

# JELD-WEN ESG REPORT

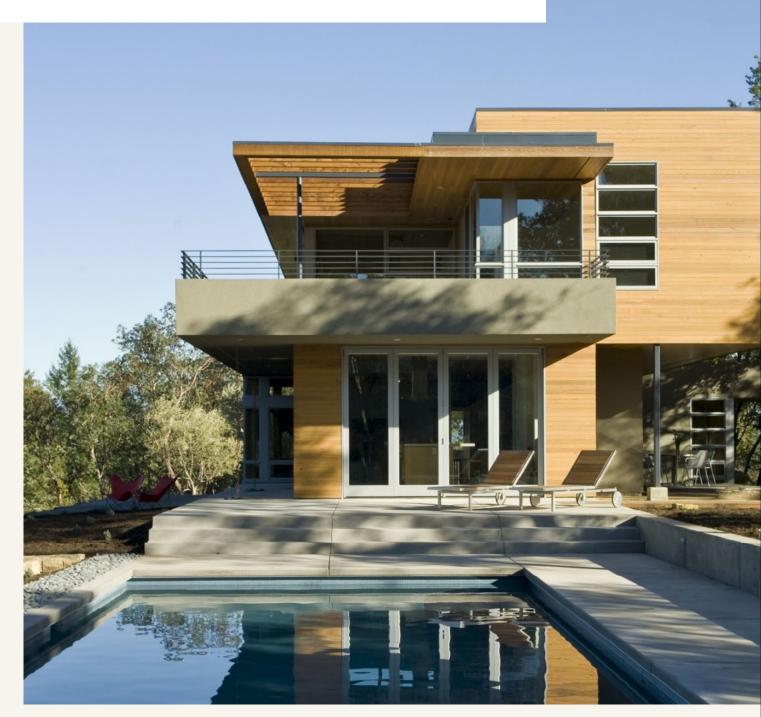


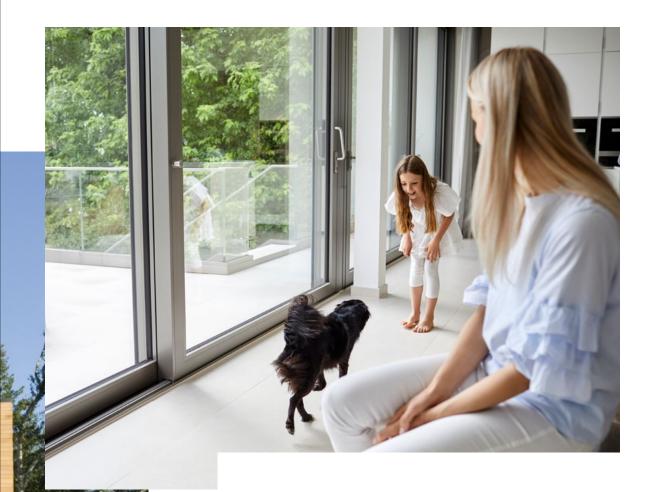
FRAMING OUR WORLD

Reporting Year 2022

#### **CONTENTS**

INTRODUCTION	03	DATA & DISCLOSURE	69
CEO Letter	04	About this Report	70
Our Approach to Sustainability	12	Forward-Looking Statement	71
ENVIRONMENTAL	23	Material Topics Definitions	72
Sustainable Operations	24	ESG Data	75
Sustainable Products	36	GRI Content Index	81
SOCIAL	45	SASB Index	87
Our People	46	TCFD Index	89
Our Community	56	Independent Assurance Statement	90
GOVERNANCE	59		
Accountability	60		
Governance, Ethics and Compliance	63		
Supply Chain	67		





At JELD-WEN, we do much more than manufacture windows and doors. It is our responsibility to be environmental stewards providing sustainable and innovative solutions that benefit our customers, our communities, and the planet. We are committed to shaping our industry with the latest energy-efficient solutions and fostering circularity in our operations and products by eliminating waste and promoting sustainable materials. As we work to fulfill these commitments, we prioritize providing our associates with a safe, diverse, and inclusive work environment.

# FROM OUR CHIEF EXECUTIVE OFFICER (CEO)

In the early 1970s, our founders made a deliberate decision to use all raw resources for a high-value purpose. Their decision to repurpose wood waste resulted in bold changes to our manufacturing process. That philosophy of innovation and preserving resources for future generations stands true today and forms the foundation of our sustainability efforts.



Acting in a responsible manner has been a company pillar for decades. What has changed over the past few years, however, is our commitment to actioning on specific environmental, social and governance (ESG) goals, as well as developing and implementing strategies to achieve them.

We continue to advance our efforts to build a more sustainable future for our stakeholders, including:

- Our customers, who want energyefficient and sustainable products that help them reduce their carbon footprint.
- Our associates, who want an equitable, inclusive environment of belonging where they can grow their careers.
- Our investors, who recognize that sustainability goes hand in hand with an effective business strategy and shareholder value.
- Our communities, because we want to support and protect the places in which we operate.
- Our shared planet, because we all have a responsibility to ensure a sustainable future for the generations to come.

In last year's ESG Report, we shared our first long-term ESG goals. These goals, which include achieving zero waste to landfills and 100% renewable energy usage in our operations, are aimed at significantly reducing our operational environmental impact and increasing our energy-efficient product portfolio to help customers reduce their own environmental footprint by 2050. Our long-term goals are ambitious and intentional and, as you'll see in this report, we're already making progress.

Importantly, our ESG efforts are also integrated into our business transformation framework, which is focused on people, performance and strategy.

To encourage the best ideas and innovation, our people strategy intends to harness the differing perspectives across our stakeholder groups. We are committed to building a more diverse, equitable and inclusive culture for our associates, as well as a more diverse talent pipeline and supplier ecosystem designed to fuel future growth.

Meeting customer needs today, and in the future, is paramount to long-term performance, so our operations team is working closely with suppliers to build sustainable practices and products that meet our customers' and consumers' expectations.

Finally, trust, transparency and accountability are foundational to delivering our strategic objectives. Our corporate governance structure and reporting mechanisms are designed to build our business safely and ethically and to advance our 2050 ESG goals and ESG priorities while regularly reporting on our progress.

We recognize we are still at the beginning of our ESG journey, but we are fully committed to improving our performance over time, by reducing our environmental impact, providing energy-efficient solutions, sourcing sustainably, and operating in a responsible manner for our stakeholders. By embedding ESG into our corporate culture and business practices, we intend for ESG to continue to be an important part of how we deliver value to all stakeholders.

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WILLIAM J. CHRISTENSEN

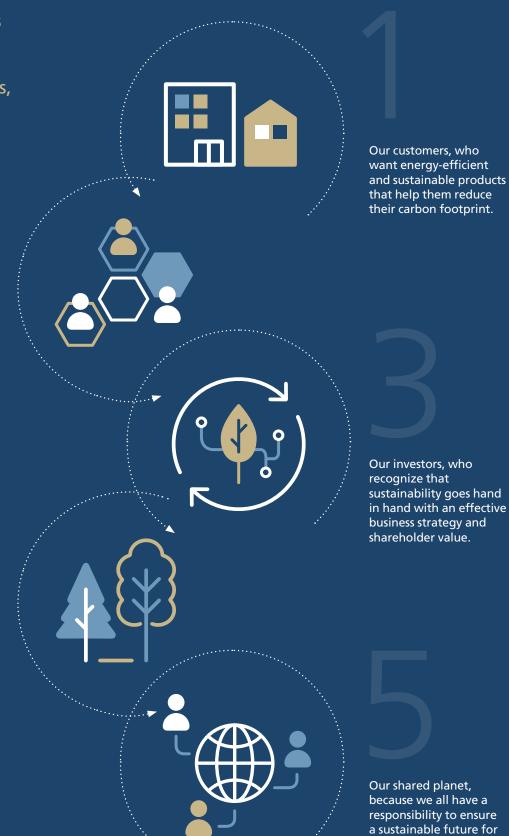
Chief Executive Officer JELD-WEN Holding, Inc.

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Our associates, who want an equitable, inclusive environment of belonging where they can grow their careers.

4

Our communities, because we want to support and protect the places in which we operate.



the generations to come.



## **ENVIRONMENTAL**



# ENERGY STAR® Manufacturer of the Year — Canada

JELD-WEN of Canada was named the ENERGY STAR® Manufacturer of the Year in Windows and Doors in 2022 and has won this award six times over the last eight years, bringing its total ENERGY STAR® award count to nine.



#### **GREEN Award for Leadership**

JELD-WEN won the 2022 GREEN Award for Leadership from Door and Window Market (DWM) Magazine.

#### PFOPI F



#### **Employer of the Year**

The Latvia plant was named 'Employer of the Year' by residents of the region.



#### INDUSTRY BUILDER

#### Fenestration Manitoba Industry Builder Award

JELD-WEN Canada's Director of Business Development and Government Affairs, received the Fenestration Manitoba Industry Builder Award.



# 50/50 Women in Boards Gender Diversity Directory

JELD-WEN was designated as a '3+' corporation by 50/50 Women on Boards, which recognizes companies with three or more women on their Board of Directors.

### COMPANY



#### Newsweek

Honored in 2022 on the inaugural list of Most Trustworthy Companies, JELD-WEN was the only windows and doors company in the construction industry category.



#### MILLWORK VENDOR PARTNER OF THE YEAR

# Lowe's Millwork Vendor Partner of the Year

JELD-WEN was named Lowe's Millwork Division Vendor Partner of the Year, the only company to receive the honor in the Millwork category.



#### **Lennar Little Red Hen Award**

Lennar, a leading home builder in the United States, honored JELD-WEN with a 'Little Red Hen' award for delivering on our promises. This was the second consecutive year we received this award.



#### 2022 TÜR+TOR Congress

DANA® Smart Door won for innovation at the TÜR+TÖR Congress.



#### **Gold Stevie Award**

JELD-WEN and our sales reward program provider, WorkStride, were awarded a 2022 Gold Stevie Award for Sales and Customer Service: Most Valuable Response by a Sales Team.

# 2022 HIGHLIGHTS

# **ENVIRONMENTAL**

4%

REDUCTION IN ABSOLUTE GREENHOUSE GAS (GHG) EMISSIONS IN 2022 COMPARED TO 2021

46%

REDUCTION IN VOC EMISSIONS IN PRIMER USED IN FIBER FACILITIES

7%

REDUCTION IN METRIC TONS OF WASTE SENT TO LANDFILLS IN 2022 COMPARED TO 2021

90%

OF OUR WINDOW PRODUCT LINES IN NORTH AMERICA HAD AN ENERGY STAR® CERTIFIED OPTION

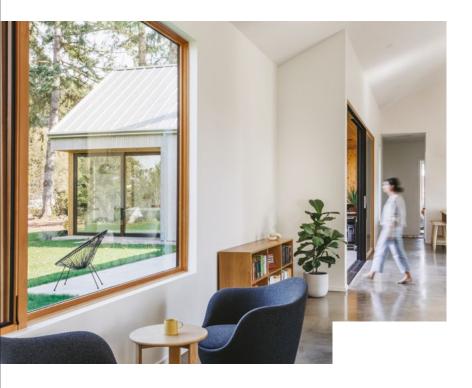
45%

OF WOOD CAME FROM THIRD-PARTY CERTIFIED FORESTLANDS<sup>1</sup>

10%

OF RECYCLED MATERIALS WERE USED IN PRIMARY PRODUCTS IN 2022<sup>2</sup>





# **GOVERNANCE**

44%

WOMEN ON THE BOARD OF DIRECTORS

95%

OF ASSOCIATES TRAINED ON CODE OF BUSINESS CONDUCT AND ETHICS<sup>3</sup>

96.1%

OF OUR MANUFACTURED ELIGIBLE PRODUCTS MEET VOC EMISSIONS STANDARDS IN NORTH AMERICA

2022

**EXPANDED GRI STANDARDS ADOPTED** 

2022

ADOPTED TCFD FOR THE FIRST TIME



## SOCIAL

**7**%

REDUCTION IN TOTAL SERIOUS INJURIES IN 2022 COMPARED TO 2021

52%

OF OPEN MANAGEMENT POSITIONS<sup>3</sup> WERE FILLED INTERNALLY

52%

OF NORTH AMERICA EARLY CAREER AND INTERN CANDIDATES WERE ETHNICALLY DIVERSE

100%

INCREASE IN GENDER DIVERSITY IN OUR EXECUTIVE TEAM GLOBALLY FROM 10% IN 2021 TO 20% IN 2022

300+

DE&I COURSES OFFERED IN 2022

88%

OF ASSOCIATES COMPLETED THE 2022 EMPLOYEE ENGAGEMENT SURVEY<sup>3</sup>



3 Management positions include individuals who have a direct report; "associates" excludes production associates and contingent workers.

# WHO WE ARE

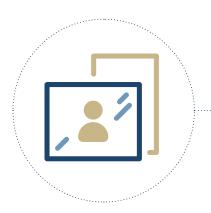
JELD-WEN Holding, Inc. ('JELD-WEN' or the 'Company') is a public company with headquarters in Charlotte, North Carolina, United States. We are a leading global designer, manufacturer and distributor of high-performance interior and exterior doors, windows and related building products serving the new construction and repair and remodeling sectors.

