quality at selected facilities, ensuring a healthier and safer workplace for our employees.

We are confident that 2025 will be a year of both growth and progress toward a more responsible and resilient business. By addressing external market uncertainties while staying committed to our internal ESG priorities, we aim to achieve sustainable expansion while minimizing our environmental and social impact.

Additionally, we will focus on preparing for the new EU CSRD requirements and the EU Taxonomy. Strengthening our data collection, tracking, and reporting processes will be a key priority to ensure compliance with evolving regulations. We aim to integrate these requirements into our broader ESG strategy, driving long-term improvements in our environmental and social performance.

Sustainability Governance



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Sustainability Governance

Our commitment to sustainability is driven by a robust governance structure that ensures accountability and strategic alignment across all levels of the organization. The Board of Directors/C-Level holds the ultimate responsibility for our Sustainability Strategy, while the Extended Management Team and Group Functions implement actions within their respective areas. The Sustainability Committee bridges the Board and the Sustainability department, which oversees the execution of our strategy.

Additionally, our new Sustainability Ambassadors initiative empowers employees to champion sustainable practices in daily operations. This integrated approach ensures that sustainability is deeply embedded in our corporate culture and operations.

Board of Directors & C-Level
Endorses the strategy and targets and approves the resources necessary to implement the strategy.

Senior Management Team
Has overall responsibility for the Sustainability Strategy within Baettr.

Extended Management Team
Are responsible for implementing sustainability actions in the individual departments and production facilities throughout Baettr.

Sustainability Committee
Senior Management Team and the Sustainability Department meets on a quarterly basis to align targets, goals and progress on sustainability, and works to anchor sustainability in the overall strategy of the organization.

Sustainability Department
Responsible for implementing the Sustainability Strategy, performing sustainability training and campaigns, coordinating sustainability actions, and ESG reporting.

Operations and Group Functions
Implement sustainability actions in their individual departments and provide resources for implementation of the Sustainability Strategy.

Sustainability Ambassadors
Will be trained and empowered to carry out sustainability initiatives, promote sustainable behavior and support the Sustainability Department in embedding sustainability in daily operations.



Engaging Employees - Sustainability

Our Sustainability Department started training sessions across our various locations with the specific agenda "What is Sustainability? How do we work with this at Baetr?"

These sessions were conducted in person and fostered meaningful discussion on the concept of sustainability and its practical applications. Participants explored how they can contribute both professionally as Baetr employees and personally in their private lives.

During 2025, we will develop an online training program on various sustainability topics, e.g., a module explaining the most used sustainability terms. When the online training program is ready, it will become part of the onboarding process for all new employees. We will also develop various sustainability campaigns to increase the focus from all employees on sustainability.



Training performed by Sustainability Manager, Laila Hansen & Graduate, Sara Zeynalzade. ➔



Sustainability Reporting

We published our first Sustainability Report in 2020 and have published an annual Sustainability Report since. For this report, we have worked to align the report with the principles of the EU Corporate Sustainability Reporting Directive (CSRD) in preparation for our compulsory reporting from financial year 2025. In addition to this report, we are assessed by EcoVadis.

The scope of this Sustainability Report is the entire Baetr Group, consisting of Baetr Sales & Services A/S in Denmark, and our production sites around the world, excl. Baetr Ostfriesland. Our owner, VTC GmbH & Co. KG, is a holding company without any measurable activities, which means it is not in the scope of this report.

Baetr's sustainability reporting can be exposed to the risk of human errors as well as the risk of inaccurate or incomplete data.

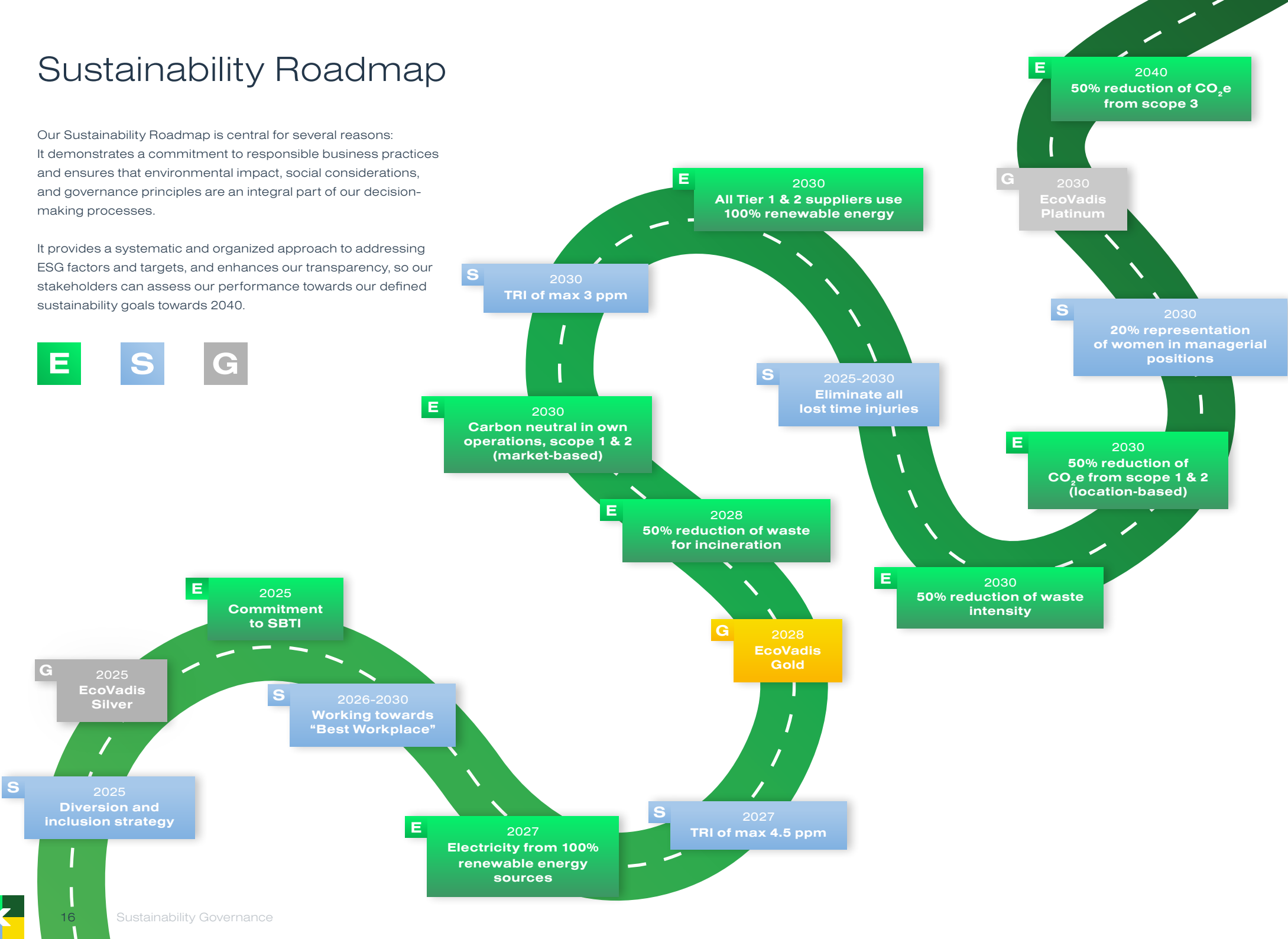
Baetr's sustainability data is managed using the Position Green platform and data is subject to internal validation on a regular basis. Primary data is used where possible, for example through own measurement or through utility bills. Where primary data is not available, secondary data are used. For further description, please refer to Appendix A.



Sustainability Roadmap

Our Sustainability Roadmap is central for several reasons: It demonstrates a commitment to responsible business practices and ensures that environmental impact, social considerations, and governance principles are an integral part of our decision-making processes.

It provides a systematic and organized approach to addressing ESG factors and targets, and enhances our transparency, so our stakeholders can assess our performance towards our defined sustainability goals towards 2040.



UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) serve as a guideline for our sustainability work. We are committed to running our business in a way which contributes to the SDGs.

In 2021, we conducted an SDG self-assessment survey, allowing us to identify the goals where Baettr has the potential to make the greatest impact, and it was decided to focus on the following five goals (listed in order of relevance for our company):



We prioritize sustainable practices in our manufacturing processes, ensuring efficient use of resources and minimizing waste. By implementing recycling programs and optimizing production, we contribute to a circular economy and promote responsible consumption and production.

Relevant SDG Targets/KPIs:

- Substantial waste reduction through prevention, reduction and reuse.
- Sustainable management and efficient use of natural resources.
- Environmentally sound management of chemicals and all chemical wastes.

For further details about our targets and progress toward this goal, please refer to section Environmental.



By reducing emissions, optimizing energy use, and reducing waste through an increased focus on circularity, we actively work to reduce our negative impact on the environment.

Relevant SDG Targets/KPIs:

- Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.

For further details about our targets and progress toward this goal, please refer to section Environmental.



We invest in education and training of our employees, providing opportunities for skill development and career advancement. We also offer opportunities for apprenticeships, internships, and students writing projects, and otherwise support educational opportunities in the community.

Relevant SDG Targets/KPIs:

- Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

For further details about our targets and progress toward this goal, please refer to section Social.

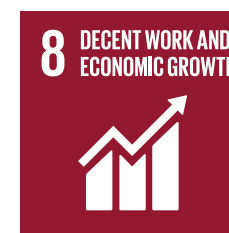


Our products are essential for the wind industry, helping to make clean energy more accessible and affordable. By advancing renewable energy technologies, we support the transition towards a more sustainable future. We strive to contribute to the green transition through our focus on reducing our energy use, as well as converting to renewable energy.

Relevant SDG Targets/KPIs:

- Increase substantially the share of renewable energy in the global energy mix.

For further details about our targets and progress toward this goal, please refer to section Environmental.



Our employees are our most important resource. We are committed to providing a safe, fair, and inclusive working environment for all our employees worldwide. By promoting decent work and economic growth, we contribute to the prosperity of our communities and the global economy.

Relevant SDG Targets/KPIs:

- Protect labor rights and promote safe and secure working environments for all workers.

For further details about our targets and progress toward this goal, please refer to section Social.

Materiality Assessment & Progress Towards CSRD / ESRS

Throughout a series of meetings in 2024, we hosted a Double Materiality Assessment (DMA). This process identified our key material impacts. In this first DMA process, our focus was on identifying and scoring our material impacts on the outside world. We are therefore aware that we are not fully compliant with the general principles of the European Sustainability Reporting Standards (ESRS), as financial risks associated with each individual impact were not specifically assessed at this stage. When revisiting the DMA process in 2025, the financial risks and opportunities for each of the material impacts will be taken into consideration and added with a score.

Internal stakeholders from Baettr were selected to participate in the DMA process based on their knowledge of a variety of business areas, thus providing a holistic understanding of Baettr's processes and value chain. This included representatives from Sustainability, Operations, Global Sourcing, Finance, People & Growth, and Health & Safety.

The internal stakeholders selected for the process possess a deep understanding of Baettr's value chain and were thus able to take impacts into account from both up and downstream perspectives in the value chain, as well as own operations.

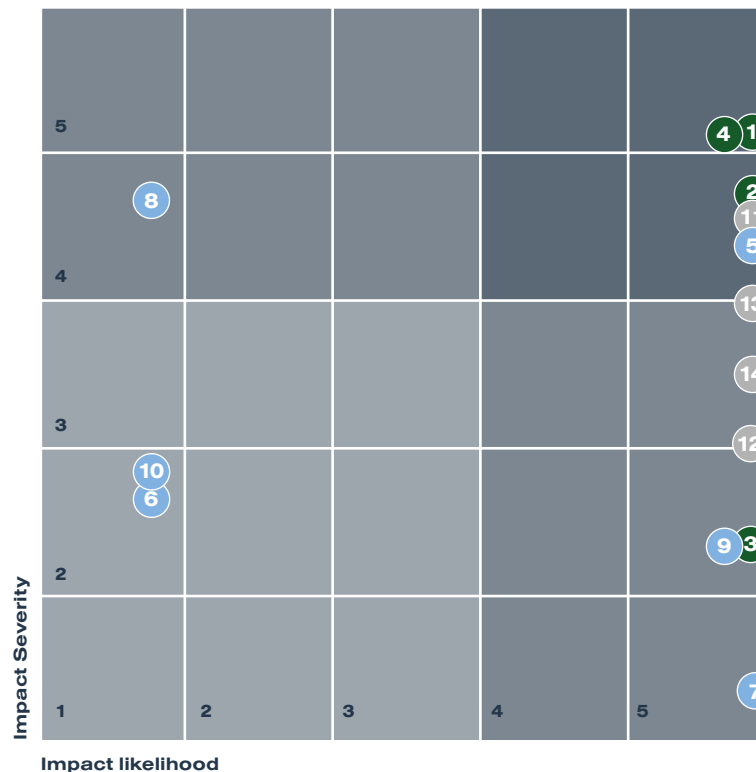
The DMA process started with a workshop and brainstorming session, where a provisional list of 66 potential topics was identified. Subsequent meetings were then held to review and consolidate this list.

Impact severity was established by assessing the scale, scope, and remediability of each impact on a scale of 1-5. The materiality of each impact was then established as a function of the severity and the likelihood of the impact. Due to the inherent importance of any impact on human rights, a lower materiality threshold was applied for any impacts with an actual or potential human rights impact.

The DMA matrix shows the materiality of ESRS topics and sub-topics based on the severity and likelihood of the identified impacts.

Double Materiality Assessment Matrix

The DMA process identified 28 material impacts in 6 of the 10 ESRS topics and 11 sub-topics. The charts show the topics and sub-topics which we found material in the DMA process. A full description of the scoring process, scales, and all impacts can be found in Appendix B. Details of our response to each impact can be found in the topical sections on Environmental, Social, and Governance.



Environmental

- 1: Climate change mitigation
- 2: Energy
- 3: Pollution of air
- 4: Waste

Social

- 5: Working conditions (S1)
- 6: Equal treatment and opportunities for all (S1)
- 7: Other work related rights (S1)
- 8: Working conditions (S2)
- 9: Equal treatment and opportunities for all (S2)
- 10: Other work related rights (S2)

Governance

- 11: Corporate culture
- 12: Payment practice towards suppliers
- 13: Political engagement & lobbying activities
- 14: Protection of whistleblowers

Climate-related Risks

Climate-related impacts

(ESRS SBM-3) Climate related impacts were assessed as part of the DMA in line with the principles of the ESRS and have also been assessed as part of Baettr's ongoing risk assessments and Business Continuity Planning. While a severe weather event or natural disaster may have some impact on our production, our assets and business activities are not considered to be specifically vulnerable to climate-related hazards. Where external events may have an impact on Baettr's operations, contingency plans have been drawn up to allow operations to continue – for example with a lower staffing level, outsourcing, or with production facilities on different sites covering for one another.

Climate-related Scenario Analysis

Environmental impacts in our DMA were assessed based on current temperatures. While we consider our operations and facilities to be resilient to climate related risks in the current scenario, it is clear that the risk level would be higher, and resilience would be lower in a scenario with temperature increases of up to 3°C and a higher frequency of severe weather events.

Embracing the Green Transition

We recognize the green transition and the growth of renewable energy as a significant opportunity for Baettr which not only aligns with our core values but also positions us to make a meaningful impact on the environment and the renewable energy sector. While improving our processes to reduce environmental impacts comes with some economic costs, we view this as an opportunity to improve. Overall, improvements to our processes increasing our effectiveness and reduce emissions also make good economic sense for Baettr, as well as it leading to long term reductions in our general environmental footprint.

Water & Marine Resources

Impact on water and marine resources were assessed as part of the DMA. While cooling water is an important part of our production processes in some locations, careful management of our processes and regular testing, ensures that there is no impact on marine resources when the water used for cooling is released into the local water environment.

Water and marine resources were not found to be material in our DMA and are therefore not included in this report.

Biodiversity

Impacts on biodiversity were also assessed in our DMA and found not to be material. Potential impacts were identified relating to biodiversity in soil (related to landfill waste) and impacts on water ecosystems (from cooling water and offshore turbines). None of these impacts and potential impacts met our materiality threshold.

While biodiversity does not meet our materiality threshold and thus the reporting requirements, improving biodiversity in and around our production facilities is a priority for Baettr.

Baettr India is an example of this, where green coverage exceeds 30% of the site area, with carefully selected drought resistant trees planted on the site.

Social & Governance-related Impacts

For impacts related to Social and Governance, material impacts were identified in our own operations, our supply chain and in diverse governance areas. Please see sections for Social and Governance for more details about these.

No material impacts were identified in the areas of "Affected Communities" or "Consumers and End-Users", however, we remain committed to proactive engagement with stakeholders and continuous improvement in our social and governance practices.



Environmental



We have made clear and significant improvements in 2024 – decreasing both emission and waste intensity, a result we are proud of. Going into 2025, we look forward building on these results, continuing to innovate, and drive improvements.

