



Advancing Our Commitment to Sustainability



**BBB Industries 2023
Corporate Sustainability Report**



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ABOUT THIS REPORT

The information presented in this report encompasses the entirety of the BBB Industries organization. We have disclosed all material topics, where feasible, according to the Sustainability Accounting Standards Board and the Task Force on Climate Related Financial Disclosure Framework(s). Please refer to the appendix for more information.

BBB Industries publishes a Corporate Sustainability Report annually. For further report inquiries please contact dseale@bbbinc.com.

LEGAL DISCLAIMER

This report provides environmental information and projections dependent on BBB Industries specific case studies and are not applicable to other organizations. All environmental claims are backed by independently verified data models, internal reporting, and academic case studies. Limited assumptions were applied where necessary.

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A message from our CEO



Throughout 2023, we remained steadfast in our commitment to sustainability, embodying our mission: To spread the power of sustainable manufacturing at scale.

We expanded our presence in Europe with our acquisition of Inter-Turbo. Based in Poland, Inter-Turbo sustainably manufactures turbochargers, injectors and diesel particulate filters (DPFs). We also marked an important milestone in our journey with the establishment of our Industrial business unit and our acquisition of the North American company, Hydralex. With this acquisition, we further expanded our offerings into an array of industrial markets.

2023 also marks the third consecutive year where we have effectively offset our company's carbon footprint through our sustainable manufacturing processes. Equally important, we remained dedicated to providing exceptional products and services to our customers while prioritizing the well-being of our employees and communities.

Duncan A. Gillis
Chief Executive Officer
BBB Industries

A message from our CSO



With our 2023 Corporate Sustainability Report, I am delighted to share the progress BBB has made to drive business growth and business impact.

It has become clear to me that sustainability is more than just a thought. It's part of our daily mission to achieve excellence in environmental impact, community engagement, and ethics and to provide stakeholder value. Our progress this year in all these categories proves that good business can also be good for our planet, our people, and our future. In addition, I am happy to say that we have remained consistent in our commitment to provide sustainable, quality products to our customers.

We hope to continue our pursuit of excellence in all facets of our company as we continue on our journey towards a more sustainable future.

Mark Nugent
Chief Sustainability Officer
BBB Industries

About BBB Industries

BBB Industries is a leading sustainable manufacturer serving the automotive and industrial markets. With extensive operations throughout North America, BBB entered the European market in 2020 and now sustainably manufactures and supplies an assortment of nondiscretionary repair parts across more than 90 countries.

We take pride in our diverse product portfolio, encompassing a wide range of offerings aimed at meeting diverse needs across various industries. From alternators and starters to hydraulic steering, turbochargers, brake calipers, electric power steering units, electric vehicle (EV) products, solar solutions, vehicle electronics, metal and rubber parts, to commercial hydraulic components, we are committed to providing innovative solutions that drive efficiency, performance, and sustainability.

As we continue to expand our global footprint, we remain dedicated to sustainable practices and providing high-quality products and service to our customers. Our sustainability program has been instrumental in driving environmental change at BBB, and we are committed to continuous improvement to meet the demands of today while building a sustainable future for tomorrow.

Who We Are



BBB QUICK FACTS

- **Sustainable Manufacturer** since 1987
- **Markets:** Automotive and Industrial
- **Corporate Centers:** Mobile, AL and Dallas, TX
- **Global Footprint:** North America, Europe and Asia
Our products are sold in over 90 countries.
- **Employees:** Over 10,000
- **Over 22 million** units shipped in 2023.

TERREPOWER

TERREPOWER is an industry leader and innovator in the sustainable manufacturing of components driving our clean energy and mobility future.

From upcycling and improving the longevity and performance of EV batteries and other components to refurbishing and recycling solar systems to drive the circular economy. TERREPOWER's mission is to give new life to critical components and materials to lower costs, reduce waste, reuse resources, and protect the environment.

Who We Are

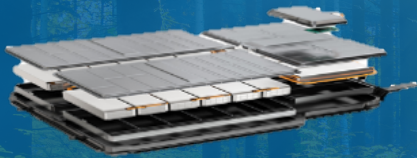


R2v3 Certification:

R2v3 is a certification focused on the environmental and social impacts of electronic refurbishing and recycling and solar panel reuse and recycling. R2 certifications are issued by Sustainable Electronics Recycling International (SERI), an international nonprofit dedicated to the safety and sustainability of electronic devices.

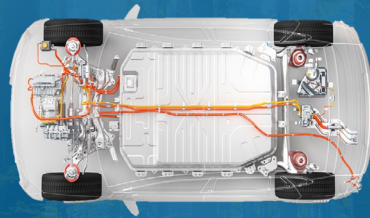
E-MOBILITY

RENEWABLES



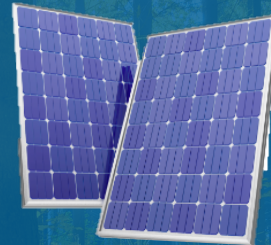
EV BATTERIES

Through our proprietary High Voltage (HV) battery repair process; we are able to put EVs back on the road, reducing waste and material demand giving batteries a 2nd life.



ELECTRONICS

With a global presence and advanced engineering, we ensure top-tier delivery of hard-to-find sustainably manufactured electronic automotive components and lighting for ICE and EV systems.



SOLAR SOLUTIONS

We offer a comprehensive range of solar products and tailor-made solar solutions. With a global presence and deep expertise in solar technology, we are well-equipped to steer through the rapidly changing market and provide top-tier solar products, support, and services.



ENERGY STORAGE

Our top-tier energy storage solutions are sustainable, durable, and versatile for all power needs. Using batteries designed for electric vehicles we can help you achieve energy independence with our efficient renewable energy applications.

Vision, Mission, Values

Who We Are

Vision

To be the recognized aftermarket leader of sustainably manufactured, innovative products and services that deliver exceptional value to our customers, employees, and shareholders while supporting the communities in which we operate.



Mission

To spread the power of sustainable manufacturing at scale

Values



Sustainability

We focus on reusing materials to lower costs, reduce waste and protect our environment.



Teamwork

We work collaboratively to achieve our goals.



Customer Centered

The customer is at the center of everything we do.



Entrepreneurship

We quickly and creatively solve problems.



Safety

We perform every task with the relative freedom from danger, risk, or threat of harm, injury, or loss to personnel and/or property, whether caused deliberately or by accident.