As of July 3, 2023, we operate 90 manufacturing or distribution facilities in 16 countries in North America and Europe. In order to simplify and streamline the

Company, in July 2023 JELD-WEN sold its Australasia business. Australasia data is excluded from this report, except as otherwise stated.

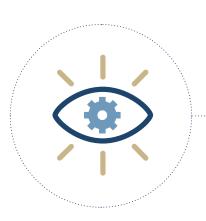
Our customers include wholesale distributors and retailers, as well as individual contractors and consumers. The JELD-WEN family of brands includes JELD-WEN® worldwide, LaCantina™ and VPI™ in North America, and Swedoor® and DANA® in Europe.





## **OUR PURPOSE:**

We bring beauty and security to the spaces that touch our lives. Our products and services afford us the opportunity to enter people's workplaces, homes and daily lives. With this privilege comes great responsibility to ensure that the products we deliver are reliable and enrich the places and lives that they touch.



# **OUR VISION:**

To lead the global building products industry with great people creating superior products and delivering excellence in all that we do.



## **OUR VALUES:**

We act with integrity, invest in people, inspire through innovation, deliver on our promises and improve every day. Our values define our culture and serve as guideposts for our daily actions.



## **OUR CULTURE:**

JELD-WEN's culture is our lifeblood
— it is the ongoing expression of our
purpose, vision and values, reflected
in the behaviors and actions of our
associates who genuinely understand
and are committed to these principles.



#### For more details

on our financial performance, view our <u>2022 Annual Report</u> and other filings with the U.S. Securities and Exchange Commission.

#### Sustainability is foundational to our business as we work to protect our planet and its resources.

It is our responsibility to be environmental stewards, providing sustainable and innovative solutions that benefit our customers, our communities and the planet. We are committed to shaping our industry with the latest energy-efficient solutions and fostering circularity in our operations and products by eliminating waste and promoting sustainable materials. As we work to fulfill these commitments, we prioritize providing our associates with a safe, diverse and inclusive work environment.

We believe we owe it to the generations to come.



# OUR ESG GOVERNANCE

As part of JELD-WEN's commitment to sustainability, in 2021 our management team implemented a comprehensive ESG framework that strives to increase the Company's positive impact on our people, our communities and the planet.

Our corporate governance structure and practices reflect our commitment to the highest standards of ethics, integrity and transparency. From our Board of Directors to our associates, and from strategic planning to operations, accountability for ESG permeates our organization.

#### **Governance Structure**

The executive leadership is responsible for implementing the Company's ESG strategy, and the Board of Directors and its committees, as appropriate, have oversight of the Company's progress. The Governance and Nominating Committee provides primary oversight of ESG matters at the Board level, with other committees focused on specific components of our ESG initiatives.

#### Risk Management

The Board of Directors fulfills its risk oversight responsibility both directly and through its standing committees. Top enterprise risks are tracked, monitored and discussed with executive leadership, reported to the Audit Committee quarterly and reported to the full Board at least annually. Other important categories of risk, as described below, are assigned to designated Board committees, which report their activities to the full Board.

The Governance and Nominating Committee meets quarterly to oversee risks related to overall corporate governance, including Board and committee composition, succession planning, director recruitment, independence matters, and other matters of interest to stockholders and other stakeholders, including ESG issues.

The Audit Committee meets at least quarterly with our Chief Financial Officer, Head of Internal Audit, General Counsel, Chief Compliance Officer, and our independent auditor to receive regular updates regarding management's assessment of risk exposures, including liquidity, credit and operational risks such as data privacy and cybersecurity, and the processes in place to monitor such risks and to review results of operations, financial reporting and assessments of internal controls over financial reporting.

The Compensation Committee meets at least quarterly regarding the Company's executive compensation programs and monitors the Company's incentive and equity-based compensation plans. At least annually, the Compensation Committee reviews the Company's compensation programs to ensure they are appropriately aligned with the interests of our stockholders and avoid incentivizing unnecessary or excessive risk taking.



**ESG Governance Structure** See our ESG Governance Structure on pages 14-15.



# OUR ESG GOVERNANCE CONTINUED

#### JELD-WEN'S ESG GOVERNANCE

#### THE ESG TEAM:

This team implements leadership's ESG strategies through operational and regulatory initiatives across the Company. The team supports cross-functional teams and spearheads Company-wide ESG solutions, such as data collection, to ensure consistency with established guidelines, and monitors progress, providing insight and feedback to global and regional leaders. The Vice President of ESG reports to the Governance and Nominating Committee quarterly on sustainability matters. In addition, the Vice President, ESG sits on the Enterprise Risk Management (ERM) Committee, which reviews and assesses potential and emerging risks, and solicits feedback from various business functions on potential and emerging risks.

#### THE ESG STEERING COMMITTEE:

The ESG Steering Committee supports the Company's ongoing commitment to ESG matters and goals, and ensures alignment with the Company's business strategy. This Committee is comprised of senior leaders across the Company's businesses and functions.

# OUR CEO AND OTHER EXECUTIVE SPONSORS:

JELD-WEN's executive leadership is charged with managing risks, opportunities and commitments through robust internal processes and controls. Executive sponsors are active advocates for initiatives across ESG topics, ensuring alignment with the Company's strategic business goals, and ensuring that both operational systems and proper resourcing are in place. For example, each Employee Resource Group is assigned an executive sponsor who oversees and supports activities with resourcing and active mentoring.

# GOVERNANCE AND NOMINATING COMMITTEE:

The Governance and Nominating Committee has primary oversight of ESG matters at the Board level and enables the Board of Directors to take action when required. However, other committees, such as the Audit and Compensation Committees, may have oversight of specific components of ESG initiatives. The Governance and Nominating Committee reviews the annual ESG Report, significant sustainability matters, and the Company's 2050 goals and progress against the goals. It also reviews potential conflicts of interest and the Company's Related Party Transaction Policy. Related party transactions, if any, are disclosed in our proxy statement.

#### THE AUDIT COMMITTEE:

The Audit Committee has oversight of the Company's major financial risks and receives updates on the Company's ERM program. In addition, the Audit Committee, together with the Compensation Committee, has oversight of corporate and executive accountability for ESG commitments.

#### THE COMPENSATION COMMITTEE:

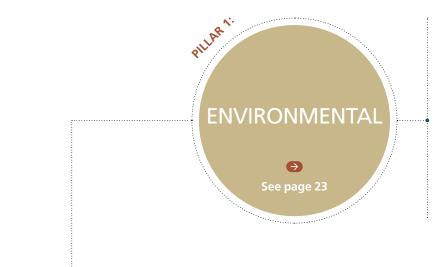
The Compensation Committee has oversight of the Company's executive compensation philosophy, strategies, policies and programs, and human capital management, including diversity, equity & inclusion, and talent management. In addition, the Compensation Committee, together with the Audit Committee, has oversight of corporate and executive accountability for ESG commitments.

# BOARD OF DIRECTORS:

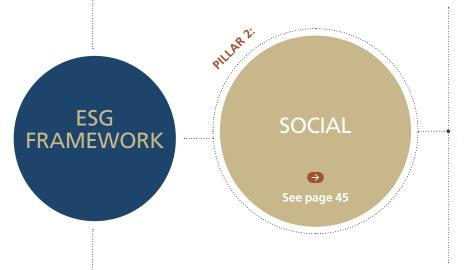
The Board of Directors has three standing committees: the Audit Committee, the Governance and Nominating Committee, and the Compensation Committee. The Board, through its committees, has oversight responsibility for ESG matters, including climate-related issues, and is committed to the Company's ESG vision, which benefits the Company's stakeholders.

LOOKING AHEAD

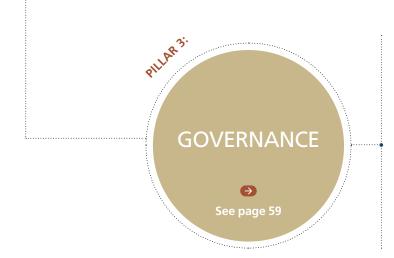
We regularly assess our ESG governance framework and are broadening the educational offerings provided to our Board of Directors to include ESG-related topics.



We are committed to assessing our impact on the natural environment and our ability to manage environmental risks and opportunities. We are taking steps to mitigate climate change by measuring and reducing our GHG emissions, implementing renewable energy solutions, responsibly using natural resources, and setting meaningful and impactful targets along the way. As we evaluate our impact on biodiversity and ecosystems, we demonstrate transparency and accountability by disclosing our progress on our ESG goals in our annual ESG Report.



We are focused on evaluating how we manage and address social factors, such as labor practices, diversity, equity & inclusion, human rights, community relations, customer satisfaction and employee wellbeing. Dedicated to our people, we're uncompromising about implementing and auditing the measures that put health and safety first. We are committed to creating a positive and inclusive culture that engages the diverse communities throughout our company. We strive to recruit equitably and give our associates the tools to grow their careers at JELD-WEN. And no matter what language we're speaking, we believe in supporting the communities around the world where we operate.



We are committed to the highest standards of ethics, integrity and transparency. We are direct in our goals, transparent in our structures, responsible in our reporting and accountable for our actions. Our commitment to accountability extends to our products as we strive to design and deliver the quality and safety that our customers deserve. It also extends to our supply chain as we seek to ensure our suppliers understand and are in alignment with our ESG goals. We are supported by a robust corporate governance and ethical framework that guides our activities and underpins our aspirations.

# MATERIALITY ASSESSMENT

JELD-WEN's most recent materiality assessment, conducted in 2021, identified a number of ESG topics that could be material to the Company. We analyzed the topics on their importance to our stakeholders and their relevance for JELD-WEN's long-term business success. From there, we focused on the priority material topics reported on in detail in our ESG Report covering reporting year 2021.

We engaged numerous JELD-WEN stakeholders and data sources to analyze our ESG positioning and assess each priority material topic for maturity and perceived performance. The 50+ stakeholders we consulted included members of our executive team and our Board of Directors, as well as corporate social responsibility (CSR) leaders in our operating regions, and our associates. We considered internal data

from self-reported metrics, stakeholder interviews and our employee engagement survey. Externally, we reviewed data from third-party ESG research and analysis firms and looked at qualitative benchmarking of direct, global and regional competitors.

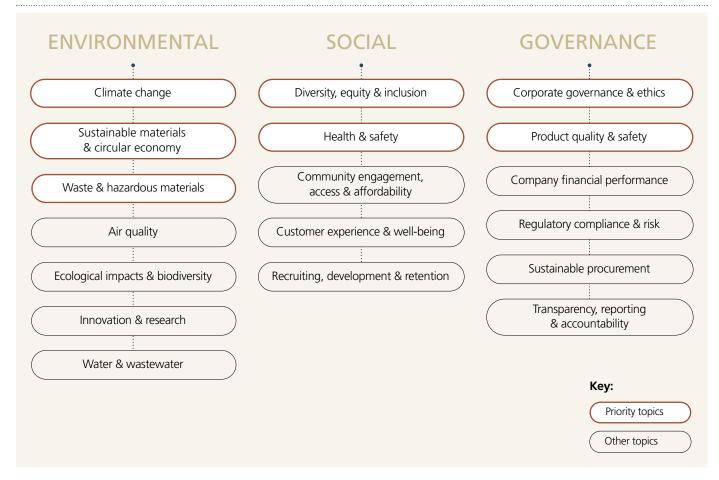
In early 2023, we conducted a workshop with members of a cross-functional group including the ESG team to refresh our list of priority material topics. As a result, we prioritized the topics and narrowed our focus to the seven priority material topics that this ESG Report covers in detail. We plan to conduct a new materiality assessment in 2024, following best reporting practices.

Our material topics for 2022 are listed below.

We've restructured and redefined certain topics to align with shifts in our ESG endeavors and industry trends. The subject of Fair Pay & Executive Compensation has undergone a division, with each aspect now being individually covered under Corporate Governance and Recruiting, Development & Retention. Sustainable Supply Chain & Circular Economy has been renamed Sustainable Materials & Circular Economy, and Responsible Procurement is now called Sustainable Procurement. Access & Affordability and Community Engagement & Impact have been combined into Community Engagement, Access & Affordability. Corporate Ethics and Corporate Governance have been combined into Corporate Governance & Ethics; and Energy-efficient Products Portfolio and GHG emissions are now grouped under Climate Change.

For more details, see <u>Material Topics</u> Definitions.

#### **MATERIAL TOPICS FOR 2022**



# STAKEHOLDER ENGAGEMENT

## UNDERSTANDING OUR STAKEHOLDERS' PERSPECTIVES

We proactively engage with our stakeholders throughout the year to learn more about their perspectives on significant issues, including ESG matters. This engagement helps us better understand their priorities, gives us an opportunity to elaborate upon our initiatives and practices, and fosters constructive dialogue.

We engage with our external stakeholders through a variety of channels including our annual ESG Reports, our website, community outreach, quarterly earnings calls, investor conferences and other stakeholder forums.