Michael Thorsen
Senior Vice President - Global Operations

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Climate Change

Climate Ambitions

(ESRS E1) At Baettr, we are dedicated to advancing renewable energy solutions that generate green energy and thereby reduce emissions. By integrating sustainability into our core operations, we are actively working towards the essential transition to become a carbon neutral company.

Our overall strategic sustainability ambitions include:

Emissions & Energy



2030

Carbon neutral in own operations, scope 1 & 2 (market-based)



2030

50% reduction of CO₂e from scope 1 & 2 (location-based)



2040

50% reduction of CO₂e from scope 3

Circular Economy



2030

70% recycled raw materials in castings



2030

50% reduction of waste intensity

Our baseline for scope 1 & 2 emissions is 2019, and 2021 for scope 3 emissions. Our Sustainability Roadmap includes our milestones toward 2030, and these milestones are also included in the information below.

Transition Plan

(ESRS E1-1) We have set concrete goals for reduction, which we aim to have validated by signing up for the Science Based Target's initiative in 2025. The emissions reductions targets are further explained in section Climate Change Targets.

Our Sustainability Roadmap, described in section Sustainability in Baettr, supports our work toward these goals and helps ensure that we have established the necessary structures in our organization to facilitate our progress.

Further details of the concrete actions taken in 2024 are outlined in section Climate Change Actions.

Baettr's transition plan for climate change mitigation is embedded and aligned with our overall strategy through our sustainability governance structure. There are 15 emissions categories in scope 3, and we currently measure data on the following 5, selected based on an initial screening which showed these as the most significant:

- Purchased goods and services
- Fuel and energy related activities
- Upstream transportation and distribution
- Waste generated in operations
- Downstream processing and distribution

In 2025, we aim to increase our data collection for other categories in scope 3 allowing us to assess our actual impact in these areas also and identify if there is a potential to reduce our emissions.

Baettr is not excluded from the EU Paris-aligned benchmarks.

Material Impacts

	Impacts	Location in Value Chain			Time Horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
Supplier use of raw materials	Actual negative impact	●			●	●	●
Electricity used in production	Actual negative impact		●		●	●	●
Internal transport – production components	Actual negative impact		●		●	●	●
Transportation of product to customer	Actual negative impact	●		●	●	●	●
Transport purchased goods	Actual negative impact	●	●		●	●	●
Stationary combustion LPG	Actual negative impact		●		●	●	●
District heating	Actual negative impact		●		●	●	●
Employee commuting	Actual negative impact		●		●	●	●
Business Travel	Actual negative impact		●		●	●	●

Climate Change Impacts

The materiality assessment outlined in section Sustainability in Baetr identified the following material impacts.

Supplier Use of Raw Materials

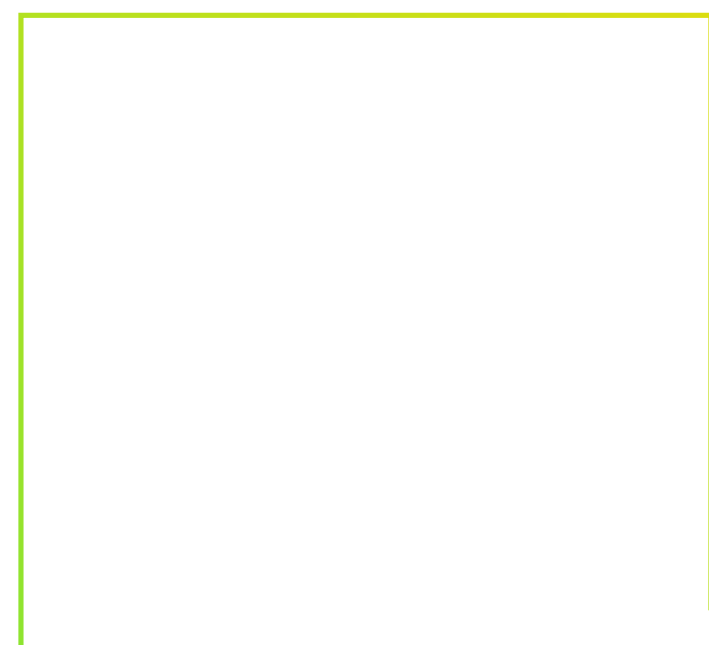
The nature of our products requires a large amount of materials – both raw and recycled/reused. While obtaining these materials has a significant climate impact, our strong focus on circularity helps reduce our use of raw materials, thereby minimizing our overall climate impact. For more information on our cooperation with suppliers, please refer to section Resource Use and Circular Economy and Sustainable Sourcing.

Electricity Used in Production

The casting process requires us to heat metal to over 1400°C, which requires huge amounts of energy. While some of our

foundries use liquid petroleum gas (LPG) to preheat ladles in the melting process, most of the energy used in the casting process is from electricity. Precision machining of casted elements weighing up to 30 tonnes also requires large amounts of electricity.

Working to reduce our electricity consumption is a high priority for us. While we are working on innovative solutions to reduce our electricity consumption and carbon footprint, we are buying green certificates e.g. IREC & GEG and are entering into Power Purchase Agreements (PPAs) and see this as an investment in the climate.



Emissions from Transport

Transporting our large and heavy components has a significant climate impact, accounting for 26.2 tCO₂e, which was 13.5% of our scope 3 emissions.

Our total transport emissions increased by 7% in 2024, while our production (casted tonnes) increased by 21%. This production increase naturally requires a larger amount of raw materials, and more products requiring internal transport between sites as well as to customers. While our overall transport impact has increased, this represents a relative decrease in emissions per casted tonne.

Total emissions from internal transport between sites in 2024 was 10,016 tCO₂e. This represents an increase of 3.1% compared to emissions in 2023.

Total emissions from transporting our products to customers in 2024 was 9,271 tCO₂e. This represents an increase of 16.7% compared to emissions in 2023.

Total emissions from transport of purchased goods in 2024 was 6,958 tCO₂e. This represents a 1% increase compared to emissions in 2023.

Careful planning of our up- and downstream supply chain activities can minimize our environmental impact from transport activities by enhancing transportation efficiency. In some cases, low-carbon transport such as maritime and rail transport can be utilised instead of high-carbon transportation such as road transport.

Stationary Combustion Liquid Petroleum Gas

LPG is used to pre-heat ladles in the melting process in our foundry in Baettr Xuzhou and to a lesser extent in Baettr Guldsmedshyttan. LPG is also used in the infrared oven in the surface treatment process in Baettr Lem. Improving ladle insulation and a higher utilization rate (meaning ladles do not cool down to the same extent between melts) can help to limit our LPG consumption.

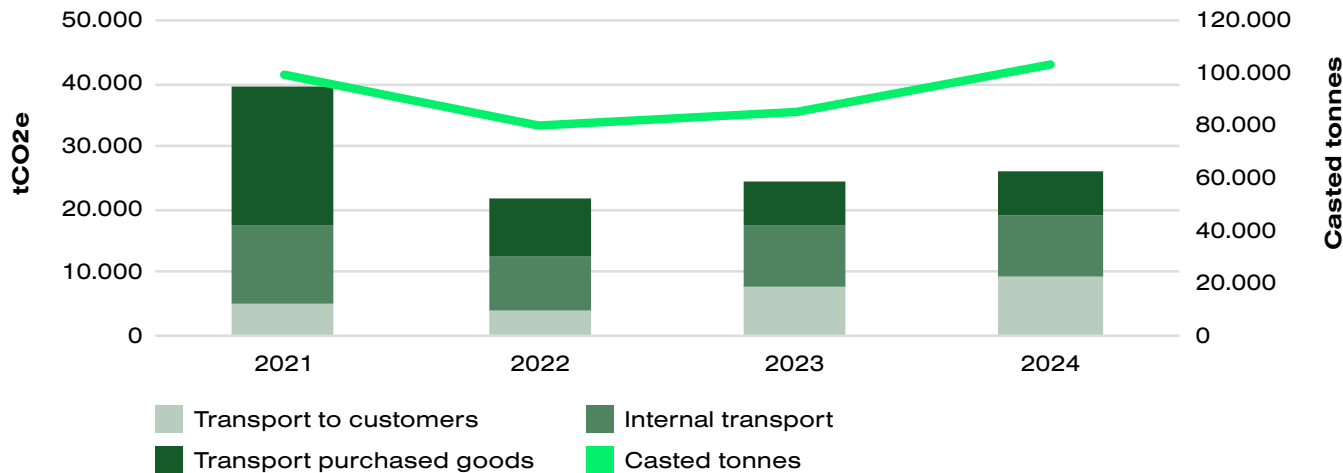
District Heating

District heating is used at our facilities Baettr Lem and Baettr Guldsmedshyttan. At Baettr Lem, district heating is based on green energy, while there is a relatively small negative impact from district heating at Baettr Guldsmedshyttan. Energy consumption from district heating has decreased at both sites since 2021, at Baettr Guldsmedshyttan from

1.7 MWh/year to 1.3 MWh/year, and at Baettr Lem from 2.4 MWh/year to 2.0 MWh/year. These reductions can partly be seen because of our continued work to increase energy efficiency as described in the section Climate Change Actions. However, the need for district heating is also largely dependent on the outside temperature.

Employee Commuting & Business Travel

From an initial screening of our scope 3 emissions in 2021, we know that these impacts are relatively insignificant, together accounting for less than 2% of our scope 3 emissions. Section Climate Change Actions contains more information on the initiatives we have taken to reduce emissions from employee commuting. If we include business travel in our scope 3 emissions, we will consider how we best can minimize the climate impact from our business travels, without compromising the benefits we obtain from the travelling e.g. for training and best practices sharing.



While emissions from transport have increased in 2024, this increase is proportionally lower than the increase in casted tonnage.

Climate Change Policies

Environmental Policy

(ESRS E1-2) This year, we introduced our Environmental Policy to supplement our existing HSEQ Policy, reinforcing our commitment to reduce our environmental impact and to continually improve environmental performance. The policy has focus on the following areas:

- Reduce energy consumption and promote the use of renewable energy sources.
- Prevent pollution and reduce emissions of greenhouse gases.
- Minimize waste through thoughtful use and reuse of materials.
- Engage employees, stakeholders, and the community in our environmental efforts.

The policy is accessible to all employees on Baettr's intranet and introduced to new hires as part of their onboarding program. The policy owner is the Global HSE Manager. Members of the Extended Management Team are responsible for implementing the policy in their respective departments and in our production facilities.

[You can read our Environmental Policy here](#)



Climate Change Actions

(ESRS E1-3) Increasing energy efficiency is a focus point at all our facilities and can often be achieved through adjustments and optimization. We have carried out adjustments of the ventilation systems at Baettr Lem, which have been calculated to offer a potential saving of over 180 MWh per year, while increasing the frequency of leak detection in air hoses is expected to save up to 60 MWh per year.

Adjusting time settings for ventilation at Baettr Guldsmeshyttan and turning down the cooling at Baettr Tianjin in the summer (allowing a temperature increase in the workshops of 2°C), also provides significant reductions in electricity consumption.

In Baettr Guldsmeshyttan, we replaced diesel in forklifts, wheel loaders, and other vehicles used at the foundry with hydrotreated vegetable oil (HVO). This has resulted in a decrease from an average of 13 tCO₂e per month from company owned transport in 2023 to an average of 2.8 tCO₂e per month in 2024, with an average of less than 2 tCO₂e per month for the period after the change to HVO. An additional investment in a new electric forklift further supports work to reduce carbon emissions from vehicles used in the foundry.

Many of our processes generate excess heat, which we reuse where possible. For example, in Baettr Xuzhou, waste heat from the air compressor is used to heat our office building in the winter and a heat pump absorbs waste heat in the transformer room to generate hot water for staff showers. In Baettr Guldsmeshyttan excess heat from the furnaces is supplied to the local district heating system to provide heating for the local area. In 2024 we sold 1212MWh of heat to the district heating network.

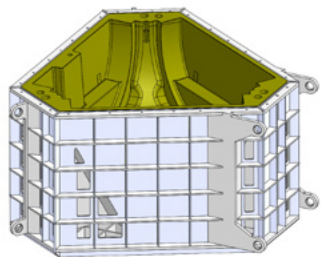
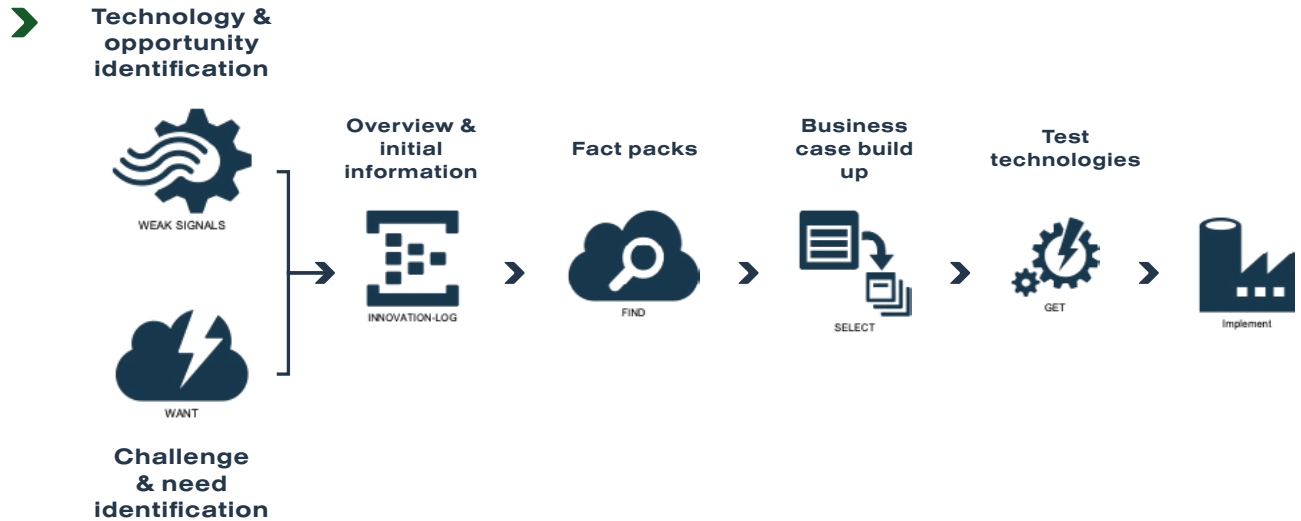
Several of our sites have chargers for electric vehicles, enabling our employees to commute in an environmentally friendly way and charge their cars at work. We have increased the availability of chargers at several of our sites, and workers at Baettr Xuzhou now also have the option to commute with an electric shuttle bus.

End of 2024, a Life Cycle Analysis (LCA)/Cradle to Gate was initiated at one of our foundries in Europe to assess the specific carbon footprint, to get emissions hotspots identified and to get actionable insights on where it can be possible to decrease the carbon footprint across different stages of the casting process. During 2025, we will evaluate if the LCA process should be performed on one of our machining sites and/or on other of our foundries.

The results of our work to improve energy efficiency can be seen in our scope 1 and 2 emissions intensity detailed in the section Energy Consumption & Mix.

LaunchPAD: Pushing Boundaries in Sustainable Foundry Innovation

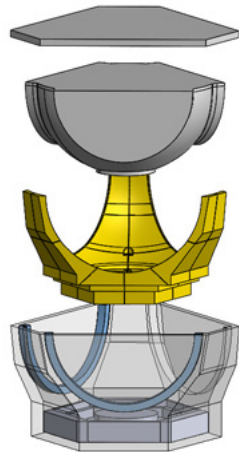
Innovation drives our mission to create a more sustainable future. LaunchPAD is Baetr's structured way to work with innovation, facilitating the capture of innovative ideas that support our targets and streamlining the development and implementation of these ideas into tangible solutions which support our sustainability targets. In 2024, we advanced two groundbreaking patent-pending solutions that push the boundaries of foundry operations.



Classic Sand Mould

vs

Contour Chill Method



Contour Chill Element Casting Methods

Inspired by modularity, our contour chill element technology replaces conventional sand moulds with reusable metallic bricks, assembled similarly to small building bricks.

This breakthrough reduces annual consumption of virgin sand by 9,000–18,000 tonnes and binding chemicals by 1,800–3,600 tonnes (30-60% reduction), significantly minimizing environmental impact while enhancing process flexibility and efficiency.

Transforming the Shakeout Process

We have revolutionized the shakeout process by adapting existing technology to new applications.

This innovative solution reduces in-process energy consumption by up to a factor of 1:20, lessens equipment strain, and cuts noise, waste, dust, and emissions. The successful feasibility study showcases its potential for integration into full-scale production, contributing to our ongoing efforts to improve efficiency and sustainability in foundries.

By challenging conventional approaches and embracing ingenuity, Baetr continues to drive improvements in resource efficiency, sustainability, and operational excellence.

Climate Change Targets

(ESRS E1-4) In accordance with our Environmental Policy, Baettr has established a target to be carbon neutral in our own operations scope 1 & 2 (market-based) by 2030. As part of this commitment, we are transitioning to 100% renewable energy in our operations latest by end 2027. To support this transition, we purchase green certificates and PPAs, which we see as a necessary step and an investment in the climate while we actively work on reducing our carbon footprint.