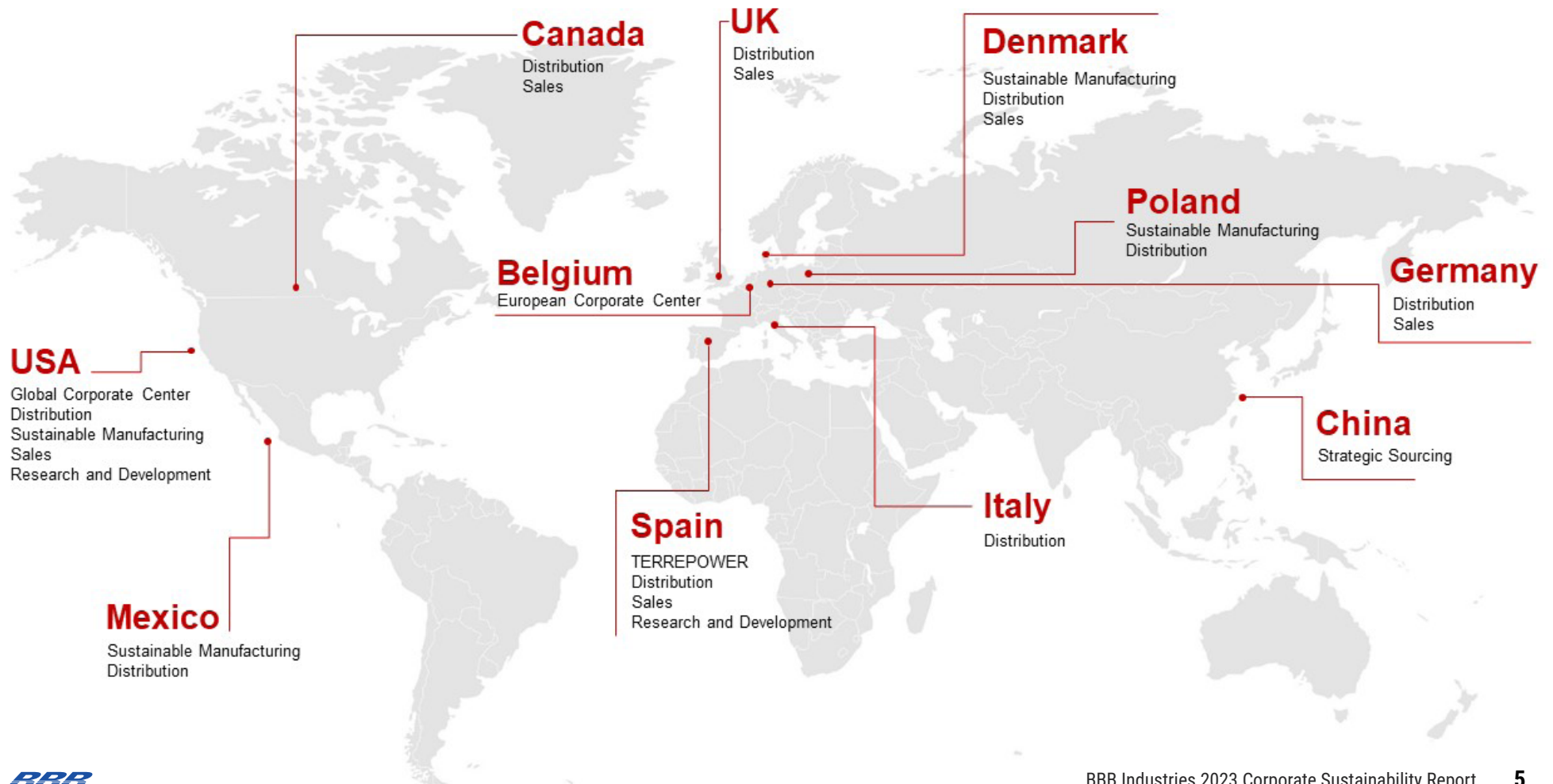
Committed to Our Mission

Who We Are

Our Mission is to spread the power of sustainable manufacturing at scale. As part of our efforts to fulfill our Mission, this past year, we made two strategic acquisitions in key regions and industries.

This past year in the United States, we acquired Hydralex, which has allowed us to expand our offerings into an array of industrial markets. In Poland, we acquired Inter-Turbo, which broadened our presence and sustainably manufactured product offering in Europe.

These expansions further strengthen our global reach and reinforce our commitment to driving sustainable change worldwide.



Recognizing Our Commitment to Service

Who We Are

We believe that providing outstanding service to our customers is not only essential for building strong relationships, but it also plays a crucial role in promoting our sustainable business practices. We are honored to be acknowledged by our customers for our commitment to delivering exceptional service, and we are thrilled to highlight these accolades as they recognize our dedication to our customers and our Core Values.



2023 Vendor of the Year
Presented by AutoZone



2023 Marketing Partner Award
Presented by BestBuy Distributors



2023 Receivers Choice Award
Presented by AutoZone



2023 Partnership Award
Presented by Parts Authority



2023 Logistics Award
Presented by Alliance

Challenging Traditional Remanufacturing

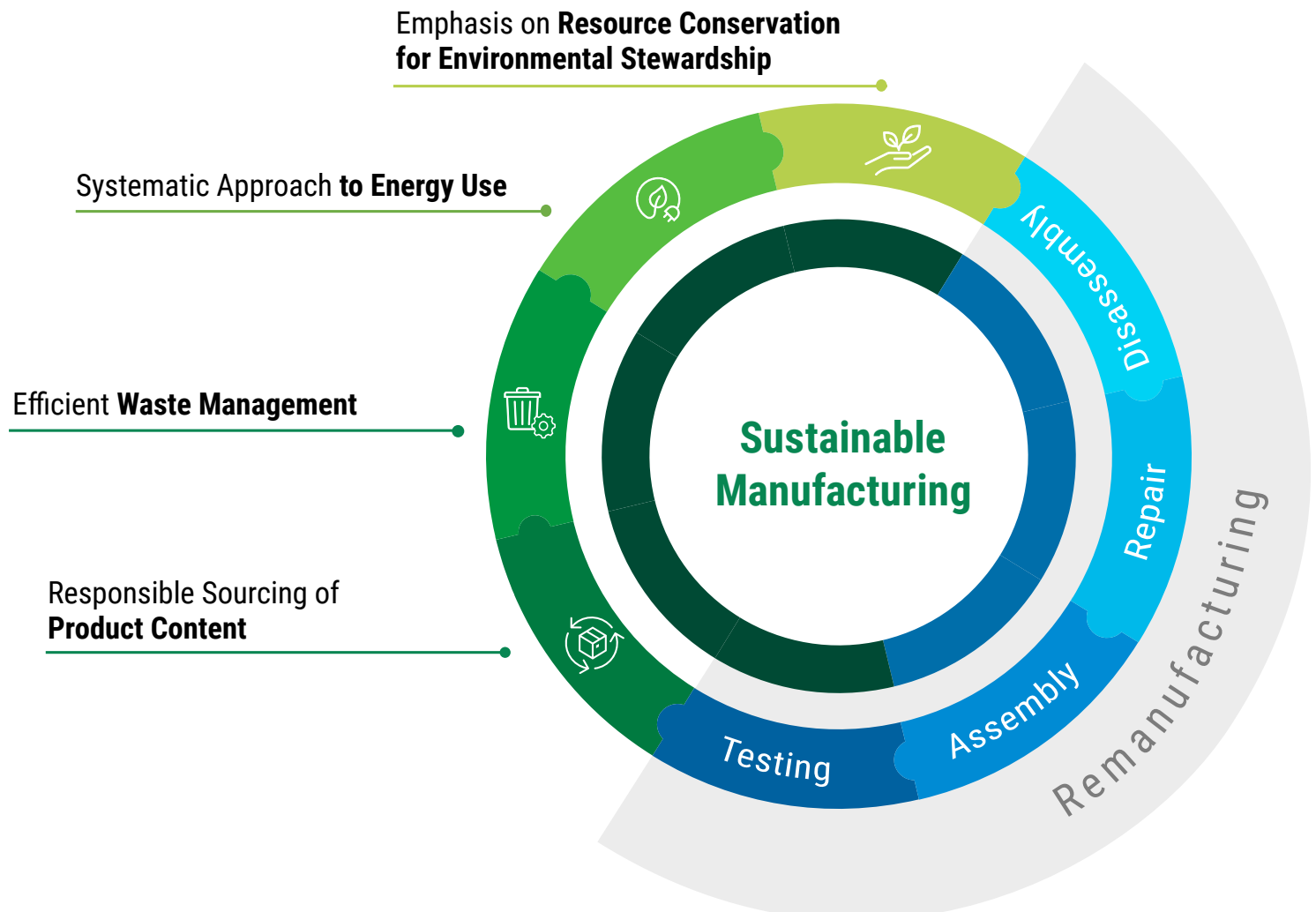
Sustainable Manufacturing *(overall approach)*

The overall approach to producing goods in an environmentally friendly manner throughout the entire production process.

Remanufacturing *(specific process)*

A specific process within the product life cycle that involves restoring end-of-life products to a like-new condition.