Internally, we engage and communicate with our associates through our employee intranet and mobile app, Employee Resource Groups (ERGs), Company newsletters, quarterly town halls and other regular communications.





Our customers comprise distributors, retailers, and residential and non-residential builders. Leaders in each of these segments are communicating diversity, equity & inclusion as important topics, with some market leaders going so far as to set targets for their suppliers. We have also seen sustainable forestry and environmental conservation become important focus areas, while energy efficiency and clearly articulated product environmental standards continue to be highly valued.



Investors appreciate the nexus of corporate responsibility and profitability. This report reflects our holistic approach to ESG and a roadmap for the next phase in our journey. In addition to aligning with our values, solid ESG practices can increase marketability, market share and profitability.





We are committed to meeting and shaping homeowner demand for energy-efficient housing. Beyond the positive environmental impact, making ecologically minded choices can help homeowners reap lifetime benefits, such as reduced energy consumption and costs, gains in health and wellness, and greater comfort.



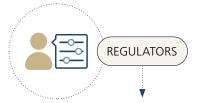
In addition to providing equitable economic and career opportunities, our focus on health and safety is critical to the well-being of the communities where our associates live and work. We also support associate-led philanthropic projects and social impact initiatives that can add measurable benefits to the lives of our associates, their families and the members of their communities.



In regions where JELD-WEN is a large employer, local leaders expect our participation in meaningful activities that benefit the community. We work with local leaders to identify initiatives where our resources can make a tangible difference in our communities, including events supporting health and safety, in-kind product donations for underserved areas, and financial support to charitable organizations.



For our suppliers, the renewed focus on representation, accountability and sustainability is welcome. Many are leading the way in circular economy best practices, especially when it comes to recycling and waste management, as well as in innovation and research. We value these relationships for the contributions they make to our processes and culture. We look forward to continuing to work together to raise sustainability standards in our shared industries.



New regulations in countries across the globe are increasing the demand for sustainable product suites. We are poised to leverage our experience in each of our regions. We follow developments closely and will be ready to respond with new ideas and new applications of existing technologies.



We appreciate the role that NGOs play in our ecosystem and rely on them to guide industry standards by supporting accountability. We invite them to be part of our journey as it continues to unfold.

# OUR 2050 GOALS AND PROGRESS

#### **OUR 2050 GOALS**

#### NET ZERO GHG EMISSIONS









#### How do we define the goal?

Net zero means achieving balance between the amount of GHG we produce and the amount that we remove from the atmosphere. Scope 1 emissions are direct emissions from our owned or controlled sources, such as forklifts, trucks, and natural gas boilers. Scope 2 emissions are indirect emissions from sources such as purchased electricity.

#### Why did we choose it?

Reducing our Scope 1 and Scope 2 GHG emissions is crucial for addressing climate change, protecting public health, achieving cost savings, ensuring regulatory compliance, enhancing reputation, and driving innovation — an essential step toward building a sustainable and resilient future for both our organization and the planet.

#### ZERO MANUFACTURING WASTE TO LANDFILLS





#### How do we define the goal?

Our goal is to send zero manufacturing waste to landfills. That means diverting all byproducts of our manufacturing processes and packaging away from the landfill, with an emphasis on reuse or recycling.

#### Why did we choose it?

Zero waste to landfills is pivotal to our sustainable manufacturing journey. Reuse of materials has been part of JELD-WEN's journey since its founding. Striving for zero waste to the landfill helps mitigate climate change, conserve resources, protect public health, promote a circular economy, and contribute to sustainable development.

#### ALIGNMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The United Nations SDGs directly address and humanity — face, and provide a blueprint to achieve a more sustainable future. We have identified seven SDGs that are most relevant to JELD-WEN's 2050 goals and key initiatives:



for all.

energy for all.

Ensure healthy lives and promote well-being for all at all ages.

Ensure inclusive and equitable

quality education and promote

lifelong learning opportunities

Ensure access to affordable,



Ensure sustainable consumption and production patterns.



Take urgent action to combat climate change and its impacts.4



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

the important global challenges our planet

We are addressing Goal 13 by following the Cradle to Cradle model, which requires that manufacturers be aware of the climate impacts associated with the products they produce and act to address those impacts.



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

reliable, sustainable and modern

#### 100% GLOBAL SOURCING OF SUSTAINABLE OR CERTIFIED WOOD





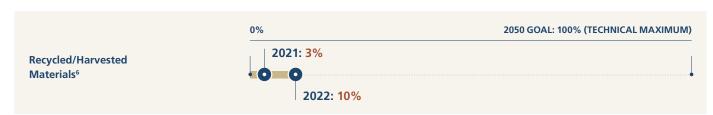
#### How do we define the goal?

When a product claims to be made from 100% sustainable or certified wood, it means that the wood used in its production either comes from forests managed in a sustainable manner or has been certified by a recognized forestry certification program. Wood from sustainable or certified forests has been responsibly sourced and supports the conservation of forests and biodiversity.

#### Why did we choose it?

We recognize that unsustainable production and harvesting of timber can have adverse environmental and social impacts. By choosing certified sustainable products, we can make a positive impact on areas such as environmental conservation, deforestation mitigation, wildlife protection, climate change mitigation, social responsibility, and market transformation.

#### 100% RECYCLED OR HARVESTED MATERIALS





- 2021 North America wood data is from four of our largest wood vendors. 2022 North America wood data includes an additional four wood vendors totaling to eight. Recycled materials data represents certified, renewable wood over total direct materials purchased covering approximately 74% of global spend in 2021 and 73% in 2022. 2021 data only includes North America spend.

#### How do we define the goal?

We define 'recycled material' by considering: (1) the source of material,

- (2) the manufacturing process,
- (3) the exclusion of virgin resources, and
- (4) third-party certification. Using industryleading frameworks and standards, we intend to compare the recycled and renewable content in our product raw

materials to technical maximums striving for the highest levels of pre- and postconsumer recycled content.

#### Why did we choose it?

By using 100% recycled material, we can move toward a more sustainable and environmentally responsible approach to resource management, waste reduction, and manufacturing processes.





# ENVIRONMENTAL

We are committed to reducing our environmental impact. By reducing our emissions and our waste, adopting innovative reuse and recycling practices, and focusing on our products' entire life cycle, we are helping to protect the planet.

#### UN SUSTAINABLE DEVELOPMENT GOALS

Our goals, commitments and key initiatives related to the Environment support:









# JELD-WEN / ESG REPORT 2022

# CLIMATE CHANGE

#### **OUR GOALS AND COMMITMENTS**

Reducing our carbon footprint is key to protecting our planet. That's why we've set our goal of net zero GHG emissions by 2050. We aim to reduce direct (Scope 1) and indirect (Scope 2) GHG emissions through efficiency projects, electrification and procuring renewable energy. We also aim to help our customers reduce their carbon footprints through our energy-efficient products.

# 2021 BASELINE 2050 GOAL: 100% REDUCTION 2022: 4% IMPROVEMENT

#### **OUR APPROACH**

#### **Understanding Climate-related Risks**

As climate change poses a growing challenge to business operations, our risk assessment and monitoring becomes increasingly important. In 2022, our ERM Committee conducted an annual survey to assess the potential impact of material issues, including ESG topics, on our business. This included a question on the noticed and anticipated impact of physical climate risks. This helped lay the foundation for understanding climate-related risks across the business. For more details on our identified climate-related risks, see *ESG Data*.

To better understand JELD-WEN's risks and opportunities related to climate change, we recently conducted a climate scenario assessment in line with the Task Force on Climate-related Financial Disclosures (TCFD). We are exploring ways to use the assessment to integrate climate-related risks into our ERM program.

Our scenario analysis included two physical and two transition risk scenarios. Under each risk scenario, two scenarios were further chosen in order to consider the potential financial impact of both a 'low carbon' and a 'high carbon' scenario.

Regarding physical risks, RCP 2.6<sup>7</sup> and RCP 7 capture the two potential pathways of increased climate warming, particularly in the short-medium term, which is more relevant to our broader business strategy. Climate indicator data was collected for both of these scenarios for 29 JELD-WEN facilities across nine physical climate hazards: pluvial flooding, riverine flooding, coastal flooding, hurricanes, wildfires, landslides, extreme heat, extreme cold and water scarcity.

For transition risks, the low carbon scenario that was chosen was the Announced Policy Scenario (APS), which is linked to potentially higher carbon pricing in the countries where we operate, as well as increased demand for some of our key products. The high carbon scenario is the Stated Policies Scenario (STEPS), which yielded relatively low impact from carbon taxes or other transition risks.

We respond to risks in a bespoke manner, with a heightened focus on risks and opportunities with the highest magnitude of impact. Our short-term risks — occurring in zero to five years — entail physical climate-related risks related to damages to our facilities from hurricanes and flooding that could result in business interruptions and disruptions to our supply chain, logistics and distribution services. Extreme heat and drought pose medium-term risks to our facilities and employees — occurring in five to 10 years. We are using modeling data from our insurers to identify, assess and manage acute physical risks including flood risk.

Increased regulation for buildings and product materials could result in additional costs for alternatives and increased competition. We are proactively evaluating our raw materials to identify opportunities for more sustainable alternatives. For more details on how we're reducing embodied carbon in our products, see <u>Understanding Raw Materials</u>. In addition, new carbon pricing mechanisms could impact JELD-WEN. Through improving our energy efficiency and investing in renewable energy, we can negate the potential costs.

We have opportunities related to climate as consumers' preference shifts toward more efficient and sustainable homes and buildings. We believe emerging building standards and retrofitting requirements will increase demand for our certified sustainable products, including Cradle to Cradle certified products in Europe and ENERGY STAR® in North America. For more details, see <u>Products'</u> <u>Environmental Impacts</u>.

At JELD-WEN, we realize developing resilient strategies requires a proactive and holistic approach that considers different climate-related scenarios. By assessing risks, planning for adaptation and mitigation, fostering collaboration and continuously monitoring progress, we can enhance our resilience and navigate the complex challenges presented by climate change. Taking climate change into account in our strategies is not only essential for the sustainability of our organizations and communities, but also for the well-being of future generations.

#### **Managing Energy**

Energy management also plays a central role in our efforts to achieve net zero by 2050. To support these efforts we have implemented energy efficiency improvements across our facilities, including the installation of energy-efficient lighting, heating and cooling systems, air compressors and insulation. We have also invested in renewable energy sources to reduce our reliance on fossil fuels.

Seven JELD-WEN sites in Europe are certified to ISO 50001 Energy Management specifications, a voluntary international standard that provides requirements for establishing, managing and improving energy consumption and efficiency.

Our focus on energy management extends beyond our operations. We are also working to increase the energy efficiency of our products. For more details, see *Energy-efficient Products*.

#### **OUR KEY INITIATIVES**

#### **Achieving Our Net Zero Goal**

Our net zero action plan is based on improving our energy efficiency, investing in renewable energy sources, using sustainable materials and promoting sustainability across our supply chain. Nested under these categories (which are covered in greater detail in further sections of this report) are specific initiatives, such as Kaizen events to identify energy and waste reduction opportunities at our plants that have contributed to emission reductions. For more details on Kaizen events, see *Kaizen Contributes to Energy Savings*.

Our pursuit of <u>Cradle to Cradle</u> certification for eight sites in Europe is an important strategy to drive emission reduction efforts as we work toward our 2050 net zero goal.

8

SITES IN EUROPE EXPECTED TO BE COVERED BY CRADLE TO CRADLE BY THE END OF 2023

# CRADLE TO CRADLE CERTIFICATION DRIVING EUROPE ESG ACTIVITIES

Cradle to Cradle is a globally recognized product certification that covers five pillars: material health, product circularity, clean air and climate protection, water and soil stewardship, and social fairness. Not only does Cradle to Cradle certification offer a pathway to measurable progress toward UN SDGs, but it also qualifies for LEED and BREEAM certified buildings, and soon for DGNB.

From a global perspective, Cradle to Cradle is a good driver for us to consider our long-term ESG horizon. We believe that the elements in the Cradle to Cradle standard will drive our business and help us meet our ESG goals.

In Europe, we're using the Cradle to Cradle certification process as the framework for our sustainability strategy. Not only does it cement our aspiration to become a market leader in respect to sustainable doors, but it makes it easier for our stakeholders to tangibly understand our sustainability journey.

Cradle to Cradle certification is a process. In 2022, we've worked on understanding the details of the program and putting the right structure and resources in place to achieve bronze-level certification. We are prioritizing certification of our Penrith operation in the UK and Herning in Denmark. By the end of 2023, we expect the Cradle to Cradle certification will cover eight sites across Europe.



#### CLIMATE CHANGE CONTINUED

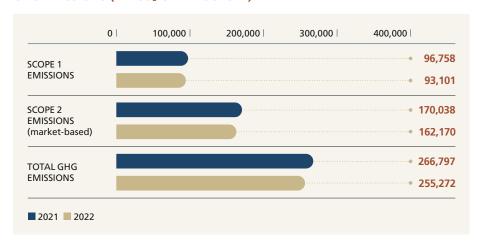
#### **Measuring Emissions**

We currently measure Scope 1 and Scope 2 emissions. In 2022, we formalized our energy emission reduction initiatives and have instituted short-term plans to realize reductions, such as the energy and waste reduction Kaizen events.