While PPAs and green certificates help us achieve market-based carbon neutrality, we recognize that the most sustainable energy is the energy we never consume. Therefore, we have also set a target to reduce our absolute scope 1 & 2 emissions by 50% (location-based) by 2030. We aim to achieve this reduction through efficiency improvements and innovation.

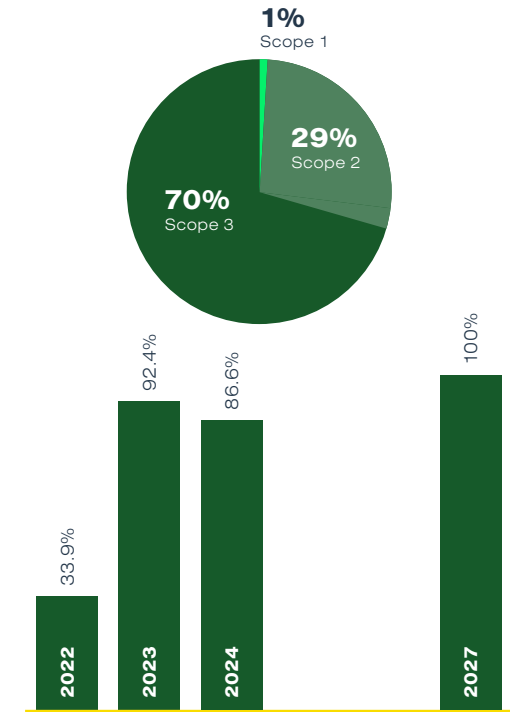
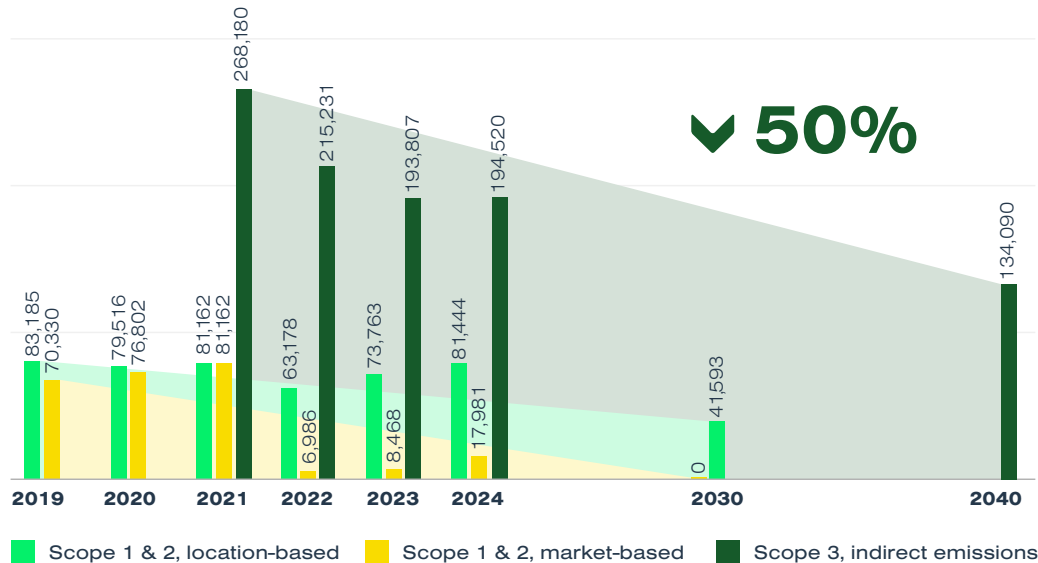
Scope 1 and 2 emissions account for 30% of our emissions, meaning that the highest potential for achieving our emission reductions lies in scope 3. We have set a target of reducing scope 3 emissions by 50% by 2040.

This year, we experienced a minor increase in our scope 3 emissions of less than 1%, however when accounting for the 21% increase in casted tonnes in 2024, our scope 3 emissions intensity has decreased from 2.26 to 1.87 tCO₂e/tonne which represents a significant reduction in our emissions intensity. As the graph shows, our scope 1 & 2 location-based emissions have shown a small annual increase in recent years. This reflects the opening of our production facility in Chennai in 2022 and subsequent growth of our production capacity and increase of our CO₂ emissions.

While our emissions intensity has fallen, this does present a challenge in reaching our target of a 50% absolute reduction in scope 1 & 2 by 2030. This will be a focus point for Baettr in the coming years. Currently we have chosen to maintain our target of a 50% absolute reduction in scope 1 and 2 emissions by 2030 but are considering if we should add a target for our emission intensity, as such target is better suited for expansion/growth or in case of downsizing.

We believe we are on track to reach our two other reduction targets by 2030 and 2040.

We aim to reduce scope 1 & 2 (location-based) absolute emissions by **50%**, become carbon neutral in scope 1 & 2 (market-based) by 2030 and reduce scope 3 emissions by **50%** by 2040.

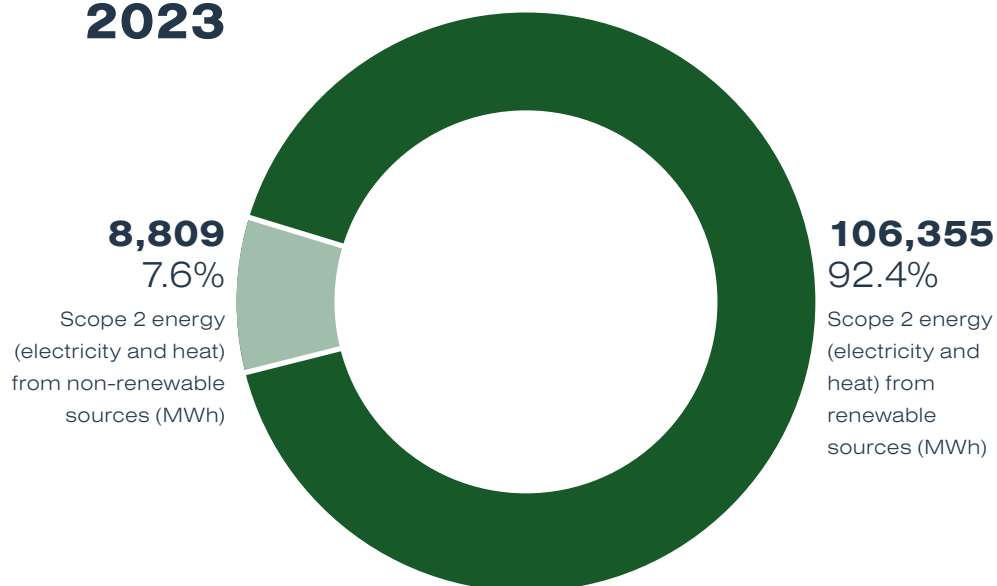


▶ We believe we are on track to reach our target of electricity from 100% renewable sources by 2027.

◀ While expanding capacity with a new factory in 2022, we still reduced location-based Scope 1 & 2 emissions by 3% from our 2019 baseline. Scope 1 & 2 market-based is reduced by 75% since baseline year 2019. Scope 3 is reduced by 27.5% since baseline year 2021.

Energy Consumption & Mix

2023



Total energy consumption: **115,164 MWh**

2024



Total energy consumption: **126,795 MWh**

(ESRS E1-5) Our total scope 2 energy use increased to 126,795 MWh in 2024, from 115,164 MWh in 2023. However, our overall production also increased to 103,888 tonnes, from 85,695 tonnes in 2023. This equates to a decrease in scope 2 energy use from 1.34 MWh per tonne in 2023 to 1.22 MWh per tonne in 2024.

The decline in renewable energy share from 2023 to 2024 is due to one of our sites not being able to purchase the required PPAs. In our 2023 report, we reported our % renewable electricity as 100%, which has turned out to be a reporting error, as the correct share was 92.4%, also due to lack of purchase of the required PPAs.

The reduction in energy consumption per casted tonne lowered our location-based emissions intensity from 0.861 tCO₂e in 2023 to 0.784 tCO₂e in 2024. But a lower share of renewable energy led to a slight increase in market-based emissions per casted tonne.

Good News: Energy efficiency improved, lowering emissions per casted tonne.

Opportunity: A lower share of renewable energy slightly increased emissions from purchased electricity (market-based emissions).

Pollution

Material Impacts

(ESRS E2) Our DMA identified two areas where our business activities cause material impacts related to air pollution.

Air Pollution from Furnaces

Pollutant emissions including VOCs, CO, SO2 and NOx, dust, and other particles are emitted during the melting and casting process. This actual negative impact occurs in our own production facilities. These pollutants degrade air quality locally and can have broader environmental impacts.

VOC Emissions – Surface Treatment

VOC emissions occur during the surface treatment process in our machining facilities. The paints we use contain some volatile organic compounds (VOCs), which are released into the air during application and drying. VOCs can contribute to environmental degradation and poor air quality as well as having adverse impacts on human health. However, we have already transitioned to low VOC paints to minimize this impact. Our commitment to using environmentally friendly materials is part of our broader strategy to enhance sustainability and protect both the environment and the health of our communities.

Impacts	Location in Value Chain			Time Horizon		
	Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
Air pollution from furnaces		●		●	●	●
VOC emissions – surface treatment		●		●	●	●

Pollution Policies

(ESRS E2-1) Our policy aims relating to pollution are addressed in our Environmental Policy, see section Climate Change Policies. These include preventing pollution, reducing emissions of chemicals, and greenhouse gas emissions.

Emissions to air are monitored differently, depending on the nature of emission and source. All our sites have environmental permits which regulate emissions and mitigation measures as well as monitoring locations, frequency, methodology, and stipulating reporting requirements. In some cases, emissions are measured by the local environmental authorities directly, while we provide data to the authorities from other sites. Emissions data is typically based on an extrapolation from one or more sampling campaigns conducted at a site level or calculated based on emission factors related to the emission source.

Pollution Actions

(ESRS E2-2) We seek to reduce emissions wherever possible to decrease our impact and improve air quality at our production sites. A variety of projects and actions are in progress:

Foundries

Baettr Guldsmedshyttan has tested a mist cannon to reduce dust and other pollutants during the shakeout and magnesium treatment process. We are still investigating if this solution can give us the desired results by reducing pollution and increasing air quality in the foundry.

Baettr Xuzhou has measures in place to tackle dust and air pollution, including routine deep cleaning and a movable dust

extraction device in front of the furnaces. Sweeper vehicles clean the workshops and outside areas on a regular basis. An ongoing project involves moving walls in part of the facility, installing a dust extrusion hood and screening to prevent the spreading of light dust.

In addition to these measures, Baettr Xuzhou is also looking at options to seal the shakeout area, rebuild the fettling area, and reactivate the de-dusting machine in the pouring area, to reduce dust and improve air quality in the production environment. Furthermore, a mist cannon has been ordered for testing in Baettr Xuzhou.

The changes described in the LaunchPAD section will contribute to improving air quality and reducing our pollution and emissions in the shakeout process.

Machine Shops

Baettr Tianjin conducts monthly testing to monitor VOC emissions. The catalyst of the VOC filtration system has been replaced, and after this replacement the VOC concentration of the total outlet is less than $20\text{mg}/\text{m}^3$, which is significantly lower than the limit of $50\text{mg}/\text{m}^3$ limit value stipulated by local standards.

At Baettr Lem, improvements have been made to the ventilation system to reduce air pollution and dust levels.



Resource Use & Circular Economy

Material Impacts

(ESRS E5) Our DMA identified six areas where our business activities cause material impacts related to resource use and the circular economy.

Waste Generated in Production

Reducing waste in the production process, through a combination of process optimization and reuse/recycling is a major focus point at Baettr. This provides both environmental benefits and cost savings. Two specific waste areas have been identified in the DMA which are dealt with individually in the below text.

Sand Waste from the Casting Process

Sand waste from the casting process is an actual negative impact which has been documented in previous reports. While it is possible to reuse approximately 90% of the sand, the exact reuse rate varies due to various production factors. Despite our efforts to maximize sand reuse, impurities mean that it is not possible for us to achieve 100% reuse of casting sand in our own processes.

Where it is not possible to reuse sand in our own processes, we strive to ensure that it is recycled or reused in other processes, for example the use of recycled sand in construction and in soil products for horticulture. The introduction of near net shape mould boxes, which has also been featured in previous reports, reduced the volume of sand necessary for each cast. We continue to work to find new initiatives to reduce our sand use, and to increase the reuse and recycle rate of this resource wherever possible.

Reuse of Steel Chips Internally

The reuse of steel chips internally represents a positive impact. 100% of the chips generated during the machining process are made to briquettes to be reused in new castings. As these chips contain the correct amount of alloy materials in relation to our own production, they have the same composition as the finished product and represent a higher value as new replacement material. As the trucks which deliver elements from our foundries to our machine workshops otherwise return empty, transporting the chips back to the foundry has a minimal impact.

Waste in the Supply Chain

Waste is generated by our suppliers, when producing materials for Baettr. Working with our suppliers allows us to minimize negative impacts. More information about our work with our suppliers is available in section Sustainable Sourcing.

Transport Loop Return

Our finished products are transported on pallets. Depending on the destination these are made of wood (single use) or metal (multiple use). Once used, many of the wooden pallets end up as waste. Either replacing the wooden pallets with steel pallets with a return system or implementing a transport loop return system for wooden pallets presents an opportunity for Baettr to reduce waste and the associated carbon footprint.

Purchase of Steel Scrap and Pig Iron

Manufacturing pig iron generates high levels of emissions, so purchasing scrap metal and pig iron allows us to reduce our reliance on virgin resources and thereby save emissions.

	Impacts	Location in Value Chain			Time Horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
Waste generated in production	Actual negative impact		●		●	●	●
Sand waste from casting process	Actual negative impact		●		●	●	●
Reuse of chips internally	Actual positive impact		●		●	●	●
Waste in the supply chain	Actual negative impact	●			●	●	●
Transport loop return	Potential positive impact		●		●	●	●
Purchase of steel scrap and pig iron	Actual negative impact	●	●		●	●	●

Resource Use & Circular Economy Policies

(ESRS E5-1) Our policies relating to resource use and circular economy are addressed in our Environmental Policy, please see section “Climate Change Policies”. These include promoting the use of recycled and recyclable materials as well as focusing on effective waste management, waste reduction, and reuse or recycling.

Resource Use & Circular Economy Actions

(ESRS E5-2) We have worked to reduce waste and increase circularity in our production processes for several years and our team constantly looks for ways to further optimize.

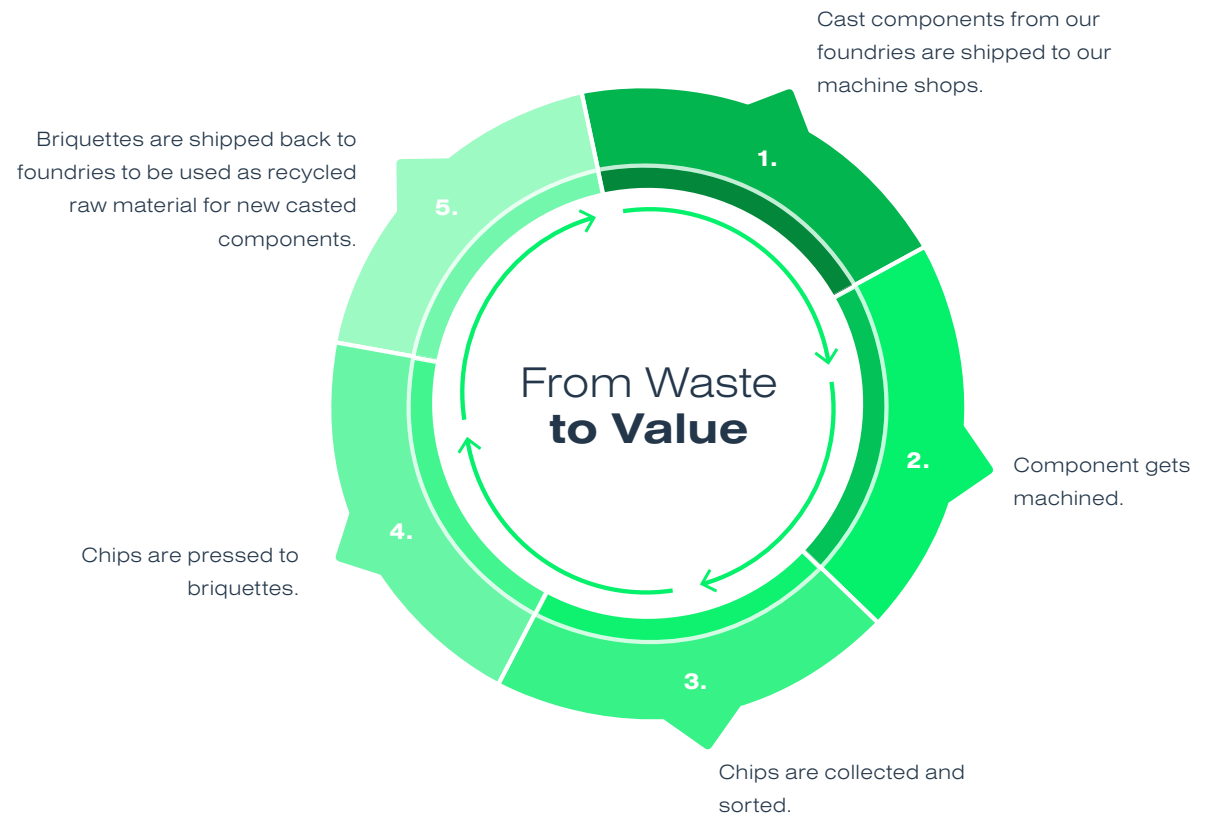
Key Actions

In Baettr Guldsmedshyttan a new lifting tool was introduced in 2024, which will allow us to recycle more sand when casting the main shaft. When casting smaller main shafts this tool has resulted in a saving of 1.5 tonnes of sand per casting. Work is ongoing to implement the tool for larger shafts, where the expected saving is 6 tonnes of sand per casting. Baettr Guldsmedshyttan carried out a project with a waste management supplier to find areas where circularity can be improved. This study identified the potential for increased reuse of casting sand. An investment in an improved sand system is planned for 2025 which will reduce sand deposits by approximately 6,000 tonnes per year.