Sustainability



Our Environmental Impact

Sustainability



+15M
Parts Sustainably Manufactured



Keeping your vehicle on the road,
running efficiently

+190M
Pounds of Waste Kept from Disposal



The weight of
over 3,300 full garbage trucks

+160K
Metric Tons of Carbon Avoided



The same carbon that
190,000 acres of forests
would remove in a year



Sustainability

Approach to Environmental Business Practices

BBB Industries understands that a company's impact on the environment is as important as its performance. We are always looking for innovative ways to reuse materials, reduce waste, and ensure our production process creates a minimal long-term impact to our Earth.

We focus on material reutilization, decreased energy consumption, and decreased transportation strategies to lower the carbon footprint created when producing our product. We apply hard work and creativity to achieve a 90% material reutilization rate, focusing on materials like aluminum, cast iron, and steel. Any materials we cannot reuse we ensure roughly 70% are shipped to material recycling.

Thanks to our customers returning their broken and worn parts, we can decrease energy consumption in the manufacturing stage by over 50%. This leads us to apply rigorous data analysis to our processes with two goals in mind:

Educate our team and customers on the impact they make by making a sustainable purchase.

Challenge society to rethink the second life of their used products before disposal.

Environmental Education

Sustainability

We believe that sharing environmental knowledge internally and externally is critical.

Corporate Sustainability Team

Our Corporate Sustainability Team, led by our Chief Sustainability Officer, organizes companywide training, facilitates global projects, and oversees the reporting of environmental impacts of each location. This team is responsible for the environmental trajectory of BBB as a whole.

External Education

Our in-depth case studies can be found on our website. They showcase our successes and research into the future of sustainability. [View our case studies here.](#)

Helping Our Customers Show their Impact

We provide our customers with frequent reports of the environmental impact they make, just by choosing sustainably manufactured products. Each report spotlights the environmental impact of choosing new products and sustainably manufactured products. We hope all manufacturers begin to accompany their products with environmental data to increase visibility throughout the product supply chain.

Internal Education

Over 30 managers across BBB locations are trained in topics ranging from water use to waste management. These managers collect sustainability ideas from their teams and implement them as sustainability-driven initiatives. A new group of site sustainability managers are installed every other year upon completion of the Sustainability Education Initiative. The goal of this program is to ensure that there is sustainability leadership at all BBB sites across the globe. All training is accessible to our teams on the internal employee website.



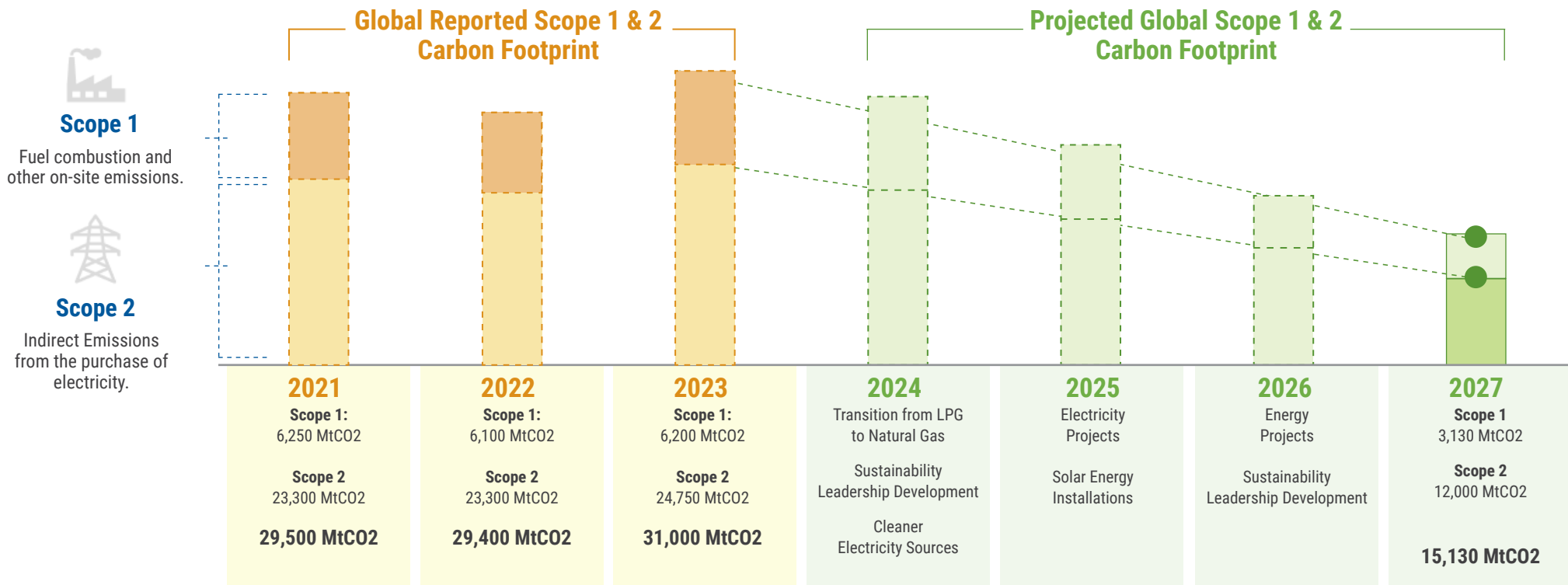
Emissions Goals

OUR COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

We avoid more emissions than we produce, and we bring a sustainable product to the market. We continue to make our process more sustainable by setting an ambitious emissions reduction goal. By 2027, we will decrease our scope 1 and 2 emissions by 50%. We will accomplish this by using energy as efficiently as possible choosing the lowest emitting sources and implementing renewable, clean energy across our global footprint.

Each year we plan to implement projects that keep our company on pace to achieve these goals to ensure business growth.

Sustainability



Reducing our Carbon Footprint



Scope 1 Emissions
6,200 mt CO2

Scope 1 emissions are defined as emissions that occur from sources that are controlled or owned by an organization (US EPA). BBB's scope 1 emissions are our combustible fuel sources like Liquefied Petroleum or Natural Gas. One example of a source of our scope 1 emissions is the Natural Gas consumed by our large ovens which dry paint on our finished products.

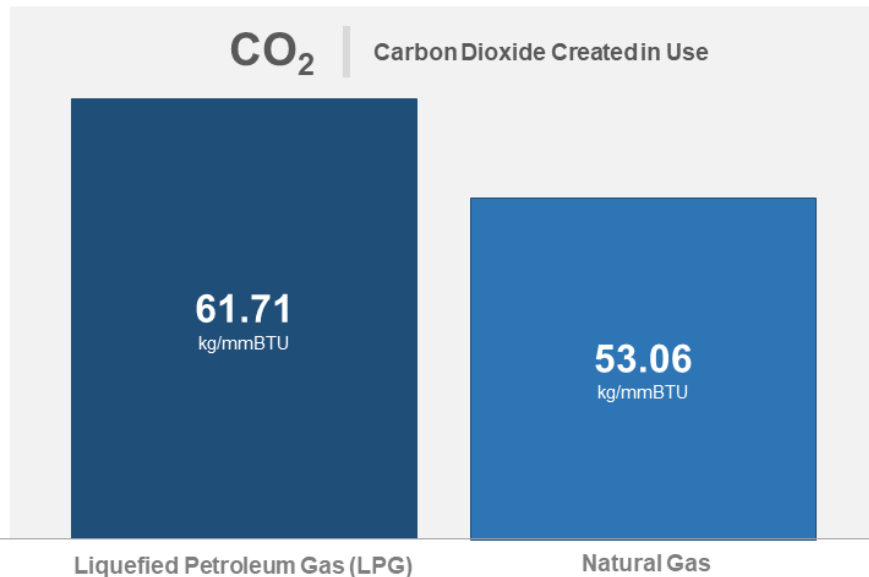
Our scope 1 emissions are tracked on a site-by-site basis with our site sustainability managers focusing on specific projects to lower that site's scope 1 emissions.

Action Plan:

This year our team focused on understanding what combustible fuels we use on site and how we can transition to a cleaner form of that energy.