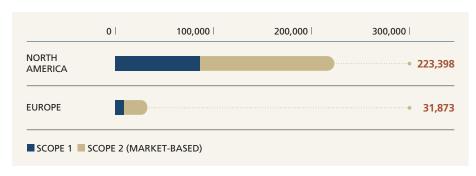
Some categories are monitored for Scope 3 emissions. For example, Environmental Product Declarations (EPDs), along with Life Cycle Assessments (LCAs), are tools to report on the potential environmental impact of a product, including embodied carbon, through its lifecycle, and cover Scope 3 emissions per product from raw material production, transportation, manufacturing, installation and end of life. We are developing a strategy to comprehensively track our Scope 3 emissions with the goal of further reducing them. For more details on our approach to EPDs and LCAs, see Understanding Raw Materials. For more details on our engagement with suppliers on GHG emissions, see Partnering with Our Suppliers to Protect the Environment.

We also measure emission intensity. Globally, we measure intensity per revenue. However, we intend to develop processes to track emission intensity per units produced in the future.

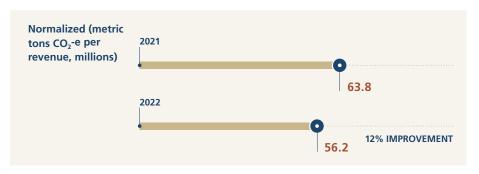
#### GHG EMISSIONS (MT CO2-e — ABSOLUTE)



#### 2022 GHG EMISSIONS BY REGION (MT CO<sub>2</sub>-e — ABSOLUTE)



#### **NET ZERO GHG (SCOPES 1 AND 2 EMISSIONS — NORMALIZED)**



#### **Measuring our Energy Consumption** and Renewable Energy

Renewable energy is part of our portfolio. In 2022, six facilities in Europe purchased 100% of their energy from renewable sources. In addition, beginning in 2023, three facilities in Northern Europe started receiving a portion of their electricity from wind.

At a global level, JELD-WEN consumed 2,072,271 gigajoules (GJ) of electricity, 6% of which comes from renewable sources and 94% from the grid. In 2022, we reduced our energy consumption8 by 5% compared to 2021 and reached an energy intensity ratio9 of 1,086 GJ compared to 1,127 GJ in 2021.

#### **Kaizen Contributes to Energy Savings**

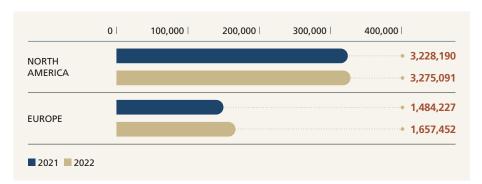
Kaizen events, focusing on energy and waste reduction, helped identify opportunities at four sites through early 2023. These intensive, Lean Manufacturing events look at the engineering process to eliminate or reduce carbon emission waste and increase recycling. We completed our first Kaizen event focused on energy and waste in October 2022 at the Rantoul, Illinois, site.

During the event, our team identified opportunities related to electricity reduction and efficiency that resulted in a reduction in consumption of 62,400 kilowatt-hours (kWh) compared to the prior year, equating to 6.63 metric tons

of CO<sub>2</sub>e, a 2% reduction. As the site continues to act on opportunities identified during the Kaizen event, we expect the amount of kWh avoided and associated emissions to increase. For example, the Rantoul plant is evaluating installing a variable frequency drive (VFD), which was one of the largest electricity opportunity savings identified during the exercise.

We are taking the learnings from Kaizen events and applying them across the organization.

#### TOTAL ENERGY CONSUMPTION BY REGION





Energy comprises of energy from all external and self-generated sources including purchased electricity, heating, steam and direct fuel usage. Energy intensity ratio based on revenue (millions, excluding

# CLIMATE CHANGE

#### German Plants Adopt Energy Management System

Our Oettingen and Mittweida plants in Germany have implemented the ISO 50001 energy management system. Initiatives ranging from electricity generation to lighting have led to significant energy and cost savings. The plants' focus on continuous improvement of energy-related performance drives everything from strategy to execution.

Results have included an increase in electricity yield from the Mittweida Biomass Combined Heat and Power Plant, which provides the majority of electricity used at the facility. The plants have also implemented a focus on compressed air including replacing old compressors with more efficient compressors and installing compressed air control systems. Also, installing LED lighting in the Oettingen and Mittweida plants has reduced electricity consumption from lighting.

#### Using AI to Understand Energy Usage Data

Getting a clear picture of energy usage can drive savings. In Finland, an Al-powered smart energy system is helping our Kuopio plant achieve its goal of reducing its total energy consumption. A real-time energy tracker uses sensors that attach to electrical wires and transmit energy usage data to the cloud. The system is helping the Kuopio plant to identify energy-saving projects.

#### **Utility Partnerships**

When faced with improving the site's energy efficiency, our plant in Klamath Falls, Oregon, went to the local experts for help: their utility provider EnergyTrust of Oregon. The Klamath team enrolled in the provider's Strategic Energy Management (SEM) program, which resulted in immediate opportunities to improve the plant's energy efficiency and reduce spend, as well as identifying additional capital-intensive opportunities worthy of further consideration.



The future of our planet will rely on our collective ability to reduce GHG emissions.
At JELD-WEN, we are committed to doing our part.
Not only is it the smart thing to do, it's the right thing to do."

FARSAD FOTOUHI, VICE PRESIDENT, ESG, JELD-WEN







# WASTE & HAZARDOUS MATERIALS

#### **OUR GOALS AND COMMITMENTS**

JELD-WEN is committed to reducing waste and minimizing the use of hazardous materials in its operations. Our long-term goal is zero manufacturing waste to landfills by 2050 with all of our manufacturing waste and waste byproducts reused or recycled where possible.



#### **OUR APPROACH**

Five pillars inform our approach to waste and hazardous materials:

- **1. Waste Reduction:** We are committed to reducing our waste across our operations by implementing waste reduction strategies such as recycling, reuse and waste minimization.
- 2. Hazardous Materials Management:

We are committed to minimizing the use of hazardous materials in our products and operations. We have implemented strict guidelines for the handling and disposal of hazardous materials designed to ensure the safety of our employees, customers and the environment. Site-level training in waste and hazardous material handling includes employee safety training and legal compliance with regulations governing the handling, storage and disposal of waste and hazardous materials, and risk mitigation programs to identify and address potential risks.

- **3. Product Stewardship:** We take responsibility for our products throughout their life cycle, from production to disposal. We strive to design products that are safe, durable and can be recycled or repurposed at the end of their life.
- **4. Compliance:** We are committed to complying with all applicable environmental laws and regulations related to waste and hazardous materials.

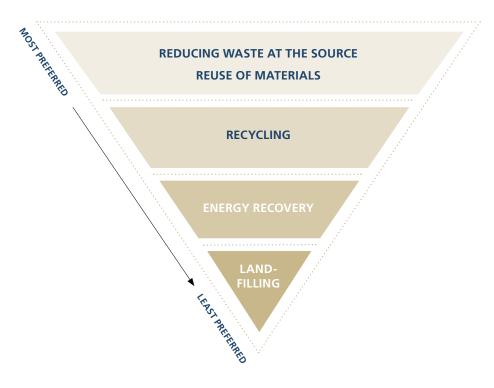
#### 5. Continuous Improvement:

We continuously review and improve our waste and hazardous materials management practices to minimize our environmental impact and protect the health and safety of our employees and communities.

Our activities are guided by our waste management standard, which is posted on our Company's intranet.

#### **OUR KEY INITIATIVES**

Across our Company and around the world, JELD-WEN employees are taking innovative approaches to reducing waste. For example, we follow the waste hierarchy<sup>10</sup> to manage our non-hazardous waste streams, recognizing that there isn't a single waste management approach suitable for managing all materials and waste streams in all circumstances. This systemic approach to productively using and reusing materials over their life cycles comprises five hierarchy ranks, representing the various management strategies, from the most to the least environmentally preferred:



33%

OF NON-HAZARDOUS WASTE DIVERTED FROM LANDFILL IN 2022



#### Kaizen Events Influence Waste Disposal

Before starting our Kaizen events focused on energy and waste, we reviewed all sources of waste and disposal methods at the relevant site. As a team, we focused on the processes that could be changed to avoid creating waste and, if not possible, exploring new waste management systems aligned to the waste hierarchy.

A common waste stream discussed during our Kaizen events was paint wash water. The Kaizen teams worked to identify an environmentally friendly and compliant way to separate and dispose of the waste without transporting the wash water off site, which produces associated emissions. We continue to evaluate and identify opportunities to reduce waste in our operations, to enable us to achieve our 2050 goal.

#### **Recycling to Reduce Waste**

Recycling is a key strategy to help us achieve our waste reduction goals. In 2022, we diverted<sup>11</sup> 33% of our non-hazardous waste, which corresponds to 88,697 metric tons, a 29% increase compared to the amount of waste diverted in 2021. The following examples highlight the creative approaches we are taking to increase recycling.

Our Penrith plant in the UK partnered with a neighboring company to recycle wood waste. The Penrith plant is partially powered by renewable energy thanks to two biomass boilers fueled by wood waste from its manufacturing process. In addition to helping JELD-WEN reduce its carbon emissions, excess wood waste is used by a local company for animal bedding, keeping it out of landfills.

At our Rocklin, California, facility, all manufacturing waste has a recycling or reuse outlet. The facility, which recycles door skins, sawdust, wood lineal, steel, cardboard and plastic, has seen an increase in its diversion rate to over 93% thanks to a sharp focus on material segregation, which is the process of dividing material items into distinct categories so they are easily recyclable. The plant's municipal solid waste vendor also sorts the landfill waste for recycling and maintains a diversion rate goal.

In 2022, our Aizkraukle fiber facility in Latvia initiated a program to recycle cardboard, paper, plastics and textiles. The initiative was initially rolled out in manufacturing areas and has expanded to office areas. The facility already maintained programs to recycle wood, metal and hazardous waste.

For more details on how JELD-WEN uses recycled material in our products, see *Sustainable Materials & Circular Economy*.

<sup>11</sup> Diversion rate is total non-hazardous waste diverted (recycled or reused) divided by total non-hazardous waste

# WASTE & HAZARDOUS MATERIALS CONTINUED

#### **Monitoring and Measuring Our Waste**

We monitor, measure and report on waste streams at all sites in the My EHS Platform. This allows us to track our waste generation, identify areas for improvement and assess the effectiveness of waste reduction strategies. Our general process includes setting clear waste management goals, identifying different waste streams, establishing measurement metrics and implementing waste tracking systems. We also train staff, collect and analyze data, conduct waste reviews and implement improvement initiatives. We are working to normalize data in order to better measure year-on-year progress.

In Europe, waste to landfills varies significantly across our sites. Sites in some countries are well on their way to zero manufacturing waste to landfills; overall, only 5% of JELD-WEN's waste in Europe went to landfills.

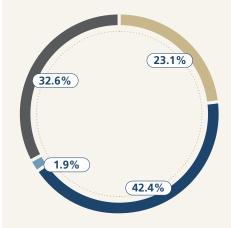
#### 

Our long-term vision goes beyond reducing waste to looking at waste as a raw material — as a resource instead of a problem."

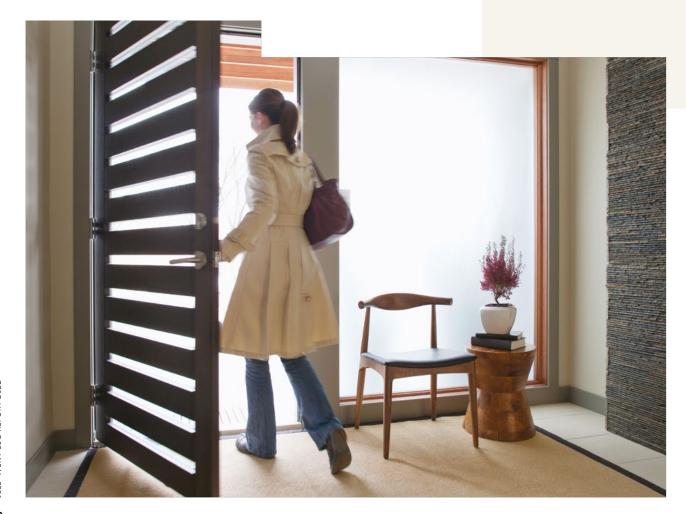
BRIAN MUNDT, SENIOR DIRECTOR, ESG & QUALITY, JELD-WEN EUROPE



# NON-HAZARDOUS WASTE BY TYPE % OF TOTAL METRIC TONS



- DISPOSAL LANDFILL
- DISPOSAL INCINERATION WITH ENERGY RECOVERY
- DISPOSAL INCINERATION WITHOUT ENERGY RECOVERY
- DIVERTED RECYCLING



# ENVIRONMENTAL MANAGEMENT

#### **OUR GOALS AND COMMITMENTS**

Our overall environmental management goal is zero reportable releases from all environmental media: air, water and waste. We experienced no new significant environmental incidents or sanctions in 2022.