There is increasing focus on the limited nature of sand as a resource. Increasing the reuse of sand in our production reduces the use of this resource, and saves on the emissions associated with extraction, transport, and disposal of reused sand too.

Baettr Lem supplies Baettr Guldsmedshyttan with briquettes formed from the chips produced in the machining process. At the end of 2024, Baettr Lem also started supplying briquettes to the new foundry, Baettr Ostfriesland. The increased capacity which Baettr Ostfriesland offers means that we are now able to recycle all the chips generated in Baettr Lem in new castings. In China, chips are returned from the Baettr Tianjin machine shop to the Baettr Xuzhou foundry.

There are several minor areas in our production processes with potential for increased reuse. One is in our surface treatment, where rubber and plastic covers are used to mask certain areas. Previously, these covers were disposed of as hazardous waste after a single use due to the paint on them. Now, they are cleaned after the first use and reused once more. After the second use, they are cleaned again and sent for recycling, with only the paint residue being disposed of as hazardous waste. This relatively minor change is estimated to reduce hazardous waste by 15 tonnes annually.



Resource Use & Circular Economy Targets

(ESRS E5-3) Baettr has set a target that our castings will consist of 70% recycled materials by 2030. The extraction, processing and use of virgin raw materials forms a significant part of our environmental footprint, so reducing this is an important step towards making our products more environmentally friendly. The technical requirements placed on our products in use are extremely high, which means that increasing the proportion of recycled content requires extensive testing and quality control.

We aim to reduce our waste intensity by 50% by 2030 compared to our 2021 Scope 3 baseline. We have established the following associated milestones:

2027
90% reduction of waste to landfill

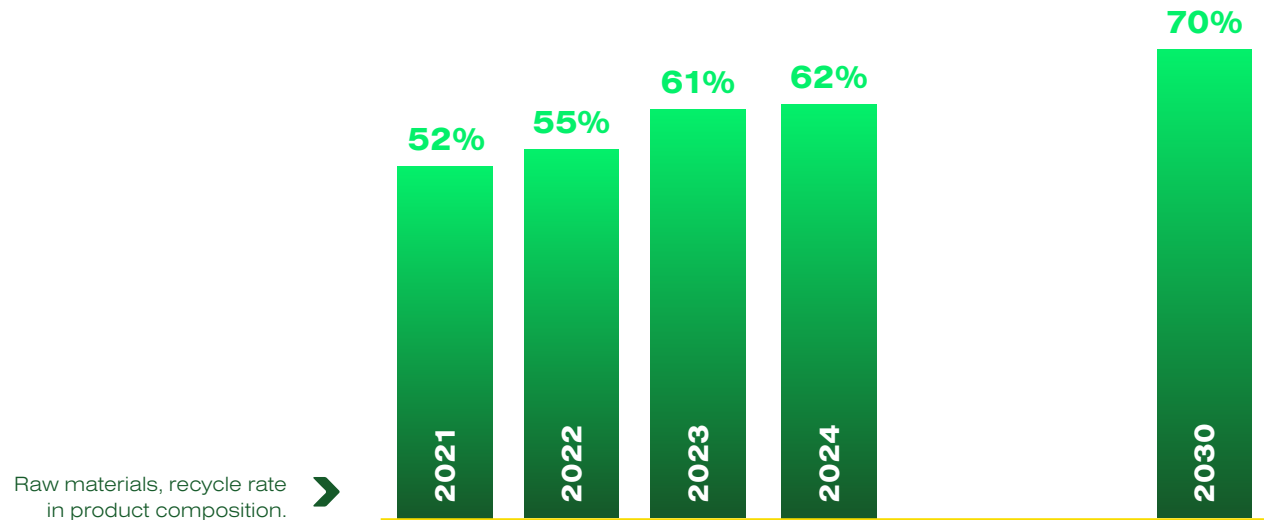
2028
50% reduction of waste for incineration

Resource Inflows

(ESRS E5-4) In 2024, we purchased just over 170,000 tonnes of materials and equipment. Raw materials were by far our largest inflow consisting of 75% of our total resource inflows.

We utilize purchased scrap in our castings to the extent which is technically possible without compromising the quality of our products, as the environmental impact from steel scrap (0.26 tCO₂e /tonne) is much lower than pig iron (1.52 tCO₂e/tonne)¹. Increasing the proportion of steel scrap in our product is an important part of our strategy to reduce the environmental impact of our products.

We used 62% recycled raw materials in our castings, a small increase from 61% in 2023 and a step closer to our 2030 target of 70%. Of this, 10.7 tonnes were comprised of axel ends and briquettes which are recycled in new castings, forming a closed-loop system in our own operations. The remainder was steel scrap.



¹Source: SustainX, 2022. P10_EF modelling Scope 3

Resource Outflows & Circular Design

(ESRS E5-5) We produced 103,888 casted tonnes in 2024, a significant increase on our 2023 production of 85,695 tonnes. Our products are precision engineered and of an extremely high quality, designed for a long life. As our products are solid casted metal, they are close to 100% recyclable after end of life.

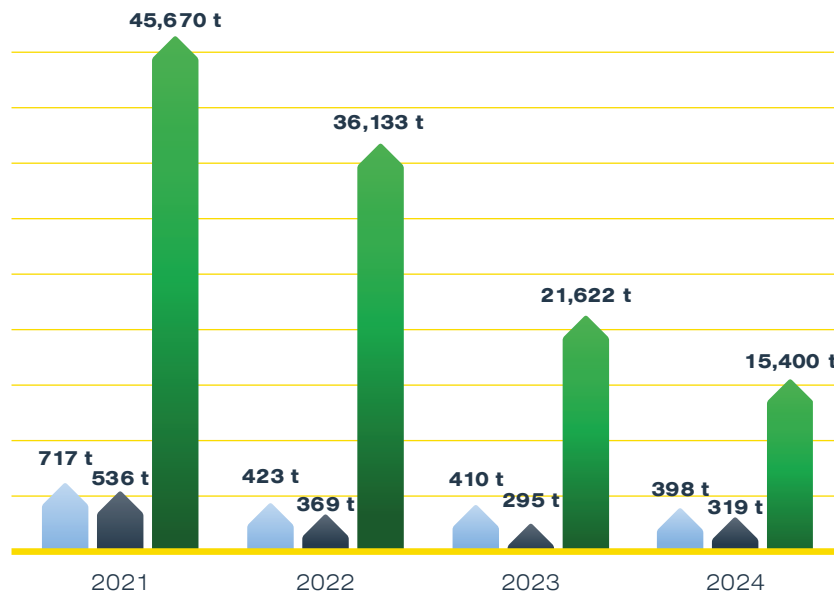
Waste

This year, our operations generated approximately 16,000 tonnes of waste. Of this, 95.6% was diverted from disposal through recycling and reuse. Out of the remaining 4.4% of waste, 398 tonnes were delivered to landfill, and 319 tonnes were delivered to incineration. While our production of casted tonnes increased, our total waste decreased by over 5 tonnes, with our waste intensity decreasing from 0.254 tonnes waste per casted tonne in 2023, to 0.155 tonnes waste per casted tonne in 2024. This is a major achievement, meaning that we have already achieved and exceeded our target to cut waste intensity by 50% by 2030 (0.472 in 2021 to 0.155 in 2024).

Waste Composition

The primary waste streams relevant to our sector are sand and metals, comprising 62% and 28% of total waste. We generate a small amount of hazardous waste, comprising 2% of our entire waste stream. The data disclosed on waste management practices and waste composition is primarily sourced from waste management suppliers.

With 95.6% of our waste already going to recycling we are well on our way to achieving our goal of 97% of waste for recycling by 2030. We have also made good progress towards our targets of cutting waste for landfill and incineration, and our factories are working on action plans to further reduce waste and ensure that we reach our targets.



> Waste for landfill

> Waste for incineration

> Waste for recycling



65% reduction between 2021 and 2024.

43% reduction between 2021 and 2024 in total of landfill & incineration.

Waste	Unit	2021	2022	2023	2024
Waste intensity	Tonnes waste / tonnes casted	0.472	0.459	0.261	0.155



We have already achieved and exceeded our 2030 waste intensity target of a **50%** reduction since 2021.

Our Way Forward: Climate Commitment & Sustainability Actions

By 2030, Baettr is dedicated to achieving carbon neutrality in own operations (market-based), and we are furthermore aiming for a 50% reduction of CO₂e from scope 1 & 2 (location-based).

Our aim for scope 3 emissions is a reduction of 50% by 2040. Our transition to 100% renewable electricity by 2027 and integration of science-based targets in 2025 reinforce this commitment.

We actively promote a circular economy, targeting 70% recycled raw materials in castings and a 50% reduction in waste intensity by 2030. Our Sustainability Strategy will be fully aligned with the 1.5°C pathway/the Paris Agreement, and EU climate goals. Through implementation of ESG throughout our organization, we believe we have created a strong governance structure which effectively prepares us for the journey ahead.



Data Overview



If you want to go back to the index page, click here!



Data Overview



Casting	Unit	2021	2022	2023	2024
Casted tonnage	Tonnes	99,315	80,528	85,695	103,888
Recycle rate in product composition	%	53	55	61	62

Emissions	Unit	2021	2022	2023	2024
Direct energy (Scope 1)	Tonnes CO ₂ e	2,412	2,027	1,964	1,855
Indirect energy (Scope 2) Location-based	Tonnes CO ₂ e	78,750	61,151	71,799	79,589
Emission intensity, Location-based (Scope 1 & 2)	Tonnes CO ₂ e / tonnes casted	0.817	0.784	0.861	0.784
Indirect energy, Market-based (Scope 2)	Tonnes CO ₂ e	82,181	4,959	6,367	16,126
Emission intensity, Market-based (Scope 1 & 2)	Tonnes CO ₂ e / tonnes casted	0.852	0.087	0.097	0.173
Indirect emissions (Scope 3)	Tonnes CO ₂ e	268,180	215,231	193,807	194,520
Emission intensity, indirect emissions (Scope 3)	Tonnes CO ₂ e / tonnes casted	2.700	2.673	2.262	1.872
Total CO2 emissions, Location-based	Tonnes CO ₂ e	349,342	278,409	267,570	275,964
Total CO2 emissions, Market-based	Tonnes CO ₂ e	352,773	222,217	202,138	212,501
Emission intensity, Location-based	Tonnes CO ₂ e / tonnes casted	3.518	3.457	3.122	2.656
Emission intensity, Market-based	Tonnes CO ₂ e / tonnes casted	3.552	2.759	2.359	2.045

Energy consumption	Unit	2021	2022	2023	2024
Total energy consumption (Scope 2)	MWH	-	105,866	115,164	126,795
Total renewable energy consumed (Scope 2)	MWH	-	35,921	106,355	110,228
Total fossil energy consumption (Scope 2)	MWH	-	69,945	8,809	16,567
Total renewable energy share (Scope 2)	%	-	33.9	92.4	86.9
Total own produced renewable energy	MWH	-	-	-	1,206
Consumption of natural gas (Scope 1)	m ³	-	409,466	356,916	375,037
Fuel consumption from coal/coal products (Scope 1)	MWH	-	0	0	0
Fuel consumption from crude oil/petroleum products (diesel) (Scope 1)	MWH	-	229	445	210
Fuel consumption from natural gas (Scope 1)	MWH	-	4,319	3,764	3,958
Fuel consumption from other fossil sources (LPG&LNG, Scope 1)	MWH	-	2,452	2,331	2,848
Total fossil energy based on consumption (Scope 1&2)	MWH	-	76,945	15,349	23,583
Consumption from nuclear sources	MWH	-	0	0	0

Waste	Unit	2021	2022	2023	2024
Waste for recycling	Tonnes	45,670	36,133	21,024	15,400
Waste for incineration	Tonnes	536	369	295	319
Waste for landfill	Tonnes	717	423	410	398
Total weight of waste	Tonnes	46,923	36,925	21,729	16,117
Share of waste for recycling	%	97.3	97.9	96.8	95.6
Waste intensity	Tonnes waste / tonnes casted	0.472	0.459	0.254	0.155
Hazardous waste	Tonnes	-	-	-	86
Total CO2 emissions from waste (incineration & landfill)	Tonnes CO ₂ e	-	-	421	335

Water	Unit	2021	2022	2023	2024
Total fresh/process water withdrawal	m ³	-	-	262,077	249,193



Social

At Baettr, we recognize that a strong foundation in health, safety, well-being and social practices is essential for driving a sustainable and innovative workplace. Our Double Materiality Assessment (DMA) process further highlighted the importance of these factors within Baettr. This section highlights our structured programs and initiatives designed to uphold these priorities while supporting our people, local communities, and partnerships.



We are building a future-ready organization. With a focus on a safe environment and leadership as well as people development, we stay resilient and innovative. By investing in our people today, we are shaping a stronger Baettr for tomorrow.

Maria Bjørkmann

Senior Vice President - People & Growth, Communication and Sustainability

If you want to go back to the index page, [click here!](#)



Our Safety Performance

Our target for LTIs is ZERO. Towards 2030, our TRI targets are 4.5 by 2027 and 3.0 by 2030.

We are proud to report another year of positive TRI frequency development, achieving a result of 5.44. We believe our focus, actions, and strong safety culture are keeping us on track to meet our 2030 TRI target.

We unfortunately experienced 4 LTIs, comparing to an LTI frequency of 1.7. The LTIs which occurred in 2024 have been thoroughly investigated, with concrete actions taken to prevent similar incidents happening in the future.

To maintain a dynamic and proactive safety culture, each employee is expected to submit at least one safety observation per year, and managers must conduct four Safety Walks annually. Additionally, each site will be required to plan and execute at least two on-site safety focus areas or initiatives, and Global HSE Management will launch minimum one global Baettr HSE campaign in 2025.

We continuously assess safety performance and take proactive actions to enhance workplace safety wherever and whenever needed. In the event of an LTI, all HSE managers and the Global HSE team conduct a root-cause investigation and knowledge-sharing meetings. These discussions help prevent similar incidents, with actionable outcomes implemented across our global operations to ensure a consistent, proactive safety approach.

To strengthen risk management, we have introduced a High-Risk Potential category, ensuring incidents with the potential for fatal outcomes are treated with the same level of seriousness as actual accidents. Additionally, we have formally integrated daily workplace observations into our incident reporting framework, reinforcing a focus on identifying and addressing risks before they escalate.

Unit	2021	2022	2023	2024
TRIs per million working hours	10.19	7.30	5.76	5.44

Unit	2021	2022	2023	2024
LTIS per million working hours	4.37	2.81	0.82	1.7

Health & Safety

Health, Safety & Well-being

By integrating safety into every aspect of our operations, we foster a workplace where everyone can thrive with confidence being safe.

HSE Governance

We continuously maintain a robust health and safety management system in compliance with ISO 45001, ensuring adequate and well-implemented policies and procedures as well as proactive risk management.

As demonstrated in our Sustainability Report 2023, we use the Bradley Curve, a safety culture model developed by DuPont, as the methodology to assess workplace safety performance and culture at each site.

The overall HSE responsibility rests with the SVP – Global Operations, while factory managers are responsible for implementation of policies, systems, and actions within their areas. The Global HSE Manager drives further system development, safety culture, factory alignment, training, and safety campaigns in collaboration with our HSE community.