Sustainability

How a Transition to Natural Gas Impacts BBB's Carbon Footprint



Source: [Emission Factors for Greenhouse Gas Inventories \(EPA\)](#)

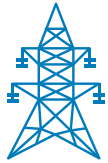
SUCCESS STORY

A Transition from Liquefied Petroleum to Natural Gas Steering Facility

In November of 2023, our steering team completed a project to transition its large machinery away from Liquefied Petroleum. The conversion to Natural Gas decreased the site's scope 1 emissions. This project's success will be duplicated across the company in 2024.



Reducing our Carbon Footprint



Scope 2 Emissions
24,750 mt CO2

Scope 2 emissions are associated with the purchase of electricity (US EPA). Our scope 2 emissions are from grid electricity use and are dependent on the emissions intensity of the grid from which we source energy. Though we do not have control over the emissions intensity of the grid, we do have control over how much electricity we use on a site-by-site basis.

Action Plan:

BBB is acting through education and the implementation of projects focused on efficiency. A major portion of our Sustainability Education Initiative focuses on implementing energy best practices throughout our production process. Scope 2 emission reductions may come in the form of installing more efficient lighting or the streamlining of energy-demanding production processes.

Sustainability

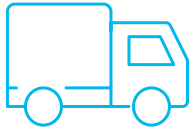
SUCCESS STORY

Adjustment of Air Conditioning Ducts *Caliper Facility*

Our team understands that there is a large amount of energy used when cooling our production facility. One of our team members noticed that our air conditioning ducts were cooling unnecessary space of the production facility. By lowering the air ducts, we were able to use less electricity by cooling the area where our team works and considerably lower the temperature at the workstations. This decrease in electricity use directly impacts the amount of scope 2 emissions at the facility.



Reducing our Carbon Footprint

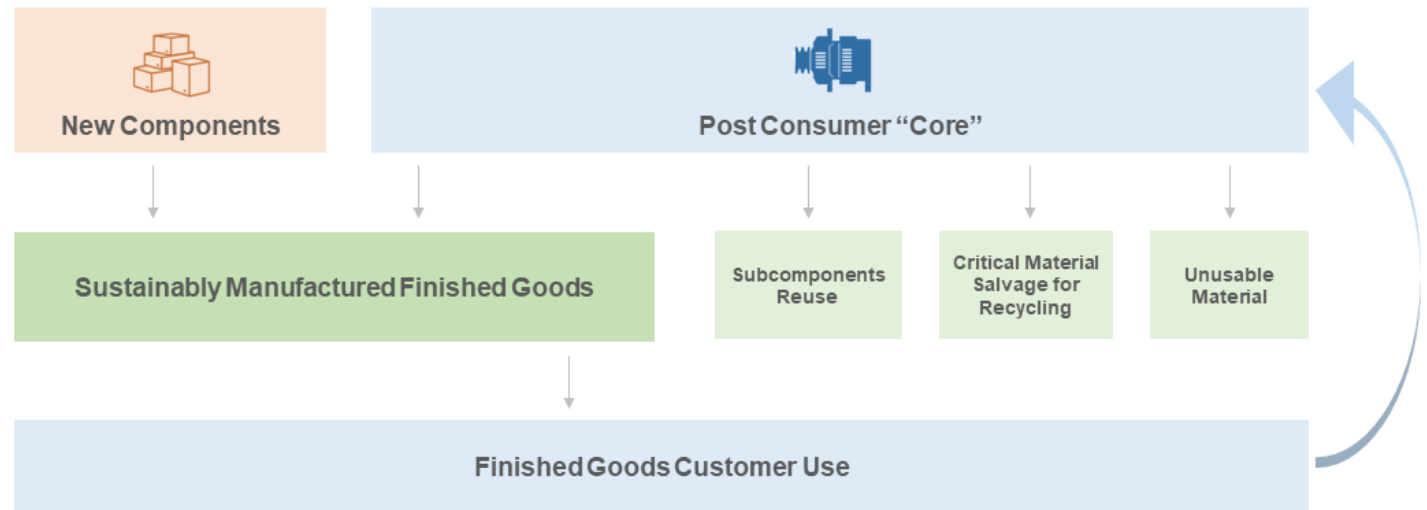


Scope 3 Emissions
187,011 mt CO2

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain (US EPA). As scope 3 tends to be more complicated to report, we base this section of our BBB footprint on the GHG Protocols for scope 3 reporting. This protocol provides 15 categories and recommendations on how to calculate our footprint.

Sustainability

Sustainable Manufacturing and Material Reuse



SUCCESS STORY

Circularity of Cardboard - *Steering Facility*

This year the Steering Production team developed a way to use waste cardboard as sustainable packaging product inserts. By perforating the cardboard the team lowers the amount of waste generated by the site. Furthermore, this project decreases the site's scope 3 emissions and reduces MRO cost of finished goods. Finally, and maybe most importantly, these new sustainable inserts keep BBB products safe en route to the customer. [Click here to read more.](#)

Water Use

Sustainability

Action Plan:

Training our Team on Water Consumption

Every other year our Sustainability Education Initiative trains site leaders on how to best approach water consumption and water discharge at each site. The main area of focus in these training modules is the manufacturing process where returned cores must be rigorously cleaned via high water use. Another area of focus is regulatory guidelines and site audit procedures. We understand that improving our water use efficiency significantly benefits the communities in which we work.



117,843 m³
Water Withdrawn



102,920 m³
Water Discharged

Circular Economy

Outline of Business Model:

What is a Circular Economy?

Since 1987, BBB Industries has operated in a Circular Economy. We are driven to keep materials in use for as long as possible at their highest value as possible. This means that when a broken or worn alternator is returned to our facilities, we will ensure that it is first sustainably manufactured. If it cannot be used in another vehicle, it may be repurposed. If neither is a viable option, the product is recycled.

Application to New Sectors

For over 35 years BBB has produced millions of sustainably manufactured automotive parts. We have taken our expertise to new products. We see a major opportunity to impact the sustainability of how electric vehicle batteries, hydraulic components, and solar panels are produced and how their lives are extended.

Waste Prevention

24,575 mt
Waste Generation

15.1%
Hazardous Waste

69.7%
Recycled Waste

Every pound of material that is returned from our customers is another pound of material not entering the waste stream. Though we are proud of this, our process is not waste-free. We are continuously exploring opportunities to lower our waste footprint.



Sustainability



Empowering Our Customers with Sustainability Analytics

BBB Industries would not be able to provide a sustainable product to the market without the help of our customers. Our partners receive an annual report stating the impact they have made by purchasing products from BBB. These reports communicate the specific emissions avoided, waste reduced, and materials recovered through the sustainable manufacturing process.

Sustainability

**+160,000 Metric Tons
of Carbon Emissions Avoided**
in comparison to manufacturing those units new.

Aluminum
Reused



22M Pounds

Copper
Reused



11M Pounds

Cast Iron
Reused



103M Pounds

Steel
Reused



61M Pounds

**190
Million**

**Pounds of Waste Kept
from the Waste Stream**

Sustainable Development Goals

Sustainability

The Sustainability Development Goals (SDG) were created by the United Nations. In 2023 BBB focused on Goal Numbers 6, 7, 12, and 13.



Sustainable Development Goal #6: **Ensure Sustainable Management of Water**

Sustainable manufacturing is traditionally a water-intensive process, especially when cleaning cores at our facilities. We focus on returning water back to where it was sourced in a way that is not detrimental to the natural environment. 2023 marked the first year that BBB installed a water treatment plant in Reynosa, Mexico. We hope to continue this focus at all of our sustainable manufacturing sites to ensure that water is used efficiently and sustainably.



Sustainable Development Goal #7: **Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All**

We are committed to spreading the power of sustainable manufacturing at scale to bring it to new sectors. For example, we hope to make solar renewable energy more accessible by sustainably manufacturing underperforming solar panels. Not only does this give consumers a sustainable alternative to new manufacturing, it opens the door to consumers more likely to purchase clean energy technology at a lower cost.