#### **OUR APPROACH**

The geographic breadth of our facilities and the nature of our operations subject us to extensive environmental, health & safety laws and regulations in jurisdictions throughout the world, and we strive for compliance at all times. Our overall commitment to environmental management is zero reportable releases from all environmental media: air, water and waste.

At the center of our environmental management efforts is our Environmental, Health & Safety (EH&S) Excellence Program, which focuses on four pillars: People, Prevention, Process and Culture. All are key to sustainable operations. For more details on our EH&S Management System, see *Health and Safety*.

Our environmental management systems are consistent with ISO 14001, which addresses environmental management, and ISO 50001, which addresses energy management. For more details on our approach to energy management, see *Climate Change*.

#### **OUR KEY INITIATIVES**

#### **Our EH&S Assessment Process**

Audits and assessments play an important role in our EH&S Excellence Program. In 2022, we launched a self-assessment process which gives our North America sites the ability to assess their compliance against environmental and health and safety criteria specific to both their state and their local region. Action plans are created to address gaps or opportunities. We expanded this program to Europe in 2023.

#### **My EHS Platform Improves Efficiencies**

Our My EHS Platform is a key tool of the EH&S Excellence Program, helping improve efficiencies and support regulatory compliance across the organization. Launched in 2021, the platform includes sustainability reporting, a safety data sheet (SDS) management system and a compliance calendar.

The SDS management system (launched in early 2023) allows us to digitally manage all SDS for all our products and raw materials. Using the SDS module, we can improve approval processes, hazard communications, chemical safety and inventories, chemical regulatory list searching and reporting capabilities.

The Compliance Calendar module promotes proactive management processes through the tracking and management of environmental obligations and regulatory requirements. Additional platform features include an Action Tracking System, which allows users to create action items and share them with respective teams to comprehensively manage timely task completion.

#### **Training and Awareness**

We launched a specific focus to strengthen awareness of storm water management in North America in 2022. In addition to a training seminar, we shared best practices across the sites to raise awareness and give people context and examples of things to look for around their facilities.

For more details on our Environmental, Health & Safety Management System (EHSMS), see *Health and Safety*. 4

OF JELD-WEN'S SITES CERTIFIED ACCORDING TO THE STANDARD ISO 14001 IN 2022

7

OF JELD-WEN'S SITES CERTIFIED ACCORDING TO THE STANDARD ISO 50001 IN 2022

1

JELD-WEN SITE CERTIFIED ACCORDING TO THE ECO-MANAGEMENT AND AUDIT SCHEME (EMAS) IN 2022

9

ENVIRONMENTAL AUDITS COMPLETED IN 2022, AS PART OF THE GLOBAL EH&S AUDIT PROGRAM

# **AIR QUALITY**

#### **REDUCING AIR EMISSIONS**

Paint is a major source of air emissions in our facilities. At our Grinnell, lowa door facility, the team used Lean tools to identify a solution for high paint costs as a result of spraying and heavy painting. The site then issued new job instructions and procedures that included increasing the frequency of paint tip replacement to increase efficiency.

We are also making progress in reducing VOC emissions from our products and factories. A new primer formula developed by our coatings division decreases VOC emissions by 46% in coatings applied to interior door skins. The new formula launched in January 2023 and is now supplying four wood fiber plants in the U.S. and one in Europe. For more details on VOC reduction, see *Product Quality & Safety*.

46%

REDUCTION IN VOC EMISSIONS FROM FORMULA DEVELOPED FOR PRIMER USED ON INTERIOR DOOR SKINS With Europe's focus on the Green Deal and JELD-WEN Europe's ambitions, the Sustainability and Quality team have been working to ensure FSC®/PEFC™, EPDs, SWAN and Cradle to Cradle certification are JELD-WEN'S key focus."

BRIAN MUNDT, SENIOR DIRECTOR ESG & QUALITY, JELD-WEN EUROPE





# WATER & WASTEWATER



#### REDUCING WATER CONSUMPTION

Most of our operations do not require significant amounts of water. However, we recognize the importance of reducing our water consumption, especially in areas of high baseline water stress. We strive to do our part to use water responsibly and to preserve water.

Water is used primarily for cleaning and diluting painting during gluing operations, as well as for sanitary and landscaping purposes. In our fiber facilities, we use water for steam production.

Facilities report water consumption and source (i.e., public water, groundwater, surface water) to our My EHS Platform. Data tools, including the World Resources Institute Water Risk Atlas, help us map our facilities for water stress, water depletion, seasonal and interannual variability, groundwater table decline and flood risk. We recognize that a one-sizefits-all approach is not an effective water management strategy. Consequently, facilities are prioritized for water reduction projects based on their regional water stress risks. For example, in North America, the sites with a high baseline water stress are generally located in the west and southwest including California and Mexico.

#### **CONSERVING WATER WITH KAIZEN**

Water efficiency opportunities are also evaluated during the energy and waste reduction Kaizen events. During the events, water-consuming operations and equipment are mapped and monthly consumption data is reviewed by the team.

The Kaizen event team at our Rantoul, Illinois plant took a close look at the natural gas boiler that heats the plant in the winter. The team identified the replacement of old or non-working steam traps and condensate receivers as a high-priority opportunity. Following the implementation, the site saw a decrease in water consumed at the boiler. Further, the site consumed approximately 81,600 gallons less water in October 2022 compared to October 2021.

Located in a medium-high overall water risk area, our Rocklin, California, facility limits water use. The facility has recently shut off water to grassy areas, and is now pursuing converting grassy exterior areas to a gravel rock garden. By doing this, the facility can also take advantage of local incentives for converting grassy areas.

# SUSTAINABLE OPERATIONS: WHAT'S NEXT

Internally, we will continue to organize Kaizen events to identify opportunities for energy savings and waste reduction and apply our learnings to additional manufacturing sites.

We are committed to aligning our ESG goals and priorities with our suppliers. Sharing our energy and waste reduction expertise will give them the tools to decrease their Scope 1 and Scope 2 GHG emissions, which will ultimately impact JELD-WEN's Scope 3 GHG emissions.

By incorporating TCFD-aligned scenario analysis as explained in the Climate Change section, we are taking steps to improve our climate reporting. This approach not only enhances our internal efforts to assess and address climate change risks, but it also optimizes our responses to the Carbon Disclosure Project (CDP) and prepares us for potential climate disclosure rule changes from the U.S. Securities and Exchange Commission (SEC).

## SUSTAINABLE MATERIALS & CIRCULAR ECONOMY

#### **OUR GOALS & COMMITMENTS**

By 2050, we plan to use 100% recycled or harvested content from external sources or internal processes where available, and plan to source 100% of wood for manufacturing from sustainable or certified forests.



#### **OUR APPROACH**

Our commitment to a circular economy includes avoiding the use of virgin raw materials where possible, looking for opportunities to recycle our byproducts and waste streams, with the objective of ensuring that the materials we use remain in the economy indefinitely. We prioritize recycled materials in our products and have an ambitious goal of 100% recycled materials. Our consideration of the recyclability of our products begins in the design phase and extends through the life of the product.

Our 2050 goal incorporates the maximum technically feasible percentage of recycled and/or renewable content into the product in alignment with industry best practices, which will involve robust engagement with our suppliers and investment into new technologies.

We responsibly source raw materials, managing sustainable practices in our supply chain to minimize our carbon footprint. Recognizing that many of our products are wood based and sourced from a renewable resource, we seek to work with landowners that apply sustainable practice and prioritize certified sustainable wood.

#### Policies

Our sourcing activities are guided by our Europe Procurement Policy, our Legal Source Due Diligence Manual and our Supplier Code of Conduct. The Europe Procurement Policy mandates that all sourcing of wood-based products must be certified and in accordance with the EU Timber Regulation 2013, and fulfill the requirements of Forest Stewardship Council® (FSC®) and/or Programme for the Endorsement of Forest Certification (PEFC™) according to our certifications. The Legal Source Due Diligence Manual provides guidelines for meeting the due diligence requirements of the EU Timber Regulation.

We are in the process of developing a Global Wood Sourcing Policy. In North America, we abide by our customers' wood policies that outline requirements for ethical sourcing and environmental protection of forests. We abide by the timber sourcing requirements outlined in the United States Department of Agriculture Lacey Act.

Our due diligence process includes reviewing the FSC® and PEFC™ standards to ensure they align with JELD-WEN's sustainability objectives and requirements, verifying the compliance of forest management operations or processing facilities with the certification standards, and establishing mechanisms for ongoing monitoring and evaluation of our suppliers' compliance with FSC® or PEFC™ requirements. The Supplier Code of Conduct requires suppliers to acknowledge our *Conflict Minerals Policy Statement* and exercise due diligence when claiming certification for products.



#### **EUROPE CERTIFICATIONS**

Our products are certified to the following environmental standards in Europe.

#### **CROSS-EUROPEAN**



Forest Stewardship Council® (FSC®):

Multi-Site Certificate



Programme for the Endorsement of Forest Certification (PEFC™):

Multi-Site Certificate

#### **SCANDINAVIA AND FINLAND**



**SundaHus:** Sustainability assessment for products for Scandinavian market.



**Byggvarubedömningen:** Sustainability assessment for products for Scandinavian market.



**Nordic Swan Ecolabel:** Products are approved for use in Swan-certified buildings in Scandinavia and Finland.



**M1 classification:** For low-emission indoor products in the Finnish market.

#### **FRANCE**



**Ecovadis Sustainability Rating:** 

Silver level for JELD-WEN France

#### **GERMANY**



**Sentinel Haus Institute:** 

Indoor Air Quality Certificate

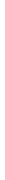
#### **AUSTRIA**



**Holzforschung Austria:** 

Healthy indoor climate confirmation





# JELD-WEN / ESG REPORT 2022

## PRODUCTS' ENVIRONMENTAL IMPACTS CONTINUED



#### **OUR KEY INITIATIVES**

## Partnering with Our Suppliers to Protect the Environment

In order to reach our goals, it is important that we have a clear view of how our suppliers are managing natural resources and recycled materials. In addition, we strive to work with suppliers who share similar values to JELD-WEN around material ESG topics.

We surveyed a subset of our largest suppliers by spend in North America and Europe on GHG emissions, product sustainability, sustainable packaging, and health and safety. Sixty-nine percent of survey participants publicly disclose their GHG emissions, while 62% have established GHG reduction targets.

We are also surveying our key suppliers in North America about recycled content in products supplied to JELD-WEN with the goal of increasing the amount. We aim to work with suppliers and industry groups to advocate for new technologies to increase recyclability for hard to recycle materials without sacrificing quality.

In Europe, we have engaged our suppliers to evaluate recycled content for various sustainability certifications and packaging regulations. At the facilities where we are pursuing Cradle to Cradle certification for specific products, we are using the Cradle to Cradle Supplier Bill of Materials Worksheet to collect total weight and percent of recycled content in materials from our suppliers. Our initial focus has been on glass, metals, chemicals and packaging.

In addition to our supplier audits and assessments, we are working with our suppliers on green initiatives. For example, our 2022 Supplier Summit convened a number of our suppliers and included a discussion of our ESG goals. We discussed alignment with JELD-WEN's commitment to reducing environmental impact and increasing the use of sustainable materials and packaging. We also asked that they offer us transparency on their sustainability efforts.

Following the meeting, our ESG team met with some suppliers' ESG and sustainability teams to discuss initiatives around recycled content and energy and waste reduction initiatives. We look forward to additional engagement in the future.

### Sustainable Wood Sourcing and Certification

As a leading member of the global fenestration industry, JELD-WEN purchases significant amounts of wood and wood fiber. Ensuring a long-term, sustainable source of wood and wood fiber is vital to our long-term success.

With this in mind, JELD-WEN has implemented a program of sustainability and certification for our wood and wood fiber supply to help us reach our long-term goal of purchasing 100% of JELD-WEN's wood products, or products which contain wood, from a certified/sustainable source.

JELD-WEN's commitment to sourcing wood from FSC certified forests empowers forest managers to exceed standard practices as good stewards of the land they own. The result? Showcase forests that highlight the beauty of good forest management and ecosystem values including wildlife habitat, carbon storage and water quality."

JAMES M. DAHM, PRESIDENT, WHISKEY CREEK TIMBER CO.

We're making good progress already. In 2022, 84%¹² of wood sourced in North America came from sustainable sources, the majority of which was FSC® certified. In Europe, 86% of our sourced wood was certified by third-party forest management standards, 32% of wood sourced was FSC® certified, and 54% of wood sourced was PEFC™ certified. Our Europe sustainability team is now pursuing Cradle to Cradle bronze-level certification, which supports responsible procurement and requires proof of sustainable forestry.