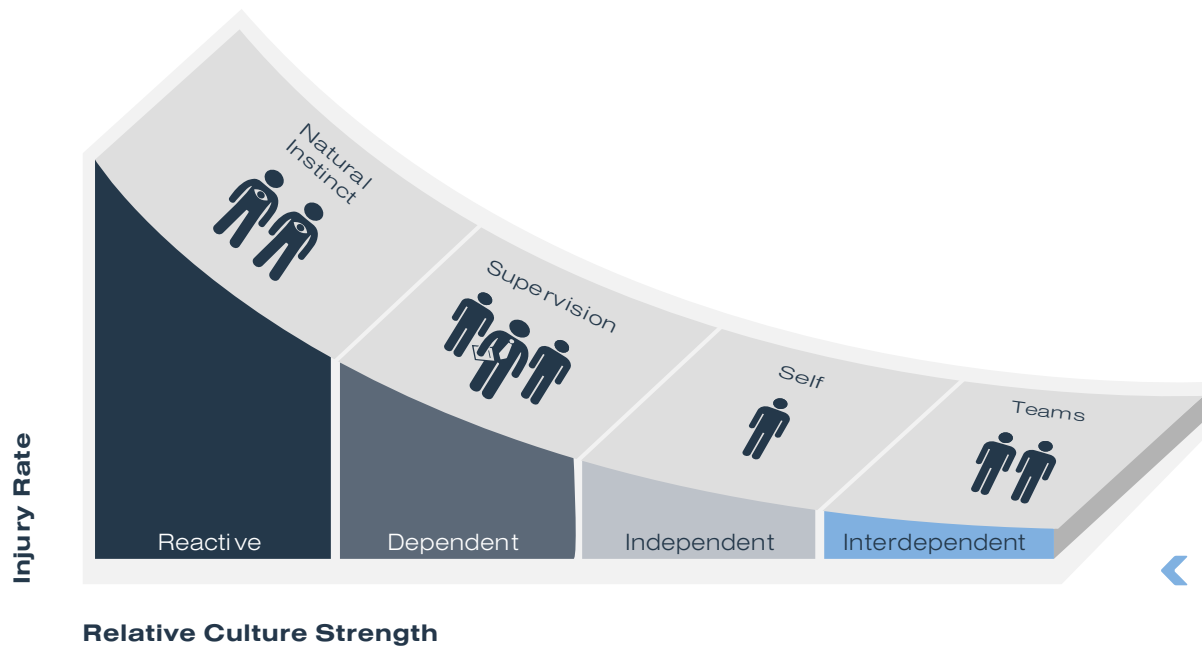
In 2024, we introduced a Health & Safety Policy to complement our Global HSEQ Policy, reinforcing our commitment to a safe and healthy workplace. This policy applies to all Baettr employees and supports our objective of taking all reasonable measures to achieve zero accidents, foster a strong safety culture, and ensure well-trained, informed, and compliant employees. We also enhanced alignment across HSE

procedures to ensure consistency at all Baettr sites.

Previously, our reporting systems varied across sites, leading to inconsistencies in data collection and analysis. To address this challenge, we introduced a new reporting system in late 2024, which is currently being implemented.



[You can read our Health & Safety Policy here](#)



◀ We use the Bradley Curve to assess the safety culture at all our sites

Engaging Employees

– Safety Awareness

Training plays a crucial role in ensuring all employees have the knowledge and skills needed to succeed. By working with safety awareness at every level of our organization, we aim to minimize the risk of incidents while empowering employees to take proactive responsibility for safety. This includes the ability to identify, mitigate, and respond to workplace risks.

Safety Awareness training is part of the onboarding process for all new employees, and we also offer refresher training, such as after holiday seasons. In 2024, 651 employees completed 13,605 hours of safety training.

Safety Talks with Safety Helpers

To enhance safety awareness and employee involvement, we have expanded our Safety Walks with Safety Talks.

From Q4, 24 all HSE managers were instructed to conduct Safety Talks with a “Safety Helper” – a colleague from outside the HSE department. This ensures employees from diverse roles and responsibilities play an active role in identifying hazards and promote engagement in safety. The Safety Helpers also bring new perspectives by observing and questioning safety practices in areas they do not typically work or walk. We managed to perform 110 Safety Talks with Safety Helpers in Q4.

In 2024, 651 employees completed 13,605 hours of safety training. We managed to perform 110 Safety Talks with Safety Helpers in Q4.



During our daily safety talks, we talk to one employee per day about safety behaviors. We have focused on what operators can do to improve safety, and how to point out unsafe behavior among colleagues. All employees have appreciated these conversations and found them interesting.

Per Widell
HSE Manager, Baettr Guldsmedahyttan



Engaging Employees – Baettr Health

Pedaling for Health and Community

Fostering a culture of well-being in 2023, we launched Baettr Health, a global initiative that underscored our belief that a healthy workforce is a more engaged and productive one. Inspired by the dedication of our employees participating in Cykelnerven, we expanded this initiative to all locations, encouraging employees to prioritize their physical and mental well-being. The initiative really strengthened team spirit and reinforced our culture of well-being, proving that collective efforts drive meaningful impact.

Baettr employees exercised for 10,457 hours during Baettr Health.

To put the hours into perspective, they equal the walk in the picture visiting all our locations – 1.5 times around!



[Click here to see our video from Baettr Health](#)

Baettr Guldsmidshyttan used the opportunity to support their local community by raising funds for Barncancerfonden, the Childhood Cancer Foundation. Local management set three donation amounts, and employees determined the final contribution based on their hours of activity over a month. Unsurprisingly, they gave their all, achieving the highest possible donation.

Human Rights

Our Commitment to Ethical Labor Standards & Inclusion

We are dedicated to upholding the highest ethical labor standards and fostering an inclusive work environment. This year, we strengthened this commitment by updating our Code of Conduct for all Baettr employees, reinforcing our expectations of integrity, fairness, and respect in the workplace.

Beyond our workforce, we have extended these principles to our suppliers through the Baettr Supplier Code of Conduct, ensuring that all our global partners adhere to our standards on human rights, anti-corruption, and environmental responsibility. By fostering transparent and ethical partnerships, we continue to drive sustainable improvements across our supply chain, aligned with our core values and long-term business vision. This is further described in the section Governance – Sustainable Sourcing.

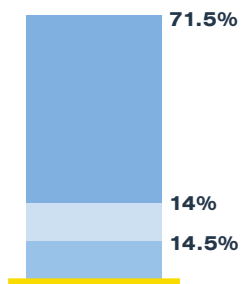
Empowering Differences, Driving Progress

Our diverse perspectives define who we are and drive our success. We take pride in being both purpose-driven and performance-driven at our core.

At Baettr, we believe that diversity fuels innovation and success. Our commitment to fostering an inclusive workplace ensures that every individual is valued, respected, and empowered to grow. In 2024, we further advanced our initiatives to create a workplace that mirrors the diversity of our global operations, ensuring shared success for all employees.

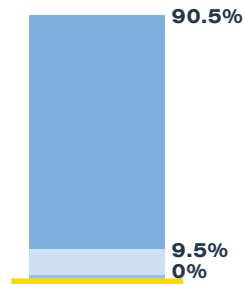
As of December 31, 2024, Baettr's workforce consists of 863 employees across five countries, representing 26 nationalities. This diversity is also reflected in our generational and gender representation.

Generational Diversity



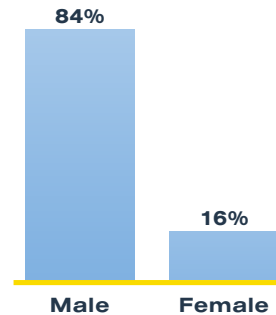
Over 50 years 30-50 years
Under 30 years

Gender Diversity

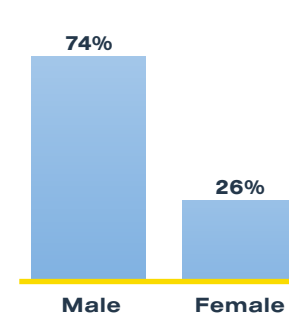


Male Female
Non-binary

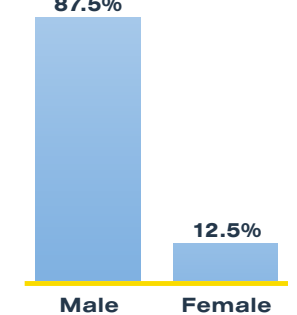
Managers



Local Management Teams



Extended Management Team



*Non-binary gender not shown as Gender Diversity showcase 0%

Strengthening Gender Balance & Inclusion

Strengthening Gender Balance & Inclusion

Our gender diversity initiatives focus on leadership representation and equitable opportunities. Between 2023 and 2024, the number of female employees increased by 1%, reaching 9.5% of the total workforce. By having 16% females in managerial positions we trust that we will achieve our target of 20% females by 2030.

Inclusion Through Tailored Initiatives

Women's Workwear Initiative: Baettr Guldsmedshyttan introduced a dedicated women's workwear collection, addressing long-standing issues of fit, safety, and comfort. Female employees played a key role in selecting and testing the new workwear, ensuring it met their functional and safety needs. With 17.7% female representation at our Swedish site, this initiative is a step towards making work environments more inclusive and supportive.

Women's Workwear Initiative. ➔



International Women's Day

At Baettr India, we celebrated the contributions of our female workforce by hosting symbolic tree-planting events, employee recognition ceremonies, and awareness sessions. This initiative reinforced our company-wide commitment to fostering an environment where all employees, regardless of gender, feel valued and respected.

Looking Ahead: Building an Inclusive Future

In 2025, we are aiming to develop and implement a Diversity & Inclusion Strategy which will focus on:

- Advancing gender equity through leadership pathways and targeted development programs.
- Equal rights for all competences at all levels.
- Strengthening data transparency in measuring and improving diversity and inclusivity efforts across our operations.

The Diversity & Inclusion Strategy will help us foster a culture of innovation, resilience, and sustainable progress, ensuring that every employee can grow and succeed.

Baettr People – Our Own Workforce

No One Can Change the World on Their Own

(ESRS S1) Baettr People represents our transition from a traditional production company to a value-driven organization that delivers performance for our customers. Success is built collectively, and to grow as a company, we must also grow individually.

We believe a sustainable workplace is a value-driven workplace, and all our people initiatives are anchored in our three core values. These values shape how we operate, develop, and attract new talent.



Stand Accountable: We deliver on our promises and build trust with customers, colleagues, and stakeholders through operational excellence.



Imagine Better: We embrace innovation and continuous improvement, optimizing processes and fostering collaboration for sustainability.



Be Respectful: We cultivate inclusivity, respecting diverse perspectives to drive collective success.

From our values come our six Baettr Behaviors. These are a set of tangible behaviors that are built on our values to make the values visible in our daily work.

Our cultural transformation, outlined in the Sustainability Report 2023, continues to be shaped by our values and behaviors. Over the last four years, these principles have become the foundation of our operations, driving our daily actions and long-term strategic direction.

Purpose
Creating a value- and behavior-driven culture to start our transformation from a production company to a sustainable world leader.

Values

Baettr Behaviors

Leadership skills

Performance

Goal
To achieve great business results.

Baettr Behaviors



Trust and Be Trustworthy



Secure a Healthy and Safe Workplace



Listen, Understand, Engage and Consider Diversity



Grow Yourself and Others



Communicate, Coordinate and Collaborate



Drive Continuous Improvement and Long-Term Performance

A Cultural Transformation Through Value-Driven Leadership

Organizational Development and Leadership Growth

Leading@Baettr – Strengthening Leadership Capabilities.

Since its launch, Leading@Baettr has accelerated our growth, developing leaders who align with our values and Baettr Behaviors. The program fosters a culture where employees feel engaged and motivated.

Recognizing the importance of strong indirect leadership, in 2023, we launched Leading@Baettr for project managers. In 2024, our project managers completed the program, gaining leadership tools tailored for influencing without direct authority. These modules ensure that project managers excel in engaging and motivating team members.

Leading@Baettr – Making the Difference

As the next step in our internal leadership journey following Leading@Baettr, we introduced Leading@Baettr – Making the Difference, successfully piloted at Baettr India.

Baettr India was selected as the first site for the rollout due to its dynamic growth and strong commitment to leadership development. By adopting a localized approach, we ensured the program was tailored to the region's unique operational and cultural needs, laying a solid foundation for global implementation.

The localized program focuses on:

- Teambuilding
- Time management
- Effective leadership
- Emotional intelligence

LEADING@BAETTR

16 managers from Baettr India completed Leading@Baettr - Making the Difference



YourVoiceMatters@Baettr

Leadership is most effective when it aligns with employee perspectives. Our YourVoiceMatters@Baettr employee survey provides valuable insights, ensuring that engagement and leadership development remain data driven.

The 2023 survey results guided our 2024 actions, with dialogues and workshops ensuring survey feedback translated into meaningful improvements. Employees' voices are our compass for progress.

In January 2025, we sent out a pulse survey to everyone in Baettr, this to see the results of and receive feedback on our initiatives in 2024.

We are proud of our results from the 2025 pulse survey, which confirm that the initiatives we launched in 2024 had a positive impact. However, the survey also highlights the ongoing importance of leadership, as well as learning and development, in maintaining a motivated workforce.

Our effort in leadership development in our 2025 survey showed we have made progress on creating a working culture characterized by trust and openness from score 85 to 86.

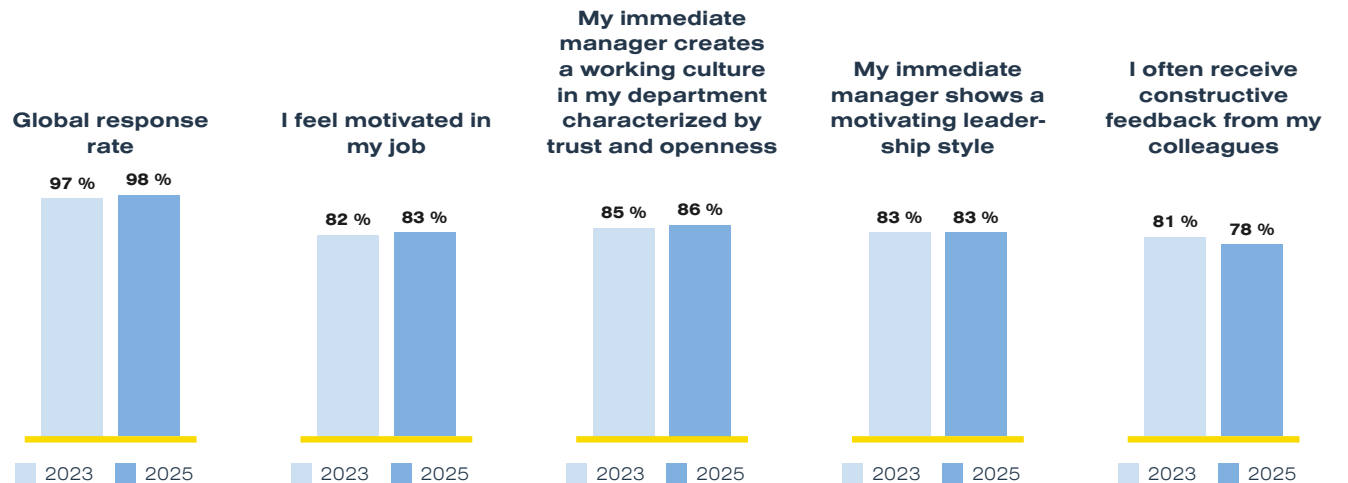
One of the key takeaways from the pulse survey is the need for more feedback between colleagues. As a result, further fostering a culture of feedback will be a top priority in 2025, with various initiatives set to launch across the organization.



[Click here to watch YourVoiceMatters video](#)



[Click here to watch our reaction video](#)



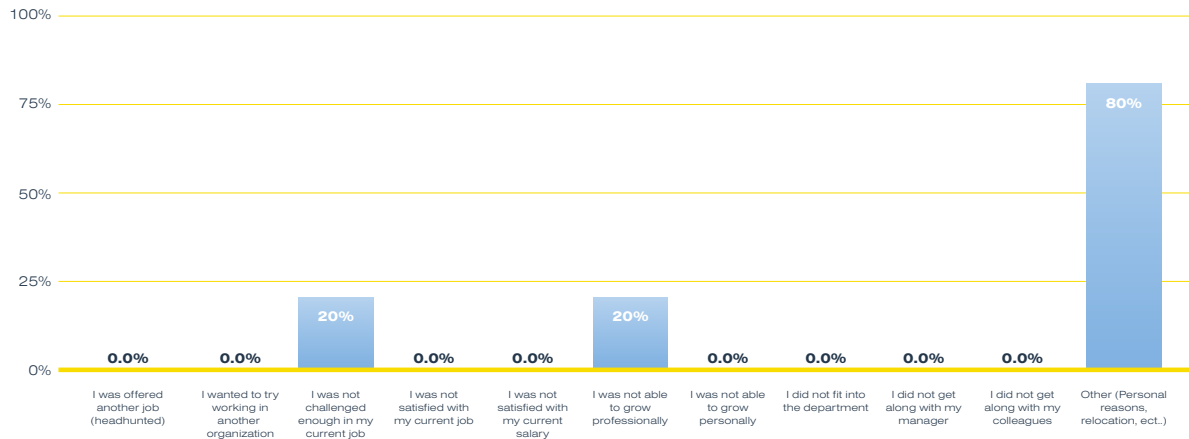
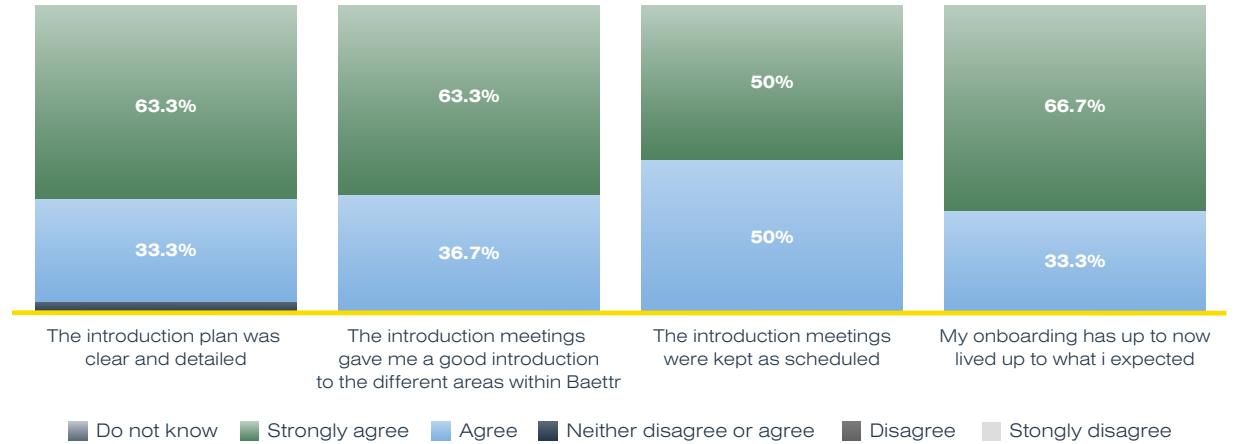
Feedback Brings Learning

At Baettr, feedback is essential for continuous improvement. We actively seek input from current employees, new hires, and departing employees to better understand how we can evolve. While feedback may not always prevent employee turnover, it offers valuable insights that help us grow.