Sustainable Development Goal #12: **Ensure Sustainable Consumption and Production Patterns**

This SDG is engrained in our work. We aim to reuse as much material as possible. This averts landfill waste and mitigates the need for critical materials to be sourced from our Earth. It is our vision that the products of the present will not harm the planet for future generations.



Sustainable Development Goal #13: **Take Urgent Action to Combat Climate Change and Its Impacts**

Our business model reduces the production emissions of finished goods drastically. Through the reuse of material, decreased production energy usage and the reduced transportation footprint, BBB is proud to provide our customers with a quality product that creates an 80% lower carbon footprint than newly manufactured products.

Empowering Sustainability. Together we Thrive.

In the intricate landscape of corporate sustainability, the heartbeat of any impactful initiative lies in the collective strength of its people. At BBB, our employees are the nucleus, driving the wheels of change. Our employees' commitment, values, and actions weave the fabric of corporate responsibility, shaping the very essence of sustainable practices. As the cornerstone of our corporate structure, our people are what is propelling us towards a future where business success harmonizes seamlessly with global well-being.

Our people serve as the ambassadors of our sustainable values, extending the reach of our corporate impact into our communities. Their engagement in eco-friendly practices, ethical decision-making, and social responsibility amplifies the ripple effect of our corporate sustainability initiatives. By recognizing and nurturing the potential within our workforce, we cultivate a culture where every individual contributes meaningfully to a shared vision of a sustainable future.

Our people play an integral role in the pursuit of sustainability. Through their daily efforts, innovations, and dedication, we forge a path towards responsible corporate citizenship. By understanding the profound impact of our collective actions, we can harness the transformative power of our people to propel us towards a more sustainable and resilient future.

People



Global Human Resources Network

Empowering Our Workforce

In 2023, BBB introduced "tHRive" – our Human Capital Management system designed to enhance the way we nurture, engage, and empower our workforce. At its core, "tHRive" enables us to foster a dynamic environment where talent flourishes. From recruitment to talent development and beyond, "tHRive" is the catalyst for creating an agile and resilient organizational culture.

BBB is a place where data-driven decision-making converges with a people-centric approach. We have a commitment to unlock the full potential of our workforce, foster a culture of continuous improvement, enhance our inclusive work environment, and position our organization for sustained success.

People



Attracting and Recruiting Talent

Our diversity measures allow us to find and keep the best people without regard to race or gender.

In our pursuit of a diverse and inclusive workforce, we are committed to refining our strategies for attracting, recruiting, and retaining talent from all walks of life. Our approach involves casting a wide net to attract diverse candidates, utilizing inclusive language in job descriptions and partnering with diverse professional networks. Our sustained commitment extends beyond recruitment to the development of comprehensive onboarding programs that foster a sense of belonging and equity from day one.

We have implemented robust metrics to track key indicators. These metrics encompass the demographic composition of our workforce as well as retention rates among diverse employees. By regularly assessing and refining these metrics, we ensure that our strategies remain adaptive and aligned with the evolving landscape of diversity and inclusion. This data-driven approach not only enhances our ability to attract diverse talent but also fortifies our commitment to retaining and nurturing an inclusive workplace where every individual can thrive and contribute their unique perspectives.

Diversity & Inclusion

People



Employee Training

HR Training

BBB's HR training initiatives represent our commitment to cultivating a skilled, ethical, and inclusive workforce. Central to this is our ethics training, which equips employees with the knowledge and tools to navigate complex ethical dilemmas, reinforcing the importance of integrity in every aspect of our operations. In addition to this, BBB's non-harassment training fosters a respectful workplace culture by raising awareness about discrimination, bullying, and harassment, and providing employees with the skills to identify and address such issues. These initiatives not only align with legal requirements but also contribute to the creation of a workplace where everyone feels safe, respected, and empowered.

In addition to ethics and non-harassment training, BBB's comprehensive approach extends to production training, ensuring that employees are equipped with the skills and knowledge required to excel in their roles. Beyond these pillars, we also prioritize ongoing professional development opportunities, including leadership training, diversity and inclusion workshops, and emerging technology training. By offering a diverse array of training options, we not only enhance individual skill sets but also foster a culture of continuous learning and adaptability within our organization. These initiatives collectively underscore our commitment to not only meeting industry standards but surpassing them, creating an environment where employees thrive both personally and professionally.

People



Safety

BBB has experienced rapid growth over recent years. With this expansion has come the alignment of safety standards and reporting. It is a top priority to ensure that our safety metrics are reported globally, but also, that action efforts are in place to ensure excellence in our safety practices.

Our goal will always be **zero safety incidents** across all our locations. Along with reportable metrics, our EHSS Center of Excellence shares company-wide cases of lessons learned when applying the best Environmental, Health, Safety, and Security Standards.

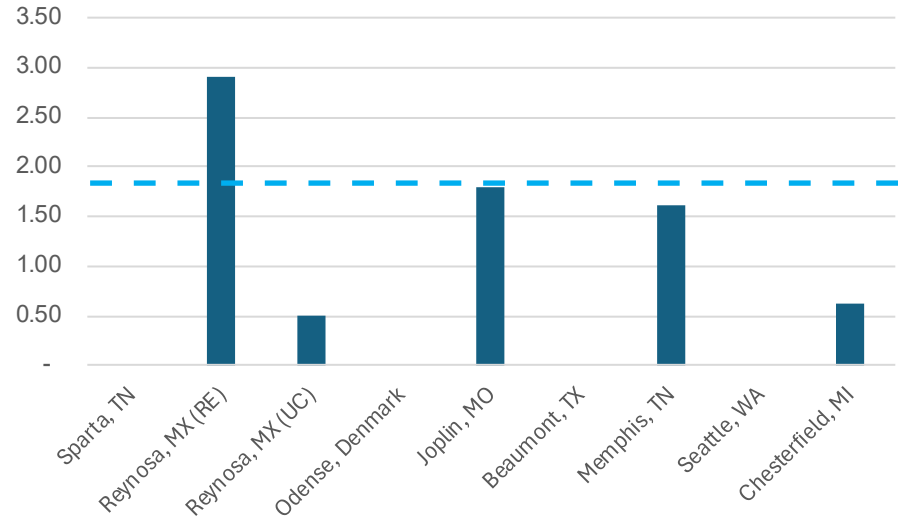
People

Safety Quick Facts

19,602,815 Total Manufacturing Hours Worked	246 Total Near Misses
194 Total Recordable Incidents	137 Total Lost Time Injuries

Lost Time Incident Rate

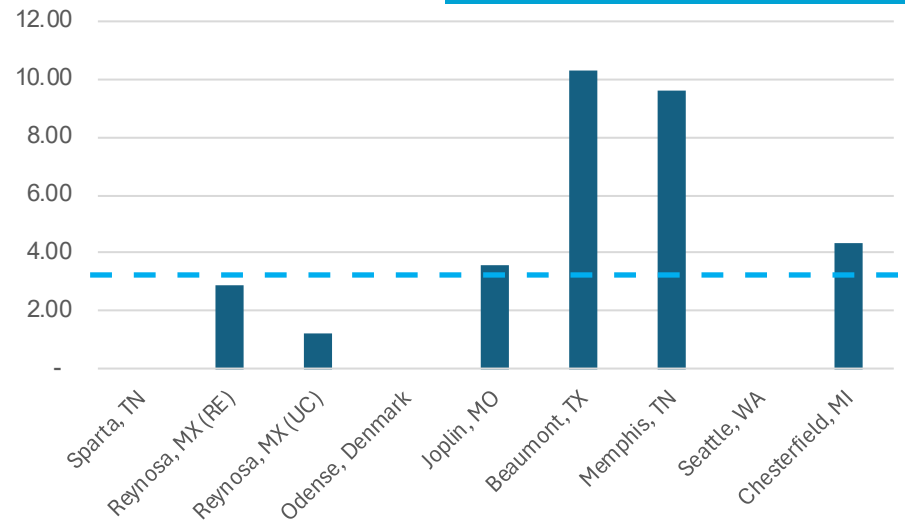
1.80 | Industry Average per Year Number of Lost Time Incidents (NAICS: 336390)



Source: [Bureau of Labor Statistics](#) *No Bar Denotes Zero Incidents

Total Recordable Incident Rate

2.90 | Industry Average per Year Number of Total Recordable Incidents (NAICS: 336390)



Source: [Bureau of Labor Statistics](#) *No Bar Denotes Zero Incidents

Community Engagement

BBB's Corporate Citizenship initiative aims to actively participate in the development of our communities and to help community members achieve success. We strongly believe in the value of engaging with and supporting these communities, as it allows us to play a significant role in their growth.