We annually complete our key suppliers' wood fiber surveys which is intended to ensure all materials are traced to their regions of harvest and sustainably sourced or certified. We are developing a formal Global Wood Sourcing Policy, which will require us to accept only wood from certified forests for all wood products sourced from the regions identified at risk in the policy. We recognize the following third-party certification schemes:

- Forest Stewardship Council® (FSC®).
- Programme for the Endorsement of Forest Certification (PEFC™).
- Sustainable Forestry Initiative (SFI).
- American Tree Farm System (ATFS).

We are in the process of building a robust, global database to house information from all our wood suppliers. This will allow for increased transparency across all regions and product lines, enabling us to further widen the scope of suppliers we collect data from in all regions.

#### **Understanding Raw Materials**

The materials that go into our doors also have an environmental impact. Our One Click LCA license gives us access to the largest database of emission factors for the building product industry and we are using it to identify materials that have the greatest impact. For example, we identified aluminum as a material with high embodied carbon after learning that it contains up to 50% of embodied carbon emissions in some of our doors. By finding adequate alternative materials that maintain the door's structural integrity and quality, we can make a significant impact on the product's embodied carbon and environmental footprint.

We are currently working on 20 Environmental Product Declarations for 20 product groups in Europe — a more than fivefold increase since 2021. We have a goal to reach 90 EPDs for 90 product groups in Europe by 2023.



### PRODUCTS' ENVIRONMENTAL IMPACTS CONTINUED

#### **MATERIALS IN OUR PRODUCTS**

- NON-CERTIFIED OR CONTROLLED WOOD
- 100% CERTIFIED RENEWABLE WOOD
- HARDWARE
- **■**GLASS
- METALS
- CHEMICALS
- PLASTIC
- PACKAGING
- ☐ RECYCLED PAPER

10%

OF RECYCLED AND RENEWABLE MATERIALS WERE USED IN PRIMARY PRODUCTS IN 2022

## **Recycling and Reusing Raw Materials and Products**

In recent years, there has been a strong focus in the construction industry on the role recycling and reusing materials can play in carbon emissions reduction. From using cardboard honeycomb material made from recycled paper in our hollow-core doors, to regrinding scrap vinyl material at our North America plants, we are exploring creative ways to recycle and use recycled material in our products.

Our Penrith plant exemplifies our innovative approach to recycling. By replacing plastic shrink-wrap from all glazed doors with recyclable cardboard box packaging, the UK plant has removed plastic wrap from the supply chain. This initiative between JELD-WEN, our customers and suppliers saved, in 2022, 237,000 kWh in energy (and a corresponding 46 metric tons in carbon emissions) because the equipment used to heat seal the plastic to the doors is no longer used. In addition, the cardboard box is FSC® approved and produced from recycled materials.

In Europe, we are collaborating with universities, suppliers and other partners on early-stage research, including the reuse of certified doors and the replacement of some of the medium-density fiberboard (MDF) used for circular products.

In Denmark, Swedoor is behind a new recycling project to test the possibility of reusing used doors from public buildings. This initiative would make high-quality JELD-WEN reused doors available to ecoconscious consumers and will further our journey towards circularity and reduced embodied carbon. Further, it will help ensure fewer doors end up in landfills. The project is in partnership with the local fire institute to ensure doors are tested and certified for fire ratings.

In North America, our vinyl from multiple suppliers contains regrind; minimizing the need for virgin materials.

The chart on the left shows categories of raw materials typically used in our products. A total of 10%<sup>13</sup> of our main raw materials (i.e., certified, renewable wood) meets our definition of 100% recycled or renewable. We continue to work with suppliers in the categories shown to increase our percentage of recycled content and bring us closer to our goal of 100% recycled content where technically feasible.

Many of our materials already contain recycled content such as glass. However, the percentage of recycled content does not reach technical feasible levels according to industry-leading frameworks such as Cradle to Cradle. To achieve our goal, we will need to base our purchasing decisions on recycled content, while maintaining the highest levels of quality. We plan to work with suppliers to explore new technologies.

Leveraging sustainable materials to support a circular economy is an essential component of a holistic approach towards environmental stewardship and creating a more sustainable and resilient world."

FARSAD FOTOUHI, VICE PRESIDENT, ESG, JELD-WEN



# ENERGY-EFFICIENT PRODUCTS

#### **OUR COMMITMENTS**

Our objective is clear: to increase our sustainable product portfolio. We want our products to be part of the solution to reduce or eliminate GHG emissions generated by the building products industry.

By designing our products for maximum thermal efficiency we can help make net zero homes and buildings achievable in all markets for all customers. We are pursuing emerging technologies to improve energy efficiency of our products by up to five times compared to common options available.

#### **OUR APPROACH**

As a leading producer of thermally efficient doors and windows, one of the most powerful things JELD-WEN can do to benefit people and the planet is to help reduce consumers' energy consumption, while keeping their homes at a comfortable temperature. By creating products that reduce our end consumers' emissions from heating and cooling, not only are we progressing toward our net zero goal, but we're also helping our customers reduce their energy consumption and costs.

#### **OUR KEY INITIATIVES**

#### **Window and Door Efficiencies**

We are making significant progress as we work to increase our energy-efficient product portfolio. Underlying our efforts is our commitment to manufacturing products that are certified by ENERGY STAR® and other organizations.

Windows connect us to the outside environment; however, they are less energy efficient than a wall. By combining existing technology and design in new ways and innovating to make energy-efficient, multi-purpose glass for the windows of the future, we can improve the thermal efficiency of homes and businesses.

Our Auraline® True Composite Windows and Doors advance energy efficiency and sustainability. Not only is the standard glass package 38% more efficient than a basic glass package, but four performance glass options tailor energy efficiency to specific climates. The Auraline® True Composite line is GREENGUARD Gold certified, meaning it contributes to healthier or cleaner air. Select Auraline® products are ENERGY STAR® certified as well.

#### **Certifications and Regulations**

We have been an ENERGY STAR® Partner since 1998. More than 90% of our window product lines in North America have an ENERGY STAR® certified option. Administered by the U.S. Environmental Protection Agency (EPA), ENERGY STAR® and its partners deliver cost-saving energy efficiency solutions that protect the climate, improve air quality and protect public health. In 2022, we took steps to include specific ENERGY STAR® training materials into our new hire onboarding process, existing employee training materials and external sales training materials. We are preparing for the ENERGY STAR® Version 7.0 standard, which becomes effective in October 2023.

Our products are also rated by the National Fenestration Rating Council, which has developed and operates a uniform national rating system for the energy performance of windows, doors and similar products.

In Europe, energy efficiency of products is driven by local legislation and declarations of performance. We work with European directive producers and some certification associations to monitor and influence their processes. While Cradle to Cradle does not contain energy efficiency requirements, it does help drive them by indirectly addressing energy efficiency through its emphasis on renewable energy and the overall sustainability of a product or system.

Our objective at JELD-WEN is to make our windows as energy efficient as an insulated wall and we believe we have a path to get there."

DAN JACOBS, VICE PRESIDENT AND GENERAL MANAGER OF WINDOWS, JELD-WEN NORTH AMERICA



90%

OF OUR WINDOW PRODUCT LINES IN NORTH AMERICA HAVE AN ENERGY STAR® CERTIFIED OPTION

# INNOVATION & RESEARCH

#### **OUR APPROACH**

We are developing strong pipelines for ideas that cover a range of market impacts, from small shifts to ground-breaking. Our global idea management process was launched in late 2022 in the U.S. and in early 2023 in Europe. It allows all associates to offer ideas on any aspect of innovation, including process improvements or new products and services. We consider the ESG implications of each project and are committed to both low-barrier and high-impact projects. For example, in 2022, the global idea management process led to the origination of approximately 170 new ideas.

#### **OUR KEY INITIATIVES**

Collaboration is also important. We're identifying partners to help us understand the problems we're trying to solve and contribute to potential solutions, which includes universities.

Our innovation team is already having an impact on sustainability, circularity and energy efficiency. For example, the innovation team contributed to the 2022 launch of our Auraline® True Composite Windows and Patio Doors, which contain at least 30% of composite material derived from reclaimed sources such as wood waste.

The team supports projects ranging from sustainable glass that will make windows of the future as energy efficient as a solid wall, to smart doors and smart components that create value for our customers. We are also researching the use of substances that do not deplete the ozone in the production of our doors.

In Europe, the innovation team is supporting our pursuit of Cradle to Cradle certification and our ambition of being leaders in Europe in sustainability, circularity, carbon neutrality and embedded carbon reduction.

## EXTREME WEATHER REQUIRES AN EXTREME DOOR

Many areas across the Nordic region are experiencing more and more extreme weather including heavy snow, rain and storms, as well as drastic changes in temperature and humidity. As a result, the buildings that are exposed to this require materials and products that can withstand the conditions and last over time. STORM, our latest addition to the selection of innovative additions for exterior doors, was developed to address this need and is designed to withstand both water and wind. The door, which is being manufactured in Latvia, also has high insulating capabilities that contribute to energy savings. STORM was brought to market in late 2022 and is based on our ECO solution, which offers exceptionally good insulation, noise reduction and integral resistance to fire.

Sustainability is at the heart of our window and door innovation at JELD-WEN. We always aim to exceed energy efficiency standards with our products, while empowering our employees, customers and consumers to create more eco-friendly spaces."

GARY DIESL, VICE PRESIDENT OF OPERATIONS, JELD-WEN NORTH AMERICA





# PRODUCTS' SOCIAL IMPACT





JELD-WEN recognizes the social impacts of its products and is committed to designing, manufacturing and selling products that are safe and reliable.

Our products help protect people from the severe weather and changing climate, and keep them safe. For example, when Hurricane Ian hit Florida in September 2022, our Premium Atlantic Vinyl windows with ImpactGard® glass helped keep a home in the hurricane's path safe. "We sustained 110 miles-per-hour gusts to one side of house and had eight inches of rainfall over two hours," explains homeowner Mark Torregrossa. If not for the ImpactGard windows, he says, "The impact would've blasted out the paperthin window in our master bedroom and bathroom. And all that wind-driven, muddy rain would've come in." Torregrossa and his contractor agree the windows saved the house from almost total destruction.

In addition to storm protection, customers can leverage our windows and doors to reduce their energy consumption, decrease GHG emissions, and save money.

Ensuring that the highest energy-saver products are available at an affordable price for all is a priority. We donate ENERGY STAR® products for community projects in high-risk, low-income communities whenever possible.

For example, in 2022, JELD-WEN donated and fitted new energy-efficient doors and windows for the home of a woman with a fixed income, which not only brought her home into compliance with the local housing code but will also save her money on monthly energy bills for years to come.

We're also committed to leveraging technology to make life easier for our customers. With our DANA® Smart

Door and its integrated Nuki system, for example, homeowners can open their front door remotely or automatically wherever they are using either an app on their smartphone or a special fob.

Our OnSite virtual customer service program exemplifies our commitment to our customers. It allows our virtual technicians to resolve situations in realtime. If a representative is unable to resolve a customer's concerns by telephone, they send a link via a text message to the customer's cell phone. Clicking that link initiates a face-to-face session where JELD-WEN's virtual techs can examine and troubleshoot the product and discuss potential solutions with the customer. The program, which covers JELD-WEN customers in the U.S. — individuals, distributors, retailers and builders alike has been well received.

1998

JELD-WEN BECAME AN ENERGY STAR® PARTNER IN THE UNITED STATES

#### SUSTAINABLE PRODUCTS: WHAT'S NEXT

Certifications of our products and operations will continue to be a focus. In addition to planning for and pursuing Cradle to Cradle certification in Europe, we'll be planning for ENERGY STAR® Version 7.0, which will start in 2023 in the U.S.

Partnerships with our suppliers remain a priority as we seek to align our ESG goals and priorities. To support these efforts we're planning to consolidate supplier questionnaires into an easy-to-use platform. Redefining our packaging to benefit our suppliers and customers will be a priority as well.







# **HEALTH & SAFETY**

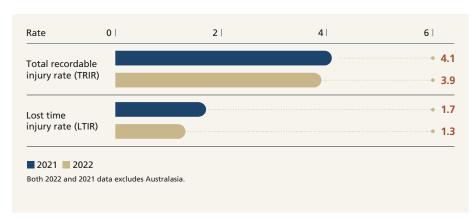
#### **OUR GOALS AND COMMITMENTS**

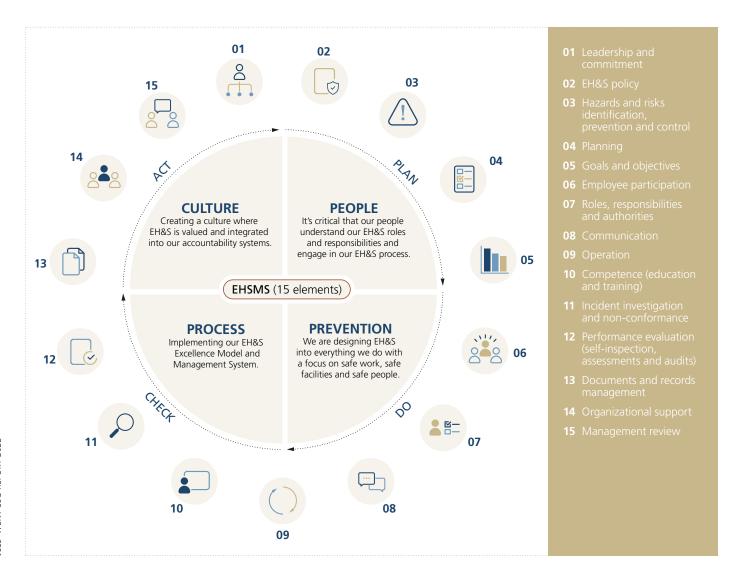
JELD-WEN's commitment to the health and safety of its associates is foundational and embedded in our values. Our culture of safety and continuous improvement empowers all our associates to contribute to our vision of EH&S excellence.