Onboarding Feedback

We ask new employees for feedback on their onboarding experience in our onboarding surveys after 30 and 90 days of employment. We have received highly positive responses, with 96.6% agreeing that the introduction plan was clear and 100% finding the meetings valuable. Additionally, 100% of meetings were held as scheduled, and 90% of employees felt their onboarding met their expectations. These results highlight a well-structured and effective onboarding program at Baettr.

Onboarding Schedule & Meetings



When employees leave, we encourage open dialogue and ask them to complete an exit survey. The total, global data of our exit surveys 2024 revealed that, beyond personal reasons, the primary driver for departures was the pursuit of growth and needing more challenges.

This underscores our commitment to fostering a culture where development and growth are fundamental.

Baettr Ostfriesland Onboarded

In 2024, we welcomed 165 new colleagues from our new foundry Baettr Ostfriesland, ensuring a smooth onboarding experience that aligns our culture, values, and operational standards across all locations.

Our new colleagues have shown remarkable resilience and initiative, embracing:

- Proactive learning to quickly adapt to Baettr's processes.
- Language development to enhance collaboration across teams.
- Flexibility in navigating operational changes with a problem-solving mindset.

By reinforcing accountability, innovation, and respect, this integration strengthens both operational efficiency and our unified, purpose-driven workforce. We are proud to have them on board!

With the foundation set, it is now crucial to continue the integration journey – fostering collaboration, knowledge-sharing, and continuous optimization across all Baettr Locations.

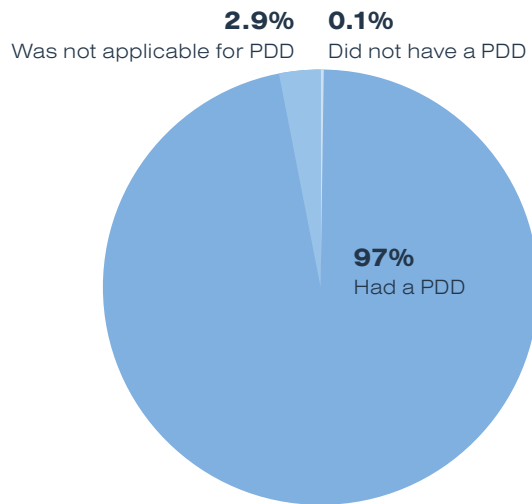
By promoting a culture of open learning and cross-functional cooperation, we ensure a dynamic integration, long-term success, and a unified Baettr.

Fostering a Performance & Feedback Culture

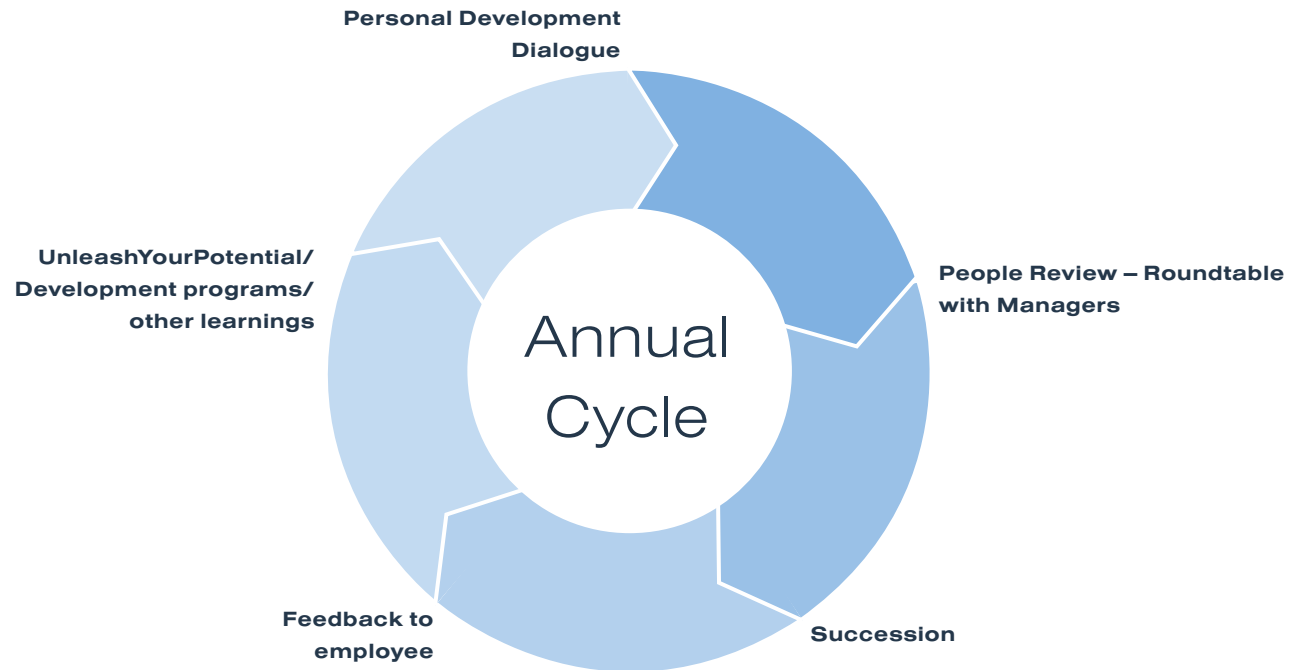
Our annual employee cycle is built on learning and development, ensuring continuous growth. Performance is measured not only by business results but also by how well employees embody our values and behaviors.

The process starts with a dialogue between managers and employees, covering past performance, well-being, motivation, and future aspirations. This conversation provides valuable insights into development needs and career goals.

Managers then participate in a roundtable with peers and the People & Growth department to assess employees' progress, ensuring multiple perspectives are considered. This step helps identify initiatives to support employee growth and assess organizational sustainability – ensuring we are prepared for future transitions.



^
% of global workforce who had a Personnel Development Dialogue (PDD) individually with direct manager in 2024.



Building the Organization of Tomorrow

Our Extended Management Team has strengthened our leadership pipeline through targeted talent programs:

- **GlobalPotential@Baettr:**
Developing top leadership talent.
- **UnleashYourPotential@Baettr:**
Supporting high-potential employees.
- **GeneralSuccessor@Baettr:**
Preparing employees for key roles.
- **CareerSupport@Baettr:**
Helping individuals navigate career growth.

20 employees were nominated for GlobalPotential@Baettr or UnleashYourPotential@Baettr, reinforcing our commitment to developing strong specialists, generalists, and managers. To that we can add employees participating in our GeneralSuccessor@Baettr and CareerSupport@Baettr programs. Investing in our people ensures that as Baettr grows, our values remain deeply embedded, supporting sustainable success.

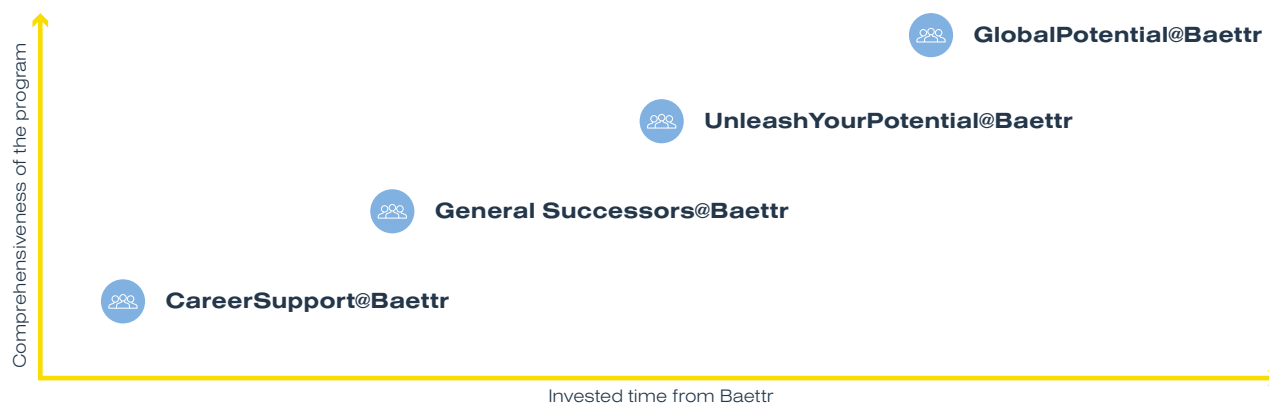
Strengthening Our Future Together

As we move forward, the integration of our values remains at the core of Baettr's success. 2024 marked significant progress in succession planning, talent development, and building a strong feedback culture, but our journey is far from complete.

In 2025, we will elevate Baettr Behaviors – Worth Sharing, reinforcing a culture where feedback, continuous learning, and development are ingrained in our daily operations. This initiative will align with our sustainability and organizational goals, ensuring our workforce remains resilient, adaptable, and future-ready.

Our commitment to performance excellence will be reflected in refined performance management systems, onboarding processes, and leadership development programs – all aimed at strengthening our culture and supporting our people's ambitions. By leveraging employee insights, we will continue enhancing how we attract, develop, and retain talent.

These efforts will be highlighted in our Sustainability Report 2025, where we will share the next chapter of our journey in building a purpose-driven, high-performing, and sustainable organization. We strongly believe that we have set the foundation to drive our strategy towards achieving “Best place to Work” by 2030. Together, we are not just preparing for tomorrow – we are shaping it.



Activity	Target Group	Expected Results	Toolbox
GlobalPotential@Baettr	EMT nominated as Global High Performers on Global People Review - whose careers have not yet shown specific direction.	Career direction confirmed. Strategic competence development. Short- and long-term plans made.	Personal Profile Analysis. General Intelligence Assessment.
UnleashYourPotential@Baettr	Locally nominated as High Performers on Local People Reviews.	Career directions identified. Short- and long-term plans made.	Traits Emotional Intelligence Questionnaire. High Potential Traits Indicator.
GeneralSuccessors@Baettr	EMT nominated employees who have shown motivation in a specific career position and are regarded as being suitable for that position in a number of years.	Strategic competence development. Short- and long-term plans made.	360 degrees feedback. Unleashing Personal Conclusions incl. Development Plan.
CareerSupport@Baettr	Potential successors and key employees requesting development/clarification 'off-cycle'.	Identifying current relevant learning opportunities.	Strategic Competence Assessment.

Building a Pipeline & Safeguarding the Organization

As Baettr continues to grow, succession planning is essential to securing our future. Given our reliance on deep technical expertise, retaining and developing our unique know-how is crucial to remaining the preferred partner for our customers.

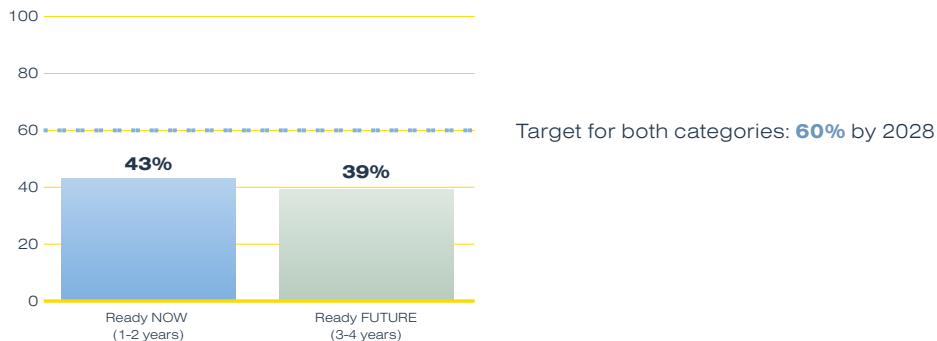
This year, the Extended Management Team assessed succession planning to identify potential successors for key roles. This evaluation covered critical functions, upcoming promotions, and anticipated retirements.

This will be a key focus area in the coming years. Strengthening our learning and development initiatives is vital to ensuring today's talent can meet future business needs.

A standout example is Baettr India, where a commitment to sustainable recruitment since its establishment in 2022 has led to 67% successor coverage for both 'Ready NOW' and 'Ready FUTURE' roles in 2024 – setting a benchmark for our global approach.

Investing in the Future – Investing in Local Communities and Partnerships

Baettr's commitment – Engineering the Foundation for Future Generations – extends beyond sustainability; it also means nurturing our workforce. This year, we welcomed 8 women and 20 men into apprenticeships, internships, trainee positions, and graduate programs across Baettr globally.



Learning & Development: A Core Focus

Learning & Development are central to Baettr's values and behaviors. We expect employees to take ownership of their own growth while we, as an organization, provide the necessary support and guidance. Our training hours recorded across internal and external programs and courses were 27,479 hours in 2024.

PhD Title Ensures Consciously Development

Our Advisory Metallurgy Specialist, Zeljko Illbasic, has over the past years invested time in completing his PhD dissertation "Influence of regional sources of metallic materials on the metallurgical quality of large GJS castings". This significant work was completed in collaboration with Baettr and TU Bergakademie Freiberg, Germany.

With Zeljko's achievement, we once again reinforce that we are not just a sub-supplier in the wind industry but a sparring business partner for our customers as we have the latest research, knowledge, and expertise in our field.



Defending PhD dissertation - Zeljko Illbasic, Advisory Metallurgy Specialist

Developing the Leaders of Tomorrow

To strengthen relations between education and industry, we partnered with Aarhus University in Denmark, allowing engineering students to combine their studies with hands-on experience at Baettr. By entrusting young talent with real responsibilities and listening to their new perspectives, we create a dynamic learning environment that prepares them – as well as us – for the future.

Baettr Lem's Apprentice Shop won Apprenticeship of the Year in the Metal Industry for Ringkøbing-Skjern Municipality – recognizing our long-standing commitment to training young talent.

Three graduates joined our Baettr Graduate Program, designed to develop future leaders through three eight-month rotations across multiple countries and departments. The graduates work on cross-functional projects, gain strategic insight, and build a strong professional network.



Our Apprentice Shop in Baettr Lem.



It is intense, exciting, and full of possibilities. The energy and curiosity here are contagious. In my first rotation with Global Operations, I focus on enhancing Baettr's operational transparency through data accuracy—continuing the work from my thesis.

Natalia Tekieli
Graduate



Our three graduates (from left) Natalia Tekieli, Sara Zeynalzade, and Jakob Hansen.

Data Overview



If you want to go back to the index page, click here!