In 2023, BBB's Corporate Citizenship initiative:

- **Saved over 2000+** lives through blood drives
- **Gave over \$200k** to various organizations including University of Aftermarket, Ukraine Relief, Prodisce Pantry Food Bank, and more.
- **Volunteered ~1000** hours supporting our multiple partnerships in drives or hands-on needs



People



Community Engagement (cont.)

Making a Difference: Impactful Contributions and Volunteer Efforts

PRODISEE PANTRY (ALABAMA)

Prodissee Pantry is a non-profit community organization providing emergency food and disaster relief. BBB partners with this organization frequently, providing hours, monetary contributions, food drives, and participating in the annual Turkey Trot.

LIFESOUTH (ALABAMA)

Through LifeSouth, we host a number of blood drives at our BBB locations. The LifeSouth mission is to provide a safe blood supply that meets or exceeds the needs in each community we serve, and to provide a variety of services in support of ongoing and emerging blood and transfusion-related activities.

MAMI (MEXICO)

Casa Hogar M.A.Mi (63 children ages 3-12) provides children from birth to 12 years of age the shelter, food, clothing, educational, medical and psychological care, recreational activities and spiritual guidance. BBB partners with them each year to host a children's Christmas Party.

AMPARO (MEXICO)

Casa Hogar Amparo (25 children ages 6-18) is another children's home in Reynosa that BBB partners with. BBB hosts a food drive each year to collect donations for their pantry.

CASSVILLE ELEMENTARY (TENNESSEE)

Cassville Elementary is the local elementary school in Sparta. The BBB team continually shows their support by providing school supplies, food and hosting a Christmas party with gifts and a visit from Santa.

SPARTA VOLUNTEER FIRE DEPARTMENT (TENNESSEE)

The Sparta Fire Department is dedicated to protecting life, property and community resources through prevention, preparation and response. It is a 100% volunteer fire department, and they depend on fundraisers and donations to provide their funding. The BBB team in Tennessee supports the local fire department by raising funds to donate each year.

LIFE REMODELED (MICHIGAN)

Life Remodeled believes Detroiters have all the talent they need, but many don't have access to all the opportunities they deserve. The BBB team in Michigan was part of a 6-day project with Life Remodeled to beautify Detroit's Cooley community.



People



Community Engagement *(cont.)*

ENNIS CENTER FOR CHILDREN (MICHIGAN)

The Ennis Center has been working with abused and/or neglected children for over 44 years with their services reaching over 6,000 Michigan children and families in crisis annually. Our team revamped the Center's front landscape with perennials and fresh mulch, painted the building's entrance awning poles, painted the building's window with fun artwork and cleared the fence in the back from overgrown trees and brush.

KEEP ODESSA BEAUTIFUL (TEXAS)

The mission of Keep Odessa Beautiful is to empower Odessans to recycle, prevent litter, and beautify our community. Our team in Texas participates in the organization's local clean up events.

IRIVING CARES (TEXAS)

Irving Cares provides focused assistance for Irving, Texas residents to address a financial crisis. The food pantry provides nutritious groceries to feed each member of the household three meals a day for a week. Our team in Texas hosts an annual food drive to collect food for locals in need.

SMYRNA ADOPT A MILE (TENNESSEE)

Through organized quarterly cleanups, community volunteers reduce the amount of litter along the roadways in Smyrna. The Adopt-a-Mile program raises awareness about the issue of litter and helps keep our community clean. Our team in Tennessee hosts a cleanup event each quarter.

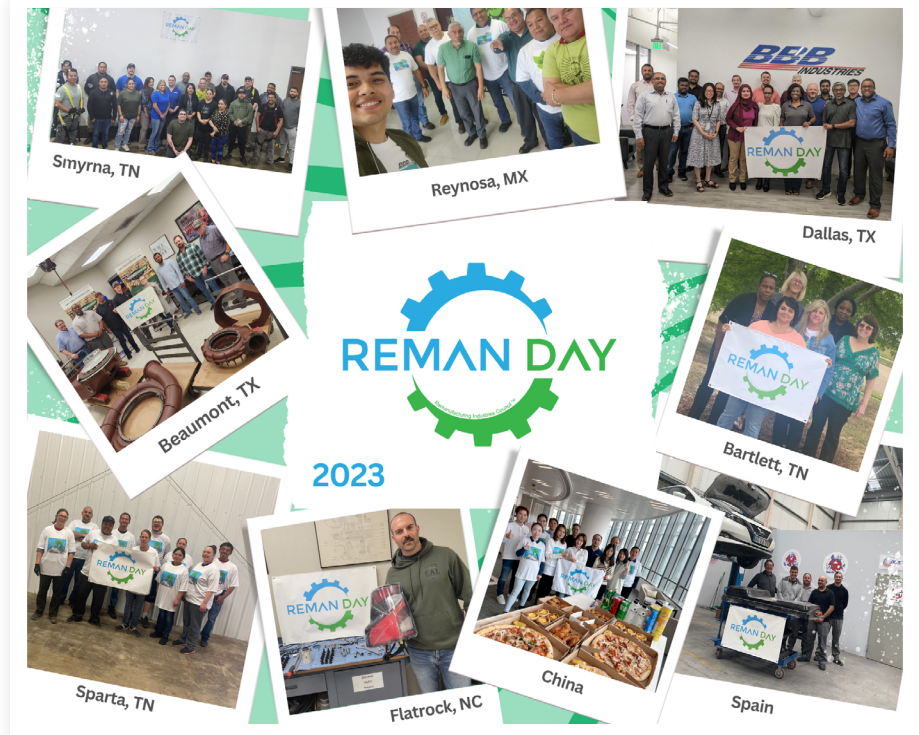
SAN SALVADOR DE POLINYÁ (SPAIN)

San Salvador is a local church in the upper part of Polinya, Spain. It has served the local town since the 11th century. In 2023, our team in Spain collected goods and delivered a solidarity trunk to the parish of San Salvador de Polinyá.

ASSOCIACIÓ EDUCATIVA ITACA (SPAIN)

Our team in Spain collected food, books and toys to donate to Associació Educativa Itaca, a non-profit organization in L'Hospitalet de Llobregat, which since 1976 has been dedicated to the education of children and young people in the neighborhood in situations of child poverty or social exclusion.

People



People

Community Engagement (cont.)

Reman and Earth Day

This year, BBB was proud to join industry colleagues and partners to celebrate sustainability and remanufacturing! Every site was involved in recognizing and celebrating that we are sustainable manufacturers. In addition, each site sent teams to pick up trash and plant trees on Earth Day.



Community Engagement (cont.)

Women in Auto Care

We attended the Women in Auto Care Leadership Conference in Palm Springs, CA. We enjoyed 2 days of networking with over 200 women in the automotive aftermarket.

Kim Nolan, SVP of Sales, and Tanya Hunt, Commercial Project Manager, both volunteer their time as committee members. They were both recognized by the Auto Care Association and were honored to speak to the community at the 2023 Leadership Conference.