We have a robust set of systems in place to keep our associates safe and minimize business disruptions. Our EH&S Excellence Model and our EHSMS provide the framework to enable our vision of zero injuries and illnesses, zero spills and releases, and zero fines or penalties.

We work towards continuous improvement in our EH&S metrics by evaluating leading safety indicators and injury trends.

#### **HEALTH AND SAFETY PERFORMANCE AND GOALS**





#### **OUR APPROACH**

## Environmental, Health & Safety Management System (EHSMS)

We proactively implement management systems consistent with ISO 14001 and ISO 45001 requirements to prevent EH&S risks and to create a strong safety culture and improve performance. As noted in the illustration on page 46, our EHS Excellence Model, which includes our EHSMS, is built on four pillars with specific actions.

Our EHSMS provides a framework and structured approach with an iterative Plan-Do-Check-Act concept that all sites use to manage environmental, health & safety risks, and achieve continuous improvement. All JELD-WEN facilities implement the EHSMS and, to achieve success, we expect all JELD-WEN team members to understand their roles and responsibilities and actively engage in EH&S activities. The self-assessments help sites create annual plans.

We use the hierarchy of controls to reduce risk and eliminate work-related hazards<sup>14</sup>. Strategies include:

**Upgrading** of machine safeguards, equipment and tools.

**Automation** to eliminate manual material handling.

**Elimination** of forklifts or substitution with lower-risk powered industrial trucks (PITs) where people are present.

**Use of technology** or isolation with barriers where people and PITs have not been eliminated.

**Continued** communications, observations and audits of high-risk activities that involve our Living Injury Free Everyone (LIFE) Critical Safety Rules.

#### **Governance Structure**

Our EH&S Governance process includes our Global EH&S Leadership Council. Led by our Vice President, Global Environmental, Health & Safety, and our Chief Human Resources Officer, the council is comprised of senior functional leaders and the Directors of EH&S from across our business who meet regularly to review our EH&S performance, plans and goals.

They also periodically review our EH&S practices to address ongoing effectiveness and compliance. Our governance process also includes ongoing development and implementation of our EH&S policies, such as the Global EH&S Policy and Global EH&S Standards.

Our global EH&S audit program was implemented in 2022, and our internal EH&S auditors received training on the program. Our auditors assess site implementation of our EHSMS and compliance with regulatory requirements and our Global EH&S Policies and Standards. In 2022, we conducted nine EH&S audits at our sites in North America and Europe.



<sup>14</sup> The work-related hazards that pose a risk of serious injuries and fatalities (SIFs) in our facilities are the movement of materials using powered industrial trucks (PITs) near employees, work on electrical systems, working at heights greater than four feet, maintenance and troubleshooting of manufacturing machines and equipment requiring lockout or tagout, and operation of fleet vehicles and motor vehicles. The main types of work-related ill health are hearing loss or impairment and strained body parts. The work-related hazards that pose risk of ill health are noise, ergonomic stressors such as manual material handling, assembly work, and exosure to chemical hazards from adhesives and coatings.

#### **HEALTH & SAFETY** CONTINUED

#### **OUR KEY INITIATIVES**

#### **My EHS Platform Improves Efficiencies**

Our My EHS Platform is a key tool of the EH&S Excellence Program helping improve efficiencies and supporting our EH&S initiatives including EHSMS Self-Assessments, inspections, compliance tasks, corrective action tracking and EH&S Sharelts. We completed 6,917 EHS inspections in the MyEHS Inspection Tool in 2022 for topics such as lockout tagout and personal protective equipment (PPE). The EHS Sharelts Module is used by our associates to identify EH&S opportunities, such as housekeeping issues, positive observations, machine safety concerns and EH&S suggestions. We encourage our associates to actively participate in this program, by identifying and submitting these types of issues so we can take the necessary corrective actions. In 2022, our associates submitted over 34,000 EH&S Sharelts.

#### **Preventing Serious Injuries and Fatalities**

Across JELD-WEN we are committed to preventing SIFs. We have established our LIFE Critical Safety Rules, improved SIF investigations, monthly incident reviews and sharing of monthly lessons learned. In 2022, we published more than 70 learnings for actual and potential health and safety events.

In 2022, we partnered with a third-party EH&S expert consultant to assess our SIF prevention initiatives. They conducted interviews of our senior leaders, met with focus groups at our sites and reviewed our SIF and potential serious injury and fatality (PSIF) data and investigations. Their in-depth assessment identified strengths in our current programs and opportunities to strengthen our SIF prevention efforts further through SIF Prevention Leadership Workshops to be held in 2023.

Our commitment to preventing non-SIF incidents, such as injuries to the upper extremities, strains and sprains, is driving internal initiatives.

#### **Positive Progression for Health** & Safety Metrics

The results of JELD-WEN's commitment to safety speak for themselves: in 2022, JELD-WEN's health and safety performance improved on several different metrics. Compared to 2021, the SIF rate decreased by 38%, the LTIR decreased by 23%, the number of serious injuries decreased by 7%, and the rate of fatalities as a result of work-related injury was 0% in 2022.

#### **Training and Awareness**

Safety awareness, training and communication are fundamental to our efforts to improve safety. Our Learning Management System (LMS) online training for LIFE Critical Safety Rules offered safety training for employees at focus sites in North America after launching in 2022. We trained investigators through our Taproot<sup>™</sup> Incident Investigation protocol, which allows us to identify causal factors and multiple root causes of serious and potentially serious incidents.

We communicate our health and safety policies and messages to our associates through a variety of channels including hard copies at our facilities, on our internal network, via posters and banners and through communication with function leaders. Celebrations of Safety Month in North America, Safety Week in Europe, and World Day for Health and Safety further reinforce the message. By setting and communicating our shared safety standards, we empower every JELD-WEN associate to intervene and stop work to address at-risk conditions immediately. without fear of retaliation.

Health and Safety*	2022	2021
Total recordable injury rate	3.9	4.1
Lost time injury rate	1.3	1.7
Serious injuries and fatalities rate	0.08	0.13
Total serious injuries	92	99

48

#### **Associate Wellness**

Our commitment to improving our associates' holistic well-being guides our future focus areas and our investments. Our human resources leadership and benefits team work to engage all areas of the business to enhance the culture of well-being throughout the Company. In addition to regular awareness and engagement activities, we offer training, support and regular content published on the Company's intranet, addressing topics such as mindfulness, stress reduction, heart health and exercise at home.

Our Employee Assistance Program supports associates by providing counseling, legal and financial consultation, work-life assistance and crisis intervention services to all associates and their household family members. It's free, voluntary and confidential. Weekly resource articles to help associates boost their emotional, physical and mental well-being are circulated through internal newsletters.





Our responsibility towards our associates' safety and well-being is embedded in our culture; it's part of our JELD-WEN values to build businesses ethically and safely. Our safety culture continues to grow, with ever-expanding commitments and advances.



# DIVERSITY, EQUITY & INCLUSION

#### **OUR COMMITMENTS**

Our commitment to Diversity, Equity & Inclusion (DE&I) is threaded through our entire business around the globe. Our five corporate values: build businesses ethically and safely, invest in people, inspire customers through innovation, deliver on our promises, and improve every day, set the foundation for our DE&I journey.

At the highest level, we are committed to several overarching DE&I commitments to help us achieve excellence:

**Demonstrate** leadership commitment and accountability.

 Ensure corporate policies, leadership messaging and demonstrated behavior advances our DE&I objectives.

Foster an inclusive culture.

 Cultivate a supportive, welcoming, inclusive work environment that allows associates to feel connected to JELD-WEN's mission and values, while contributing to their full potential. **Build** a diverse talent pipeline.

 Pursue a comprehensive talent acquisition, development and retention strategy to achieve a high-performing workforce that is representative of the markets in which JELD-WEN operates.

**Promote** a diverse supplier ecosystem.

 Advance DE&I in the supplier base with whom JELD-WEN does business, driving competitiveness and innovation.



77

Our focus on diversity, equity & inclusion has propelled us to bring appreciation and recognition to the differences across our workforce. We are committed to every employee feeling included and respected, and that they belong here at JELD-WEN."

WENDY LIVINGSTON, EXECUTIVE VICE PRESIDENT, CHIEF HUMAN RESOURCES OFFICER, JELD-WEN

#### **WE DEFINE DE&I AS FOLLOWS:**



#### **DIVERSITY**:

The range of different people each with a unique identity, background, experience and makeup. It is the diversity of our associates, suppliers and customers that boosts unique perspectives and ideas. Our goal is to help our leaders and our associates become more aware and appreciative of those differences as we grow as an organization.

#### **EOUITY:**

The proportional representation with an emphasis on fairness. Equity maintains the understanding that each person's starting point in life, society, education or career is not necessarily the same. At JELD-WEN, we strive to learn more about what access or accommodations are needed to help provide more equity across teams and individuals.





#### **INCLUSION:**

The action of fostering a respective, collaborative and supportive environment that encourages the participation and belonging of all associates. Developing an inclusive environment takes conscious effort and consideration from all individuals involved. This may be our most important focus area — we need to ensure all voices are heard, all ideas are shared and all associates are valued.

#### **OUR APPROACH**

Diversity of thought, perspective, background and experience are key to innovation and ongoing business success. As we build upon our DE&I foundation, we aim for strong workforce representation across all diverse groups, yet we acknowledge that workforce representation means nothing without belonging, inclusion and equity. It is imperative that our associates feel empowered by our culture of inclusion; it is the lifeblood of our Company.

Our approach to DE&I begins at the recruitment stage and continues through our associates' career journey with us.

#### **OUR KEY INITIATIVES**

#### **Recruiting Diverse Talent**

A critical aspect of cultivating an inclusive environment is recruiting and retaining diverse talent early in their professional careers. JELD-WEN has been an equal-opportunity employer for years and continues to find ways to attract and hire candidates with diverse backgrounds for all our positions across the Company.

In order to increase diversity among new hires in the U.S., we require that all bonus-eligible candidate slates are diverse (by gender and/or ethnicity). Growing the gender diversity of our bonus-eligible positions is a priority as these represent the most senior positions in the organization.

#### **Early Career Programs**

As the global competition for talent makes it more difficult to hire diverse candidates externally, we are focused on hiring diverse early-career candidates and providing them with the tools to develop their careers at JELD-WEN. This focus has been effective: in the second half of 2022, 42% of all North America and Europe professional, support and management<sup>15</sup> positions and 52% of our open management positions were filled internally.

Our Early Career Programs are designed to increase succession depth in mid-level positions by building a diverse internal talent pipeline, accelerating the development of early career talent through robust, diverse experiences, and solidifying JELD-WEN as the employer of choice for early career talent.

We recruit from trade schools, colleges, universities and work-study programs throughout the world. In 2022, we initiated relationships with multiple Minority Serving Institutions including Historically Black Colleges and Universities (HBCUs). We also connect with regional women's colleges and Hispanic Serving Institutions to broaden our candidate pool and learn about what new candidates are looking for in their first employer. By developing relationships with schools that have diverse student populations, we have seen the gender and ethnic diversity of our candidates in our early career and intern programs increase. For example, we saw ethnic diversity increase from 42% of the applicant pool to 52% over the past two years (recruiting for cohort 2021 and 2022).

In Germany and Denmark, we work with universities on apprenticeship programs to encourage female students to explore manufacturing careers.

We've enhanced our recruiting strategy by offering virtual development workshops to future candidates, facilitated by our ERGs. These virtual sessions included topics like Women in a Male-Dominated industry hosted by our Women's Network, Transitioning from College to Corporate hosted by our Young Professionals, and Latinx Pride in the Corporate World hosted by our Hispanic/Latinx Network.

#### **Pay Equity**

To fully foster an inclusive environment within our organization, equitable practices must permeate through all aspects of the Company. Our focus on pay equity is about recognizing the importance of acknowledging equal pay for equal work. It means compensating people performing substantially similar work, based on jobrelated factors like skills and accountability, not gender nor race. JELD-WEN has adopted processes to evaluate internal pay equity, which supports our commitment to workplace equity, and equal pay and opportunity for all associates.

#### **INSPIRING JELD-WEN WOMEN**

Through monthly panels and other resources, the JELD-WEN Women's Network (JWWN) aims to help women achieve their goals and aspirations. JWWN commemorated Women's History Month in the U.S. with an engaging panel discussion with two women business leaders.