Data Overview



Safety	Unit	2021	2022	2023	2024
Fatalities in own workforce	Number	0	0	0	0
Lost time injuries (LTI)	Number	9	5	2	4
Lost time injuries (LTIs), frequency	LTIs per mio working hours	4.4	2.8	0.8	1.7
Total recordable injuries (TRI)	Number	21	14	13	13
Total recordable injuries (TRIs), frequency	TRIs per mio working hours	10.2	6.7	5.7	5.4
Percentage of people in our workforce covered by a HSE system based on legal req./recognized std's	%	-	-	-	100

People	Unit	2021	2022	2023	2024
Total work hours	Hours	-	-	-	2,387,755
Total headcount	Number	972	918	888	863
Number of non-employees in own workforce	Number	-	-	-	239
Employee motivation and satisfaction (survey result)	Score	5.2	-	86	-
Gender diversity at management level, male	%	79	77	78	84
Gender diversity at management level, female	%	-	-	22	16
Gender balance, total workforce female	%	-	-	-	9.5
Gender balance, total workforce male	%	-	-	-	90.5
Employees per geographical area: China	Number	-	-	-	417
Employees per geographical area: Denmark	Number	-	-	-	166
Employees per geographical area: Germany	Number	-	-	-	17
Employees per geographical area: Sweden	Number	-	-	-	124
Employees per geographical area: India	Number	-	-	-	139
Sickness/absence, total workforce	%	-	-	-	1.5
Employee turnover rate, involuntary	%	-	-	-	3.83
Employee turnover rate, voluntary	%	-	-	-	5.1
Apprentices, interns, trainees, and graduates	Number	13	12	17	28
Graduated apprentices	Number	1	3	4	2

Training	Unit	2021	2022	2023	2024
Total hours of training	Hours	-	-	-	27,479
Average hours of training by gender: Male	Hours	-	-	-	31
Average hours of training by gender: Female	Hours	-	-	-	29
Average hours of training per person	Hours	-	-	-	31
Safety Training	Hours	-	-	-	13,605
Safety Training, attendants	Number	-	-	-	651
IT Security Training	Hours	-	-	-	251
IT Security Training, attendants	Number	-	-	-	258
Skills-related training	Hours	-	-	-	8,320
Skills-related training, attendants	Number	-	-	-	312





Governance

A strong governance structure is crucial for us in every aspect to ensure we always operate responsibly, ethically, and in alignment with our environmental and social goals, as well as ensuring compliance with regulatory requirements and legal obligations. Clear governance also helps us build trust and long-lasting relationships with our stakeholders and enhances our brand reputation.

As part of the Double Materiality Assessment (DMA) process, we identified actual and potential impacts related to governance. Our approach to the impacts is detailed in this section, and a full list of the material impacts identified is available in Appendix B.

We strive to uphold a healthy corporate culture with a high level of integrity, providing guidance to all employees on their expected behaviors via our policies and processes, addressing topics such as bribery, corruption, data privacy, and conflicts of interest.



Baettr upholds the highest standards of business ethics, ensuring transparency, accountability, and compliance in all our operations. This, together with a solid governance structure and a strong focus on sustainable sourcing, ensures we can continue to build a resilient and ethical foundation for our future.

Peter Pallishøj
CEO

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Business Ethics

At Baettr, we are committed to carrying out our business with the greatest degree of integrity, transparency, and ethical standards. At every level, we prioritize honesty in our interactions with customers, suppliers, and employees, fostering an environment of trust and respect.

We consistently adhere to legal and regulatory requirements while promoting a culture of accountability and responsible decision-making across all business operations. To ensure this adherence, Baettr established a new Group Legal department in 2024. The primary objective of this department is to ensure that we remain fully compliant with all applicable regulations and legislation within our operational domain.

Whistleblowing

We have a whistleblower process to empower employees, contractors, suppliers and workers in the value chain, and other stakeholders to report concerns about potential unethical practices.

To ensure the policy is effectively upheld, we will continuously review the policy, ensuring it continues to meet the needs of our workforce and reinforces our commitment to a responsible workplace.

Code of Conduct

Our internal Code of Conduct has been updated to include more specific guidelines on the prevention of fraud, money laundering, and sensitive transactions. These updates are designed to provide clear protocols for identifying, reporting, and addressing potentially fraudulent activities or suspicious financial behavior.

We are working towards continuous improvement, particularly in areas related to ethics and compliance. This includes the further implementation of procedures aimed at the avoidance of corruption, such as conducting risk assessments, strengthening due diligence processes for third parties, and enhancing control procedures to detect and mitigate potential risks.

We have also introduced our Supplier Code of Conduct to ensure our suppliers hold the same high standards which is further described in section Sustainable Sourcing.

Managing External Regulatory Risks

Our strong governance frameworks both ensure our compliance with international regulations and proactive risk management and help us to manage the material risk of political influence. We monitor global political developments, enabling us to swiftly adapt to changes in taxation and regulation.

Memberships in relevant trade associations, close relationships with key customers – including some of the largest companies in the industry - and open and constructive dialogues with regulatory bodies and stakeholders allow us to maintain operational resilience and mitigate risk.

Upcoming Actions in 2025

In 2025, we will focus on drafting a legal policy which will be implemented across all our facilities. This initiative will be supported by the establishment of a Legal Committee, dedicated to addressing the ongoing enhancement of our governance structure.

Furthermore, we will be working on a unified approach to data privacy, ensuring full compliance with all applicable privacy regulations within the locations we operate in. This will involve harmonizing our privacy-by-design practices to ensure that all privacy-related legislation and regulations are managed lawfully, effectively, and in line with industry best practices.

We are planning to strengthen our efforts to prevent anti-competitive practices by implementing enhanced compliance measures too, such as an increased number of internal audits, employee training programs, and stricter reporting mechanisms. To ensure that our employees are equipped to recognize ethical challenges, we plan to implement Ethics Awareness training in 2025, which focuses on preventing corruption, bribery, anti-competitive behaviors, and other unethical practices.



You can read our Whistleblower Policy here



You can read our Code of Conduct here



You can read our Supplier Code of Conduct here

Governance Framework

We adhere to international standards and maintain our strong governance structure, supported by a well-defined management system. This system outlines policies, procedures, and practices that guide decision-making, ensure accountability, and promote transparency throughout our organization.



ISO Certifications

Our aim is that all our production sites should have ISO 9001, 14001 and 45001 certificates. Currently, all our sites have this except for newly acquired Baettr Ostfriesland. The site does not yet have ISO 14001 and ISO 45001, but we will start the implementation of this in 2025.

Baettr Tianjin achieved ISO 50001 certificate in Energy Management in 2024, and we are currently considering how our other sites should work with ISO 50001. Baettr Ostfriesland also has the ISO 50001 certification.

During 2024, we made a general update of our procedures as part of our upcoming migration from our outdated system to a new more user-friendly Integrated Management System. This work is under implementation and will be completed in 2025. We believe this will further strengthen our high focus on our processes and our compliance to follow these, so we continue to be able to deliver trustworthy products of the right quality, on time, in right quantity – and with no compromises regarding safety.

Governance Framework

Specific Policies

Besides the new specific Environmental and Health & Safety Policies mentioned in the Environmental section and Social section of this report, we also introduced a specific Quality Policy in 2024 to supplement our overall HSEQ Policy and reinforce our commitment to provide the agreed quality on time.

The new policies were introduced for our employees and are accessible for and apply to all our employees and operations. The accountability for the policies rests with our Global Quality department and Global HSE departments. Members of our Extended Management Team are responsible for implementing these policies in their respective departments/ in our production facilities.

EcoVadis

EcoVadis provides the world's most trusted business sustainability ratings. With over two million companies screened and 130,000 companies rated in over 180 countries, EcoVadis provides a reliable platform with ratings based on a sustainability assessment methodology accounting for sustainability efforts in four categories: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

As a verified third-party assessment, our EcoVadis rating provides transparency around our sustainability practices to our customers and stakeholders in our value chain. Using the EcoVadis rating makes good business sense for Baettr as it provides valuable and relevant requirements. Our customers have high expectations to Baettr, just as we have ourselves, and the EcoVadis requirements help us fulfill these expectations, as well as helping us to identify areas for improvement.

In 2023, Baettr was awarded the EcoVadis Bronze medal with a score of 55, placing us within the top 35% of EcoVadis members worldwide. In 2024, we increased our score to 62, with significant increases in both Ethics and Environment.

While this increase cemented our bronze medal, we did not achieve the silver medal we had aimed for in 2024. To improve our score further and to obtain the silver medal in 2025, and later the gold medal, we have created specific action plans for each of the four EcoVadis categories, and we have started to prepare for our 2025 assessment. Therefore, we strongly believe that the silver medal will be ours in the fall of 2025.

UN Global Compact

This year, Baettr signed the UN Global Compact, the world's largest initiative for responsible business. The principles of the UN Global Compact, covering human rights, labor rights, climate & environment, and anti-corruption closely relate to the EcoVadis requirements and the work we have already been doing actively for several years.

Membership of the UN Global Compact requires an annual Communication on Progress, reporting on Baettr's actions and performance related to the principles of the UN Global Compact and UN Sustainable Development Goals. For Baettr, participation in the UN Global Compact makes good business sense, contributing to our work to become a more sustainable business and providing transparency, credibility, and trust.



Sustainable Sourcing / Our Supply Chain

In 2024, we strengthened our commitment to Sustainable Sourcing by further integrating ESG principles into our sourcing practices with our diverse range of global suppliers across industries and regions.

We recognize that a responsible and transparent supply chain is not only essential for the protection of workers' rights and well-being, but also critical to long-term responsible sourcing practices. To reinforce these values, we have implemented the following:

Supplier Code of Conduct

Baettr Supplier Code of Conduct (S-CoC) is an important part of our agreements with all our key suppliers. Our S-CoC is aligned with the UNGC principles, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Responsible Business Conduct.

We expect our suppliers not only to uphold these standards with their own workers but also to take proactive measures to prevent violations in their supply chains. To achieve this, suppliers must meet specific labor rights requirements such as no forced labor, no child labor, employment laws, and freedom of association. Discrimination and harassment must be addressed to reflect our values of inclusion and diversity. We expect our suppliers to express these values by fostering workplaces that promote proper and equal opportunity for all workers.

Our suppliers share our commitment, as 65% of our suppliers already signed the S-CoC. By 2025, we expect that the remaining part of our suppliers will sign.

Health & Safety in Our Value Chain

Health & Safety is our highest priority. We extend this priority to our suppliers, who we expect to maintain the same strong safety standards and culture throughout our value chain as we have at Baettr.

Our S-CoC sets minimum standards and requires our suppliers to:

- Maintain a safe working environment that supports incident prevention and minimizes risk.
- Implement adequate controls, procedures, and technical measures, including the provision of PPE.
- Record and investigate all injuries or accidents to prevent recurrence.

We assess Health & Safety compliance through on-site audits as part of our annual audit plan. Our aim is to work constructively with our suppliers to drive positive change throughout our value chain, identifying areas where there is room for improvement and implementing corrective actions when necessary.

Examples of this include the establishment of a dedicated safety committee to address issues and enhance workplace safety at a key supplier in India. This was followed up by regular safety walks and targeted actions to ensure that safety standards were consistently met and maintained.

Contractual Documents & Payment Practices

Human rights considerations are embedded across our contractual documents implemented for all Baettr locations. This now also includes the General Terms and Conditions of Purchase where, for example, suppliers are required at all times to comply with the Ten Principles of the UN Global Compact.

Payment terms for our suppliers are defined in our contractual documents, including the General Terms and Conditions, which are agreed upon with each supplier to ensure the avoidance of unfair and delayed payment practices. Our global finance function monitors Baettr's payment performance and strives to uphold the agreed terms with all suppliers.

In 2024, there were no legal proceedings initiated or outstanding in relation to late payments.



Baettr is a workplace with a fantastic culture, where our employees come first. Our ambition is to act as a driving force for change within our supply chain, working closely with our suppliers to ensure a sustainable supply chain, where everyone who contributes to our products has a safe and healthy working environment.

Joen Østergaard
Vice President - Global Sourcing

Managing Relationships with Suppliers

We have refined our approach to proactively identify and address negative impacts across ESG principles within our supply chain. Covering both the selection of new suppliers as well as the ongoing evaluation of existing, this process now includes three key steps.

1 Self-assessment Questionnaire and/or On-site Audits

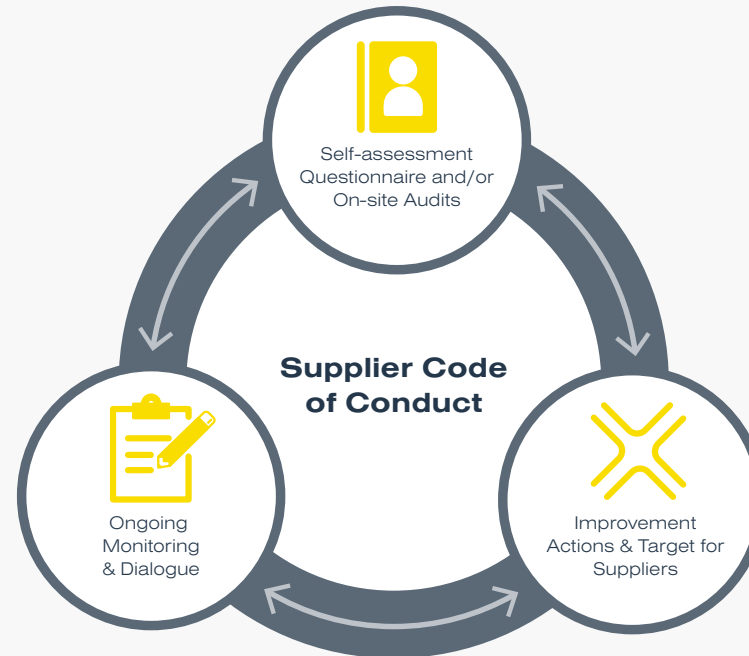
For all key suppliers delivering materials to Baettr it is mandatory to conduct supplier self-assessments. Our suppliers are categorized ranging from 'A' being critical (raw materials) to 'C' being non-critical (consumables). Class 'A' suppliers are required to undergo onsite audits regardless of their self-assessment questionnaire results. This ensures a thorough evaluation of their compliance with our standards, independent of self-reported data.

2 Improvement Actions & Targets for Suppliers

When the assessment uncovers non-conformities, suppliers are required to address these through corrective actions. If a supplier does not want to or cannot align their practices towards compliance with the requirements, we may disqualify them from becoming a supplier or terminate any existing supplier relationship.

3 Ongoing Monitoring & Dialogue

Periodic reviews of suppliers' corrective actions to ensure issues are resolved within agreed timelines.



Engaging Employees in Sustainable Sourcing

To implement these above measures effectively, we are in the process of rolling out new e-learning courses on Sustainable Sourcing and supplier engagement to all global sourcing employees as well as other relevant internal stakeholders. These training courses will equip our employees with the skills and knowledge to engage suppliers in meaningful conversations about sustainability and to assess compliance.

IT & Cyber Security

We recognize the critical importance of a well-informed and cautious workforce in maintaining IT security, data integrity, and resilience. In today's digital age, when cyber threats such as phishing attacks and data breaches are ever evolving, employee awareness are essential for safeguarding sensitive data.

Ensuring the integrity of our data and the security of our systems is crucial. To achieve this, we have developed an approach that integrates clear guidelines, continuous employee education, and robust technical safeguards.

IT Policy

Our IT Policy is designed to establish clear guidelines for the secure and responsible use of technology within the organization. It is essential that each employee understands their role in protecting sensitive data and maintaining the integrity of our IT infrastructure.

The policy encompasses several key elements, including appropriate device usage and handling, identity and account security, responsible use, and sharing of data.

IT Security Training

We continued our IT Security Training Program in 2024, ensuring all employees have the knowledge to identify and respond to potential risks. This training emphasizes practical, actionable insights through mandatory modules, including:

- General Awareness Information: Building foundational knowledge of IT security principles.
- Personal Data Protection: Teaching best practices for safeguarding sensitive information.
- Phishing Emails: Equipping employees with the skills to recognize and report deceptive attempts to compromise security.
- Fraudulent Activities: Informing about incidents such as CEO impersonation fraud, scams, identity theft, and unauthorized payment transfers.

The training was implemented in 2023, and all relevant users attended. The courses are now being rolled out to all new employees to ensure they get the required training over a 10 month period. Participation is actively monitored, and managers follow up with employees who do not complete the training on time.

Technical Security Protection Roadmap

In addition to training, we have implemented a Technical Security Protection Roadmap to strengthen our defenses against cyberattacks. This roadmap includes a Disaster Recovery Plan to ensure swift recovery in the event of an attack. Regular penetration testing is also scheduled to evaluate and enhance our organization's response capabilities, in the event of real attacks.



251

hours of training
in 2024

Moving Ahead: Governance Beyond Compliance

Our commitment to strong governance, ethical business conduct, and sustainable sourcing remains unwavering. We recognize that governance is not just about compliance – it is about fostering a culture of integrity, accountability, and resilience. By continuously refining our policies, strengthening risk management, and deepening collaboration with stakeholders, we aim to create lasting value for our business, employees, and partners.

With a clear vision for the future, we will keep adapting to an ever-changing regulatory landscape and integrate best practices for responsible business conduct. Together, we are building a stronger, more transparent, and more sustainable foundation – one that supports our long-term success and contributes to a more responsible industry.



Data Overview



If you want to go back to
the index page, click here!



Data Overview



Certifications	Unit	2021	2022	2023	2024
Number of sites	Number	4	5	5	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
Sites with ISO 50001 certification	%	0	0	0	20

Business Conduct	Unit	2021	2022	2023	2024
Complaints filed in whistleblower system	Number	-	-	0	0
Confirmed corruption incidents	Number	-	-	0	0
Confirmed information security incidents	Number	-	-	0	0

Supply Chain	Unit	2021	2022	2023	2024
Key suppliers that have signed the supplier code of conduct	% of suppliers	-	-	-	65
Outstanding legal proceedings for late payments	Cases	-	-	-	0



Closing the Report — Our Shared Responsibility for a More Sustainable Future



As we close this chapter on 2024, we reflect on our progress and the challenges ahead. Sustainability is not a destination – it is an ongoing journey that requires commitment, innovation, and collaboration. At Baettr, we embrace this responsibility, knowing that the choices we make today define the legacy we leave for future generations.