Young Automotive Network Group (YANG)

This year, BBB sent three employees to the YANG Leadership Conference. YANG provides its members with the opportunity to network with industry peers, develop new skill sets and improve leadership capabilities. YANG events include panel discussions with industry leaders, professional development sessions and networking events throughout the country.

People





People

Sustainability at Home

Our annual Sustainability at Home contest gives our team the opportunity to take the sustainability strategies they put to use at work, home with them. Our team members engage their families and investigate their lifestyles outside of the office to implement sustainable practices. This year, Bill and his wife Lorna constructed a peaceful waterfall oasis in their backyard. Their property was recognized by the National Wildlife Federation for its commitment to sustainably provide the essential elements of wildlife habitat like food, water, cover, and places to raise young.

This year there were over 10 different projects started in our individual communities! Besides the winning project, our communities saw more efficient, at-home water use, biking to work, composting and even repurposing bricks to make a walkway.

Board of Directors

BBB's board of directors is comprised of 6 individuals with over 100 years of management experience. This management experience is coupled with over 35 years of investment experience. These individuals have served or are currently serving in management, investment banking, private equity, consulting, operations, the military, and other areas of business execution.

The Board also has oversight of our Audit Committee and Compensation Committee, with each committee having clearly defined responsibilities for each activity.



Audit Committee

The Audit Committee is responsible for overseeing financial statements and reporting, including monitoring accounting policies and overseeing external auditors and regulatory compliance.

Compensation Committee

The Compensation Committee provides oversight for executive compensation, performance evaluation, incentive plan management and succession planning. They balance the organization's financial realities and investor expectations, while creating competitive retention strategies for longer term success.

Ethics & Governance

Executive Oversight

To support the Board in its oversight role with respect to corporate governance and risk management, BBB has established internal councils to facilitate effective decision-making, enhance transparency, and ensure accountability throughout the organization.

By leveraging the collective expertise and diverse perspectives of Council members, BBB is able to identify potential risks, assess their impact on the organization, develop mitigation strategies, and ensure compliance. This proactive approach helps minimize potential disruptions to our operations and safeguard the interests of our stakeholders.

Through regular meetings and reporting mechanisms, the internal Councils provide a forum for dialogue, knowledge-sharing, and continuous improvement. They also contribute to the ongoing refinement of our corporate governance framework and risk management practices.

Executive Business Council

Chief Executive Officer
Chief Financial Officer
Chief Operating Officer

Enterprise Risk Management Council

Chief Executive Officer
Chief Financial Officer
Chief People Officer
Chief Information Officer
General Counsel

President's Council



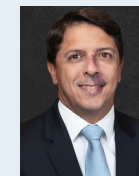
Duncan Gillis



Emily Weaver



John Amyot



Gonzalo Cajade



Tom Sheppard



Steve Mesarick

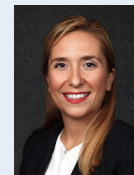
Ethics & Governance



Chris Garner



Kim Nolan



Duygu Seker



Aaron Watkins



Tony Croy



John Boyer



Mark Nugent



Maria Caballero



Don Garrett



Amanda Doherty



Alex Harrison



Mike Caruso



Will Jackson



Josh McCabe



Steven Sheller

Code of Conduct and Ethics

BBB's Code of Conduct and Ethics outwardly demonstrates our long-standing reputation for conducting business with integrity and ethical behavior—from the Board Room to the Warehouse and from the Production Area to the Corporate Offices. The Code is our guide to making ethical decisions, and it demonstrates how we can act with integrity in all that we do.

The Code supports our Vision—to be the recognized aftermarket leader of innovative products and services that deliver exceptional value to our customers, employees and shareholders while supporting the communities in which we operate. It also supports our Core Values: **Entrepreneurship, Teamwork, Customer-Centered, Sustainability and Safety.**

The Code exemplifies all the great things we are doing and continue to do at BBB, and it sets the expectation that we should always do the right thing—even when it is hard or unpopular to do so. We must never compromise on quality or safety when it comes to our customers or our workplace, and we must always take responsibility for our actions to ensure our continued success.

Ethics & Governance

Ethics Helpline

If someone witnesses or becomes aware of someone not abiding by the Code, we encourage them to **SPEAK UP** and report their concern to BBB's Ethics helpline:

The BBB Ethics Helpline can be reached by all employees at the following telephone numbers:

(Translators available upon request)

US (800)-461-9330 | Canada (800) 235-6302 | Mexico 800-681-6945 | Spain (900)-905460
Italy (800)-727-406 | Germany 0800-181-2396 | Denmark 8082-0058 | China +400-120-3062

The Ethics Helpline is also available in many languages at www.bbbind.com/codeofconduct. You may also contact the BBB Ethics Committee at ethics@bbbind.com.

BBB's Whistleblower Policy

Our Promise of Integrity & Transparency

BBB's Whistleblower Policy stands as a cornerstone of our commitment to transparency and ethical conduct. This policy serves as a safeguard for employees who witness or suspect any form of misconduct, providing them with a confidential and secure channel to report such concerns without fear of retaliation. By fostering an environment that encourages the reporting of unethical behavior, we aim to swiftly address any issues that may arise, ensuring the integrity of our organization remains unwavering. This policy not only protects whistleblowers but also contributes to our collective responsibility in to uphold the highest standards of corporate governance and accountability.



**Ethics &
Governance**

Data Security

We are dedicated to securing our environment for the safety and protection of, our own, our customers' and our suppliers' data information. Providing excellent customer service and security allows our customers and suppliers to transact business safely, relying on our professional internal teams and individuals within our company. Data Security is our highest concern, and we are continually responding to the ever-changing cyber risk landscape. We have a dedicated team of IT Security professionals committed to monitoring, maintaining, and securing our systems and data. Following industry best practices, our data security standards and our cybersecurity program provides a framework for responsible collection, storage, transfer, use and destruction of data. Leveraging that framework and standard, we are focused on cybersecurity threats throughout the entire company, including the protection of information technology and intellectual property, manufacturing safety and operations, supply chain, third-party security, mergers and acquisition risk and the security of all new business models.



Ethics & Governance

Governance, Risk and Compliance

- The National Institute of Standards and Technology (NIST) Cybersecurity Framework serves as the foundation of our security program.
- Third parties conduct external and internal assessments, including penetration testing (PEN), to continually improve security controls.
- We regularly update our privacy and Global Corporate Security Policy to remain current with industry leading practices.

Information Security Program

- Implementation of best practices
- Established numerous programs and controls to reduce cybersecurity risk.
- Security governance to manage and perpetuate security processes.
- Committed security operations team which monitors, analyzes, and responds to all security threats.
- Enterprise level email security.
- Configuration management to secure systems.
- Network and Web application security through strict firewall configurations.
- Segmentation of critical systems and data.
- Intrusion detection, and prevention of critical data systems.



Ethics & Governance

Oversight Related Policies & Documents

- **Conflict of Interest Policy**
- **Corporate Security Policy**
- **Anti-Bribery Policy**
- **Antitrust Policy**
- **Anti-Money Laundering**
- **International Trade**
- **Records Management**
- **Acceptable Use of Electronic Systems**

Responsible Procurement

BBB operates in a circular economy and sources most of its finished product material from post-consumer content. We work closely with our customers. This relationship ensures that users of BBB products understand where and how they can return those products once they are worn or underperforming. The collection of these “cores” is a team effort. With the help of our suppliers, we can ensure that our products are reutilized for a second or third life.



**Ethics &
Governance**

Integrity & Human Rights in our Supply Chain

Our Procurement team continues to increase the amount of Human Rights Metrics represented in our supplier audits. During the audit of a facility, a standard Human Rights audit form is completed by the supplier. During 2023, BBB conducted over 55 on-site supplier audits to ensure improvement plans are in place. We expect this focus to grow as Human Rights communications and supply chain visibility continues to grow.



**Ethics &
Governance**

Industry Partners

Ellen MacArthur Circulytics Platform | www.ellenmacarthurfoundation.org

BBB completed the Circulytics Assessment by the Ellen Macarthur Foundation which measures an organization's circularity progress. BBB scored an overall B in the 2023 Circulytics Assessment. The enablers score of "A" is a clear indication of the company's commitment towards the circular economy transition. The report showcases the company's performance well above the Industry Group Average in categories such as strategy and planning, innovation, people and skills, operations, external engagement, and products and materials.

Auto Care Association | www.autocare.org

The mission of the Auto Care Association is to protect and advance the interests of businesses providing aftermarket products and services for all classes of motor vehicles. BBB promotes the industry working groups by engaging in Sustainability, Government Action, Education, International Trade, Women in AutoCare, and Emerging Technology Committees. These groups meet twice a year to advance the automotive industry.

Remanufacturing Industries Council | www.remancouncil.org

The RIC is dedicated to supporting the advancement of the remanufacturing industry. BBB works with the Board of Directors to ensure cooperation among remanufacturing industries in areas of common interest, promote the use of remanufactured products, and increase public awareness of the contributions remanufacturing provides to the economy and the environment.

ECOVADIS | www.ecovadis.com

EcoVadis provides holistic sustainability ratings service of companies, delivered via a global cloud-based SaaS platform. The EcoVadis Rating covers a broad range of non-financial management systems including Environmental, Labor & Human Rights, Ethics and Sustainable Procurement impacts. Each company is rated on the material issues as they pertain to their company's size, location and industry.

NQC Supplier Assurance | www.supplierassurance.com

NQC Supplier Assurance provides a systematic approach to managing risk and due diligence at scale throughout your supply chain.

Ethics & Governance





Appendix

Framework Alignment and Reference Tables

Environmental Metrics

ENERGY USE	2021	2022	2023
Total Energy Consumed (GJ)	364,967	364,648	365,107
Grid Electricity (MWh)	60,601	56,268	60,090
Liquefied Petroleum (Liters)	3,408,574	3,136,944	3,270,483
Natural Gas (Therms)	201,992	458,523	335,212
Renewable Energy (MWh)	---	672	502

WATER USE	2021	2022	2023
Water Withdrawal (Cubic Meters)	n/a	124,068	117,843
Water Discharge (Cubic Meters)	n/a	100,243	102,920

WASTE	2021	2022	2023
Total Waste (Metric Tons)	30,881	39,968	24,188
Recycled Waste (Metric Tons)	n/a	56,268	17,123
Hazardous Waste (Metric Tons)	12,043	4,416	3,714
Hazardous Waste Percentage	n/a	11%	15.1%

GHG Emissions	2021	2022	2023
Scope 1 Emissions	6,250	6,100	6,200
Scope 2 Emissions	23,300	23,300	24,750
Scope 3 Emissions	133,500	179,000	187,000
Total Footprint	163,000	208,500	218,000

Appendix

SASB - IFRS: Sustainability Accounting Standards Board

The Sustainability Accounting Standards Board guides the disclosure of financially material sustainability information by companies to their investors.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT MEASURE	CODE	PAGE
Energy Management	(1) Total energy consumed: 365,107 GJ, (2) percentage grid electricity: 59% (3) percentage renewable: 1%	Quantitative	Gigajoules (GJ), Percentage (%)	TR-AP-130a.1	N/A
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	Quantitative	Metric tons (t), Percentage (%)	TR-AP-150a.1	15
Product Safety	Number of recalls issued; total units recalled	Quantitative: 0	Percentage (%)	TR-AP-250a.1	N/A
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and / or reduce emissions: BBB Industries does not design products.	Quantitative: 0	Reporting Currency	TR-AP-410a.1	N/A
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TR-AP-440a.1	13
Materials Efficiency	Percentage of products sold that are recyclable: 100%	Quantitative	Percentage (%)	TR-AP-440b.1	N/A
	Percentage of input materials from recycled or remanufactured content: 70% - 90%	Quantitative	Percentage (%)	TR-AP-440b.2	N/A
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative: 0	Reporting currency	TR-AP-520a.1	N/A

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	PAGE
Number of Parts Produced	Quantitative	Number	TR-AP-000.A	2
Weight of Parts Produced	Quantitative	Metric tons (t) [92,468 t]	TR-AP-000.B	N/A
Area of Manufacturing Plants	Quantitative	Square meters (m2) [250,838 m2]	TR-AP-000.C	N/A

Appendix

TCFD: Task Force for Climate-Related Financial Disclosures

GOVERNANCE		
DISCLOSURE	DESCRIPTION	REFERENCES AND RESPONSES
Board Oversight	Describe the board's oversight of climate-related risks and opportunities	Board oversight consists of the Board Chair, Chief Executive Officer, and Chief Operating Officer responsible for generalizing climate-related issues, communicating the environmental impacts of sustainably manufactured automotive components externally, and supporting sustainability projects across the organization. Climate-related issues are a scheduled agenda item at most board meetings where major expenditures to address climate-related impacts and company transition plans are discussed.
Management Role	Describe the management's role in assessing and managing climate-related risks and opportunities:	Management drives the creation and implementation of organizations' climate commitment and is incentivized on performance-based attainment of climate-related targets.

STRATEGY		
DISCLOSURE	DESCRIPTION	REFERENCES AND RESPONSES
Climate-Related Risk	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate-related risks and opportunities investigated cover the Direct operations, Upstream, and Downstream value chain stages. The frequency at which risks are assessed is more than once a year. Short-term (0 to 3 years): Type of Energy Use Medium Term (3 to 5 years): Quantity of Electricity Use Long-Term (5 to 12 Years): Quantity and Type of Supplemental Components
Management Role	Describe the management's role in assessing and managing climate-related risks and opportunities:	Climate-related risks and opportunities directly inform the organization's strategy. A climate transition plan that aligns with a 1.5-degree C world is approved by the Board of Directors annually. Strategy is influenced by the following categories: Products and Services, Supply Chain, Investment in R&D, and Operations.
Organization Strategy	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2-degree Celsius or lower scenario.	The organization's strategy directly aligns with a 1.5-degree C world and does not foresee short-term, medium-term, or long-term risks impacting that strategy.

Appendix

TCFD: Task Force for Climate-Related Financial Disclosures (cont.)

RISK MANAGEMENT		
DISCLOSURE	DESCRIPTION	REFERENCES AND RESPONSES
Identification Process	Describe the organization's process for identifying and assessing climate-related risks	Assessing and responding to climate-related risks and opportunities is owned by the sustainability team. This team assesses the specific climate impacts the company has made in the past, what the current impacts are (displayed in this ESG report), and what impacts are projected over each time horizon.
Managing Risks	Describe the organization's processes for managing climate-related risks	Findings are presented to the executive staff which determines the approach of each individual and which presents the greatest impact to the business.
Integration	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management by annual stakeholder reviews of Corporate Sustainability Reports. Commentary on annual reports from stakeholders internal and external of the organization. Further Board members provide direct feedback annually.

METRICS AND TARGETS		
DISCLOSURE	DESCRIPTION	REFERENCES AND RESPONSES
Scope 1, 2, 3	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse (GHG) emissions, and the related risks	<p>Our scope 1 footprint is the direct emissions that result from activities within our organization's control. Some of our scope 1 source include liquefied petroleum to power our forklifts, natural gas to power our heavy machinery, and other sources. We know it is important to focus on what we can control within the walls of our facilities. This requires monthly audit(s), on-site case studies, and corporate research.</p> <p>Our scope 2 footprint consists of the indirect emissions that result from purchased electricity or heat from external sources. We are proud to rely on significantly less electricity than new production, due to our focus on the circular economy. This helps us create jobs for our communities across the globe. The electricity we use is brought to us by our local grid sources.</p>
Emissions Targets	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	The organization has specified Carbon Emissions Targets based on the 2023 reporting year and completion in the 2027 year. The adherence to these targets is tracked on an annual basis.