Our ambitions remain high, and our commitments are clear. From reducing our carbon footprint and promoting circularity to fostering a workplace culture of integrity, development, and shared responsibility, we are taking tangible steps toward a more sustainable future. Strengthening our ESG planning and aligning it with our 2030 strategy is a key part of this journey. By continuously improving our business practices, we aim to drive even greater performance and impact. Achieving our goals will require perseverance, bold decisions, and a willingness to challenge the status quo.

None of this would be possible without our employees' dedication, expertise, and passion. Every achievement in this report is a testament to their hard work, ingenuity, and commitment to making a difference – creating real impact beyond compliance.

Maria Bjørkmann

Senior Vice President - People & Growth, Communication and Sustainability

Looking ahead to 2025 and beyond, we remain committed to deepening our sustainability efforts, strengthening governance, and fostering a culture where people and purpose thrive together. We invite all our stakeholders to join us on this journey, because only together can we build a stronger, more resilient future.

We hope this report has provided valuable insights into our progress, commitments, and future ambitions. ESG is not just a compliance exercise – it is a powerful driver for change, and we are committed to using it as a force for good within Baettr and beyond.

Let us keep shaping tomorrow today – together.

Appendix A: Definitions & Accounting Practices



Environmental

Weights & Measures:

All weights are provided in metric tons (tonnes) where 1 tonne = 1,000 kg

tCO₂e = tonnes CO₂ equivalent

Casting

Casted tonnage, reported in tonnes in Baettr's ERP system.

Emissions

All sources and emission factors are available in our data collection tool. Emission factors are specifically selected per location to get the most accurate calculation of our emissions.

Direct energy (scope 1): Covers fuel for own transportation, direct stationary combustion and the direct consumption of fossil-based fuels (e.g., gas and electricity).

Indirect energy (scope 2), Location-based: Covers purchase of all electricity and heat used at our locations. Data is based on meter readings from the electricity supplying companies for each of our locations and based on national grid emissions factors.

Emission intensity (scope 1 & 2), Location-based: Covers emissions for scope 1 & 2 Location-based. Measured in tCO₂e / tonnes casted.

Indirect energy (scope 2), Market-based: Covers purchased power certificates for electricity and heat used at our locations. Amount is based on invoices from 3rd party. Measured in tCO₂e.

Emission intensity (scope 1 & 2), Market-based: Covers emissions for scope 1 & 2 Market-based. Measured in tCO₂e / tonnes casted.

Indirect emissions (scope 3): Measured in tCO₂e, calculated based on emissions factors. Covers up- and downstream transportation (calculation based on transport type, weight transported and distance), purchased goods and services (calculated based on product weight or cost), and waste (calculated based on waste type and treatment type).

Emission intensity, indirect emissions (scope 3): Measured in tCO₂e / tonnes casted.

Total CO₂ emissions, Location-based: Total amount of GHG emission for scope 1, 2 & 3 Location-based. Measured in tCO₂e.

Total CO₂ emissions, Market-based: Total amount of GHG emission for scope 1, 2 & 3 Market-based. Measured in tCO₂e.

Emission intensity, Location-based: Total amount of GHG emission for scope 1, 2 & 3 Location-based. Measured in tCO₂e / tonnes casted.

Emission intensity, Market-based: Total amount of GHG emission for scope 1, 2 & 3 Market-based. Measured in tCO₂e / tonnes casted.

Energy Consumption

Total energy consumption (scope 2), Location-based: Covers purchase of all electricity and heat used at our locations. Data is based on meter readings from the electricity supplying companies for each of our locations and is based on national grid emissions factors.

Total renewable energy consumed (scope 2), Market-based: Covers purchased power certificates for electricity and heat



Environmental

used at our locations. Amount is based on invoices from 3rd party.

Total fossil energy consumption (scope 2): Share of energy not covered by power certificates.

Total renewable energy share (scope 2): Share of energy covered by power certificates.

Total own produced renewable energy: Energy produced on our sites by wind power. Data is based on meter readings.

Consumption of natural gas (scope 1): Amount is based on invoices from 3rd party.

Fuel consumption from crude oil/petroleum products (diesel) (scope 1): Amount is based on invoices from 3rd party. Reported as liter and converted to MWh.

Fuel consumption from natural gas (scope 1): Amount is based on invoices from 3rd party. Reported as m³ and converted to MWh.

Fuel consumption from other fossil sources (LPG & LNG) (scope 1): Amount is based on invoices from 3rd party. Reported as kg and converted to MWh.

Total fossil energy based on consumption (scope 1 & 2): Sum of the fossil energy consumption and fuel consumption from coal and crude oil/petroleum products.

Waste

Waste for recycling: Waste fractions that are either recycled or reclaimed by Baettr or a 3rd party. Reported in tonnes to Baettr by 3rd party. Share of waste for recycling is calculated in % (waste for recycling/total amount of waste).

Waste for incineration: Delivered to a 3rd party based on their waste sorting requirements. Reported in tonnes to Baettr by 3rd party.

Waste for landfill: Delivered to a 3rd party based on their waste sorting requirements. Reported in tonnes to Baettr by 3rd party. Total weight of waste: Sum of waste to recycling, reuse, incineration and landfill.

Waste intensity: Calculated as total tons waste / total tonnes casted.

Hazardous waste: Delivered to a 3rd party based on their waste sorting requirements. Reported in tonnes to Baettr by 3rd party.

Total CO₂ emissions from waste (incineration & landfill): Based on location specific emissions factors

Water

Total fresh/process water withdrawal: Amount is based on invoices from 3rd party.

Raw materials

Recycle rate in product composition: Usage of virgin and recycled raw material used in the melt composition. Data is extracted from the ERP system.

The recycle rate is calculated in % (amount of recycled material / total amount of material).

The recycled raw material includes steel scrap, metal chips, return iron/excessive waste iron from the casting process such as pouring basin.

Data reported on resource inflows has been calculated using invoices. Scope 3 emissions has been calculated based on product weight, transportation method/distance and cost depending on the product category.



Social

Safety

Fatalities in own workforce: Accounted in number of fatalities.

Lost Time Injury (LTI): All injuries that require the injured person to stay away from work minimum 24 hours.

LTI frequency: Total amount of LTIs per million working hours.
Total Recordable Injuries (TRI): TRI covers LTI, RWI & MTI, and are accounted in numbers of injuries.

TRI frequency: Total amount of TRIs per million working hours.
Percentage of people in our workforce covered by a HSE system based on legal req./recognized std's: Percentage based on headcount of own employees.

People

Total work hours: Reported in numbers, counted at the end of 2024.

Headcount: Number of employees counted at the end of 2024.

Number of non-employees in own workforce: Total no. of 3rd parties working at Baetr incl. consultants and temps.

Employee motivation & satisfaction: Employee motivation and satisfaction is measured through an employee survey, conducted yearly. The score is the overall satisfaction level among all employees in Baetr.

Gender diversity: Calculated in % for male and female employees at management level and for our total workforce (headcount based).

Generational diversity: Calculated as a % of a total workforce for the following age groups: Under 30, 30-50 and over 50.

Employees per geographical area: Reported in numbers, counted at the end of 2024.

Sickness/absence, total, B/C & W/C: Total sickness hours / Total number of working hours.

Employee turnover rate, involuntary: Number of employees departed involuntarily / Full time employees.

Employee turnover rate, voluntary: Number of employees departed voluntarily / Full time employees.

Apprentices, interns, trainees, and graduates: Reported in numbers, counted at the end of 2024.

Graduated Apprentices: Apprentices who have completed their education in the course of the year.

Description of formally elected employee representatives: Employee representatives include representatives who are freely elected by the workers of the company in accordance with provisions of national laws, or any union, works council or other agency or representative body recognized for the purposes of bargaining collectively on behalf of any employee. They are the point of contact between the workforce and management.

Training

Total hours of training: Accounted in number of hours of training.

Average hours of training: Training hours/Headcount and Training hours/Headcount by gender.

Safety Training: Total training hours on Safety.

Safety Training, attendants: Number of employees attended.

IT Security Training: Total training hours on IT Security.

IT Security Training, attendants: Number of employees attended IT Security Training.

Skills-related Training: Total skill-related training hours.

Skills-related Training, attendants: Number of employees. attended skill-related Training.



Governance

Certifications

Certifications: Sites with certifications.

Business Conduct

Complaints filed in Whistleblower system: Total number of complaints filed.

Confirmed corruption incidents: Number of incidents involving corruption that require reporting to the relevant regulatory, oversight authority or internal incidents.

Confirmed information security incidents: Number of incidents requiring report to the Data Protection Authority.


Supply Chain

Key suppliers that have signed the Supplier Code of Conduct: Key suppliers include suppliers in the categories of raw material and transportation. Calculated in % of suppliers who have signed the S-CoC.

Outstanding legal proceedings for late payments: Total number of proceedings.



Appendix B: DMA Table & Impact Description




Environmental Impacts

ESRS	Subtopic	Material Topic	Location in Value Chain			Time Horizon			Positive/negative	Impact	Likelihood
			Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term			
	Mitigation	Supplier use of raw materials	●			●	●	●	Neg.	5	100%
	Energy	Electricity use - production		●		●	●	●	Neg.	4.7	100%
	Energy	Stationary combustion LPG		●		●	●	●	Neg.	2.7	100%
	Energy	District heating		●		●	●	●	Neg.	2.3	100%
	Mitigation	Transport purchased goods	●	●		●	●	●	Neg.	3.7	100%
	Mitigation	Internal transport - production items		●		●	●	●	Neg.	3.7	100%
	Mitigation	Transportation of product to customer	●		●	●	●	●	Neg.	3.3	100%
	Mitigation	Employee commuting		●		●	●	●	Neg.	2.3	100%
	Mitigation	Business travel		●		●	●	●	Neg.	2.7	100%



Environmental Impacts

ESRS	Subtopic	Material topic	Location in Value Chain			Time Horizon			Positive/negative	Impact	Likelihood
			Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term			
	Air pollution	Air pollution furnace		●		●	●	●	Neg.	2.3	100%
	Air pollution	VOC emissions - surface treatment		●			●	●	●	Neg.	2
	Waste	Waste generated in production		●		●	●	●	Neg.	2	100%
	Waste	Sand waste from casting process		●		●	●	●	Neg.	2	100%
	Waste	Waste in the supply chain	●			●	●	●	Neg.	3	100%
	Waste	Re-use of chips internally		●		●	●	●	Pos.	3.5	100%
	Waste	Transport loop return		●	●	●	●	●	Pos.	5	25-50%
	Waste	Purchase of steel scrap and pig iron	●	●		●	●	●	Pos.	5	25-50%

ESRS	Subtopic	Material topic	Location in Value Chain			Time Horizon			Positive/negative	Impact	Likelihood
			Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term			
	Equal treatment & opportunities for all	Inclusion, diversity, equality		●		●	●	●	Neg.	2.7	10-25%
	Other work-related rights	Human rights, trafficking, child labor, etc.		●		●	●	●	Neg.	1.3	100%
	Working conditions	Health and safety			●		●	●	Neg.	4.3	100%
	Equal treatment & opportunities for all	Inclusion, diversity, equality	●		●	●	●	●	Neg.	2.3	100%
	Other work-related rights	Human rights, trafficking, child labor, etc.	●		●	●	●	●	Neg.	2.7	10-25%
	Working conditions	Health and safety	●		●	●	●	●	Neg.	4.6	10-25%
	Corporate culture	Corporate culture		●		●	●	●	Pos.	4.5	100%
	Payment practice towards suppliers	Payment practice towards suppliers	●	●		●	●	●	Neg.	2	100%
	Payment practice towards suppliers	Supplier sustainability policies	●	●		●	●	●	Neg.	3	10-25%
	Political engagement & lobbying activities	Lobbying activities		●	●	●	●	●	Pos.	4	100%
	Protection of whistleblowers	Whistleblower		●		●	●	●	Pos.	3.5	100%

Material Impacts Affecting our own Workforce

Inclusion, Diversity, Equality

Inclusion, diversity and equality are important values at Baettr and working for equal opportunities in our organization is an important part of our corporate culture.

Human Rights

At Baettr we are committed to respecting the human rights of our employees.

Health & Safety

Safety is our number one priority at Baettr. The working environment at a foundry and machine shop contains a number of potential safety hazards, and without proper management can be a dangerous environment.

Material Impacts Affecting Workers in our Value Chain

Inclusion, Diversity, Equality

Just as inclusion, diversity and equality are important values for Baettr, we also expect our suppliers to focus on these values and to provide equal opportunity working environments for their workers. Any failure to achieve this can have negative consequences for the workers in our value chain.

Human Rights

Just as we are committed to respecting human rights in our own workforce, we are also committed to respecting human rights for the workers in our supply chain. Any human rights violations can have negative consequences for workers in our value chain.

Health & Safety

The safety of the workers in our value chain is a high priority at Baettr and we require the suppliers in our value chain to maintain high safety standards. Any failures to maintain safety standards can have serious consequences for the workers in our value chain.

Material Impacts in the Area of Governance

Corporate Culture

Baettr is a value driven organisation with the following values: Stand Accountable, Imagine Better and Be Respectful. A strong corporate culture provides the foundation for our future development.

Payment Practice towards Suppliers

Fair and respectful relationships with our suppliers, including fair payment practices is a key to future prosperity and development for Baettr and the suppliers in our value chain.

Supplier Sustainability Policies

We can only achieve our sustainability goals in collaboration with the suppliers in our value chain. Working with our suppliers is essential in order to align sustainability goals.

Lobbying Activities

We support the clean energy transition through our membership in relevant trade associations, and informal networking with politicians at a local and national level in the countries we operate.

We are a supplier to some of the largest companies in the wind energy industry, some of which are actively involved in direct and indirect lobbying activities.

Whistleblower

We have an obligation to uphold the principles of transparency, accountability, and ethical conduct within our organization. Our Whistleblower system ensures that Baettr employees have a confidential, secure, and independent channel to report violations or suspected violations of Baettr's internal policies and ethical standards.

Materiality Calculations

Negative impacts: Severity = (Scale + Scope + Remediability)/3

Positive impacts: Severity = (Scale + Scope)/2

Scale

1. Very low - Unnoticeable
2. Low - Limited
3. Medium - Noticeable
4. High - Significant
5. Very high – Substantial

Scope

1. Natural environment - Very low - Isolated location
2. Natural environment - Low - Multiple location
3. Natural environment - Medium - Several large areas
4. Natural environment - Entire region
5. Natural environment - Global environment

1. Own workforce - Few individuals
2. Own workforce – Groups
3. Own workforce – Departments
4. Own workforce - Business divisions
5. Own workforce - Global workforce

1. Workers in supply chain - Few individuals
2. Workers in supply chain – Groups
3. Workers in supply chain – Departments
4. Workers in supply chain - Specific suppliers' workers
5. Workers in supply chain - Entire supply chain workers

Remediability


1. Easily reversible
2. Low
3. Reversible with material effort/cost
4. High
5. Permanent

Likelihood




1. Rare (<10%)
2. Low (10-25%)
3. Possible (25-50%)
4. Likely (50-75%)
5. Almost certain (>75%)
5. Certain (actual impact (100%))

Impact Materiality was established by mapping each impact on a chart with likelihood on the X axis and severity on the Y axis. The threshold for impact is set as a sloping line, dependent on the combination of severity and likelihood, with impacts above the threshold line considered material and relevant for this report, while impacts below the threshold line were not considered to be material. For any impacts related to human rights the severity calculation required to meet the materiality threshold is decreased by 1. Our Position Green database was used to register impacts and assess materiality.

Appendix C: List of Material DRs

	Section	Page
ESRS 2 General Disclosures		
BP-1 General basis for preparation of the sustainability statement	Introduction: Sustainability in Short	4
BP-2 Disclosures in relation to specific circumstances	Introduction: Our Organization	6
GOV-1 The role of the administrative, management and supervisory bodies	Sustainability: Sustainability Governance	14
GOV-2 Intergration provided to and sustainability matters addressed by the undertaking's administrative management and supervisory bodies	Sustainability: Sustainability Governance	14
GOV-3 Integration of sustainability-related performance in incentive schemes	(Not covered in this report)	-
GOV-4 Statement on due diligence	(Not covered in this report)	-
GOV-5 Risk management and internal controls over sustainability reporting	Sustainability: Sustainability Reporting	15
SBM-1 Strategy, business model and value chain	Introduction: Business Model & Value Chain	7
SBM-2 Interests and views of stakeholders	Sustainability: Materiality Assessment and Progress Towards CSRD/ESRS (only impacts)	18
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability: Materiality Assessment and Progress Towards CSRD/ESRS (only impacts)	18
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Learn More About Our Journey

Thank you for your interest in our sustainability work. We encourage you to reach out with any questions about our Sustainability Report or our initiatives. We are always ready to share our experiences and collaborate on this important journey!



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