Margaret Gramann, Chief Commercial Officer at Crenshaw Associates, and Kristen Actis-Grande, **Executive Vice President and CFO** at MSC Industry Supply Company, shared stories about their leadership roles and styles. Gramann, who has an extensive background in leadership roles and as an advisor to CEOs and boards with companies including AVON and Coca-Cola, believes that success in the business world is made up of being good at the job, but also being seen and heard. Actis-Grande encouraged participants to be bold and confident when making their intentions known. The panel left many participants feeling inspired and capable of accomplishing their aspirations.

<sup>15</sup> Individuals with a direct report and excludes production

### DIVERSITY, EQUITY & INCLUSION CONTINUED

#### **DE&I Training**

We are committed to providing our employees the tools they need to support an inclusive environment. For example, associates can access over 300 DE&I courses in more than 15 languages on our Learning Management System platform. We offered unconscious bias training for the first time in 2022 and, in Europe, our talent acquisition team trains hiring managers in diverse recruitment principles.

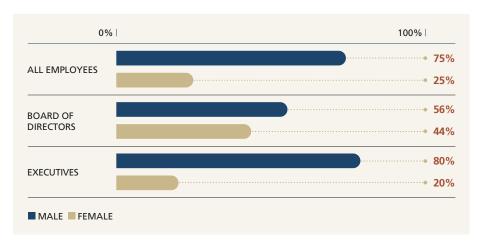
#### Mentoring

The JWWN has established a mentoring program to help women throughout the Company establish broader connections, learn about aspects and function of the business outside of their own area of expertise, and gain insights and coaching from senior leaders to help them advance their careers. More than 20 women have registered for the program.

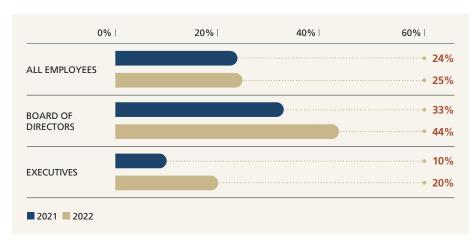
#### **Demographics**

As an organization, we remain focused on ensuring our workforce demographics are representative of the markets and customers we serve. We look at gender on a global scale and focus our ethnicity metrics on U.S. data only. In the U.S., 33% of our workforce is ethnically diverse<sup>16</sup>. Furthermore, we have increased our female representation on our global executive team to 20% in 2022. At the Board level, women represented 44% of Board members.

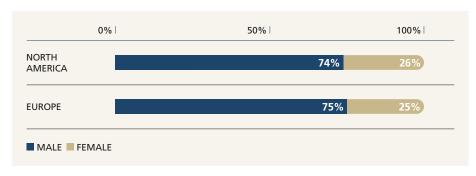
#### **2022 GENDER DIVERSITY METRICS**



#### **2022 FEMALE REPRESENTATION**



#### **2022 GENDER BY REGION (ALL EMPLOYEES)**



# RECRUITING, DEVELOPMENT & RETENTION

5

AVERAGE OF 5 HOURS OF TRAINING PER YEAR PER EMPLOYEE IN 2022

300+

**DE&I COURSES OFFERED IN 2022** 



#### **OUR APPROACH**

Our commitment to creating a diverse and inclusive environment supports our efforts to grow our talent internally and fill open roles with people who already know JELD-WEN and are committed to our culture, our vision and our success.

#### **OUR KEY INITIATIVES**

#### Recruitment

DE&I and recruitment go hand in hand. As we advance our DE&I commitments and foster a culture of inclusivity, we are empowering recruitment and encouraging the retention of top talent. For more details on recruitment, see <u>Recruiting Diverse Talent</u>.

#### **Employee Benefits**

JELD-WEN offers a comprehensive benefits package to support the well-being of associates and their families. For example, U.S. associates (and their families) are covered by medical, dental, vision and basic life insurance. U.S. Employees can also enroll in the Company's 401k plan and receive up to 4% in matching contributions by JELD-WEN.

Our U.S. tuition reimbursement policy is designed to help employees further their knowledge, skills and job effectiveness. Open to full-time employees, the program reimburses up to \$5,000 per calendar year for tuition and textbooks.

#### **Associate Development**

JELD-WEN launched a global, online Learning Management System (LMS) platform, in January 2022. The implementation of the platform was a significant demonstration of our commitment to our corporate value of investing in people. The platform contains thousands of courses available to all employees in a variety of local languages, ranging from functional health and safety to skill development to softer competency development, such as becoming a more inclusive leader. With the addition of the LMS platform, we have expanded our internal development options to include a focus on DE&I. For more details on the LMS platform, see Health and Safety.

#### **Internal Mobility**

Our recruitment and retention strategy is centered on talent development. We are focused on attracting early career talent and supporting them along their career journey at JELD-WEN. Our Early Career Rotational Program (ECRP), a two-year program in North America, was sparked by a gap in succession planning, when we recognized we didn't have many early career associates who were growing with the organization.

In 2022, the ECRP program, which operates in conjunction with our internship program, rotated two cohorts of early career associates across six functions at the Company: HR, IT, operations, commercial (sales & marketing), engineering, and finance — and graduated its first cohort.

Measuring our progress is critical to continuous improvement. In July 2022, we launched an internal mobility dashboard to measure the movement of talent in new roles, and specifically review the promotion rates of females and ethnically diverse associates.

#### **UKRAINE RECRUITMENT**

As the war in the Ukraine continues, we have started to recruit Ukrainian refugees and engage them with our business. As of June 15, 2023, approximately 80 refugees are employed in our plants in Estonia and Latvia. Committed to fostering an inclusive environment, our team has embraced the complexity of bringing a new language to the sites and ensuring that health and safety signs and training materials are translated into Ukrainian.

#### **Measuring Employee Performance**

All employees receive a performance review every year, with different processes implemented depending on the local plant region. Performance is tracked in our HR system for employees who fall under the executive, management, professional and support career tracks. These employees participate in JELD-WEN's Performance Management Program, a collaborative process between managers and employees to maximize employee performance throughout the year, and to identify opportunities for growth and development. The Performance Management Program focuses on three main phases: performance evaluation, goal setting and development planning. Employees in the categories of support, manager, professional and executive career tracks participated in the 2022-2023 performance management process. There is a different review process for production associates. The performance review process for the Company's executive officers is included in our 2023 Proxy Statement.

#### **Measuring Engagement**

Hearing from our global workforce is a critical way in which our organization can improve. We use our Employee Engagement Survey to help gauge the engagement of our workforce and get a deeper insight into what they need from leaders to ensure they can reach their full potential at JELD-WEN. Approximately 88% of our associates completed the 2022 survey and offered their feedback.

The survey included a specific DE&I index with four questions related to diversity, belonging, respect and inclusivity that specifically asked associates how they feel about working at JELD-WEN. The overall DE&I score for 2022 was 75% favorable. We provide the DE&I results to our ERG leaders to help them gain insights into those associates who are affiliated with their groups.

We are taking appropriate action based on associates' feedback in the survey. In an example of management responsiveness, when associates from JELD-WEN's Oettingen, Germany plant requested safe driver training in the 2022 Employee Engagement Survey, the Company held a training event conducted by ADAC, Europe's largest automobile club.

#### **Employee Resource Groups**

At JELD-WEN we know that individual personalities, backgrounds and experiences are what make up our culture and make our Company a great place to work. However, it takes more than words to ensure all employees are heard, celebrated and supported. That's where ERGs come in. Studies have shown that organizations that champion ERGs benefit from higher employee engagement, greater innovation and better communication.

We have six ERGs that represent the diverse populations that work across our Company:



#### W ORGULLO

supports JELD-WEN's Hispanic associates and their allies.



#### W PRISM

supports JELD-WEN's LGBTQ+ associates and their allies.



#### **UMOJA**

supports JELD-WEN's Black associates and their allies.



#### **Veterans Network**

supports JELD-WEN's veteran associates and their allies.



#### W YoPros

supports JELD-WEN's young professionals and their allies.



#### Women's Network

supports JELD-WEN's women and their allies.

Each group is associate-run and partnered with sponsorship and guidance from a senior leadership member.

In addition to providing a forum for our associations and holding events, the ERGs also actively partner with the human resources team to review employee policies and benefits. The numerous perspectives and suggestions made by the groups resulted in a new parental leave program for the U.S. and the addition of two floating holidays to our U.S. holiday schedule.





## OUR PEOPLE: WHAT'S NEXT

At JELD-WEN, we are dedicated to becoming an employer of choice, one that is recognized and rewarded for both its culture and business results. We understand that achieving this goal requires a commitment from all of us. These steps include enhancing our ERGs; expanding DE&I offerings, specifically unconscious bias in our Learning Management System platform; analyzing relevant data for insights; and fostering deeper engagement within our production employee population.

In the spirit of continuous improvement, we are working towards a more robust and targeted diversity recruiting strategy in 2023. At the same time, we plan to sharpen our focus on our internal ethnic/ gender fill rate. And as we grow in our early career focus, we intend to look to expand programmatic opportunities to our teammates in other regions, as well as heighten the recruiting efforts to help ensure JELD-WEN is seen as a top-choice employer for those entering the workforce.

We're also sharpening our focus on culture. In 2023, we will conduct a culture survey in place of the Employee Engagement Survey. The new survey's Organizational Health Index is designed to allow us to gauge insights beyond a typical engagement survey.

Working together, we are nurturing a healthy culture that drives our desired business outcomes while fostering a safe, inclusive environment that attracts, develops and retains worldclass talent."

WENDY LIVINGSTON, EVP & CHIEF HUMAN RESOURCES OFFICER

# COMMUNITY ENGAGEMENT, ACCESS AND AFFORDABILITY

#### **OUR APPROACH**

Supporting the communities in which we operate is integral to our culture and permeates our organization. We encourage all associates to consider how they can give back individually, and as part of the JELD-WEN team.

In 2022, we prioritized resources in areas that promote the safety and wellness of our communities and the resilience of our manufacturing workforce. We've also dedicated resources to sustainable housing through in-kind and financial contributions that support safe, sustainable and energy-efficient homes in underserved communities.

Organizations we have supported through product donations, volunteer hours or monetary contributions and commitments include the American Red Cross, Rebuilding Together, the American Heart Association of Charlotte, Habitat for Humanity, Makea-Wish, Charlotte Arts, Gigi's Playhouse, St. Jude Children's Research Hospital, Atrium Health Foundation, the Salvation Army, Toys for Tots, Canadian Red Cross, and A Roof Above.

In addition, the following initiatives exemplify our dedication to community engagement, access and affordability.

#### **OUR KEY INITIATIVES**

#### **Fill it Forward**

JELD-WEN associates refilled their water bottles more than 5,000 times during the Fill it Forward campaign, launched in celebration of Earth Day in 2022. The initiative drove us to be more mindful of natural resources, as well as making an impact on the single-use plastic crisis plaguing our oceans and landfills. After one month, refilling during the campaign helped save 2,998 kWh of electricity and 2,314 pounds of emissions while diverting 158 pounds of waste and preventing 32 pounds of ocean pollution. Contributions generated by the program supported a water reservoir tank in Nepal, schoolbased water tap systems in Cambodia, and local labor for plumbing, electrical and excavation.

#### **Solar Decathlon Home Build**

We were proud to sponsor a 2023 Illinois Solar Decathlon home build in partnership with the University of Illinois Urbana-Champaign and Habitat for Humanity. Just four miles from our Rantoul, Illinois, manufacturing plant, the home features donated JELD-WEN energy-efficient doors and windows throughout. The U.S. Department of Energy's Solar Decathlon Build Challenge inspires thousands of students worldwide to enter the clean energy workforce by building sustainable homes. Homes built through the Solar Decathlon Build Challenge are 100% solar powered and are considered a 'net zero home,' which aligns with our 2050 Sustainability Goals and our commitment to be environmental stewards of our planet.

#### **ENERGY STAR® Day**

To celebrate ENERGY STAR® Day 2022, associates of our global headquarters in Charlotte, North Carolina, partnered with Rebuilding Together of Greater Charlotte to improve the home of a legally blind U.S. Army Veteran and his wife. JELD-WEN donated windows and doors, illustrating our JELD-WEN value to invest in people to positively impact our communities. Our involvement didn't stop with our donation. On ENERGY STAR® Day, JELD-WEN volunteers joined partner organizations to paint, install appliances and remove rotted wood and insulation in preparation for the installation of our JELD-WEN windows and doors.

#### **Rakvere Reforestation**

Our team in Estonia demonstrated our commitment to healthy forests by planting 3,000 spruce trees in the Rakvere Forest in May 2022. The event, which was organized by the Estonian State Forest Management Center, will one day transform a field into a forest of mature 100-foot-tall trees. The quantity of logs from the new trees is equivalent to the Rakvere factory's need for one week of lumber. The reforestation event was inspired by our 'plant and grow' pine seed initiative where, in 2021, all associates in Europe received pine seeds to plant.



## OUR COMMUNITY: WHAT'S NEXT

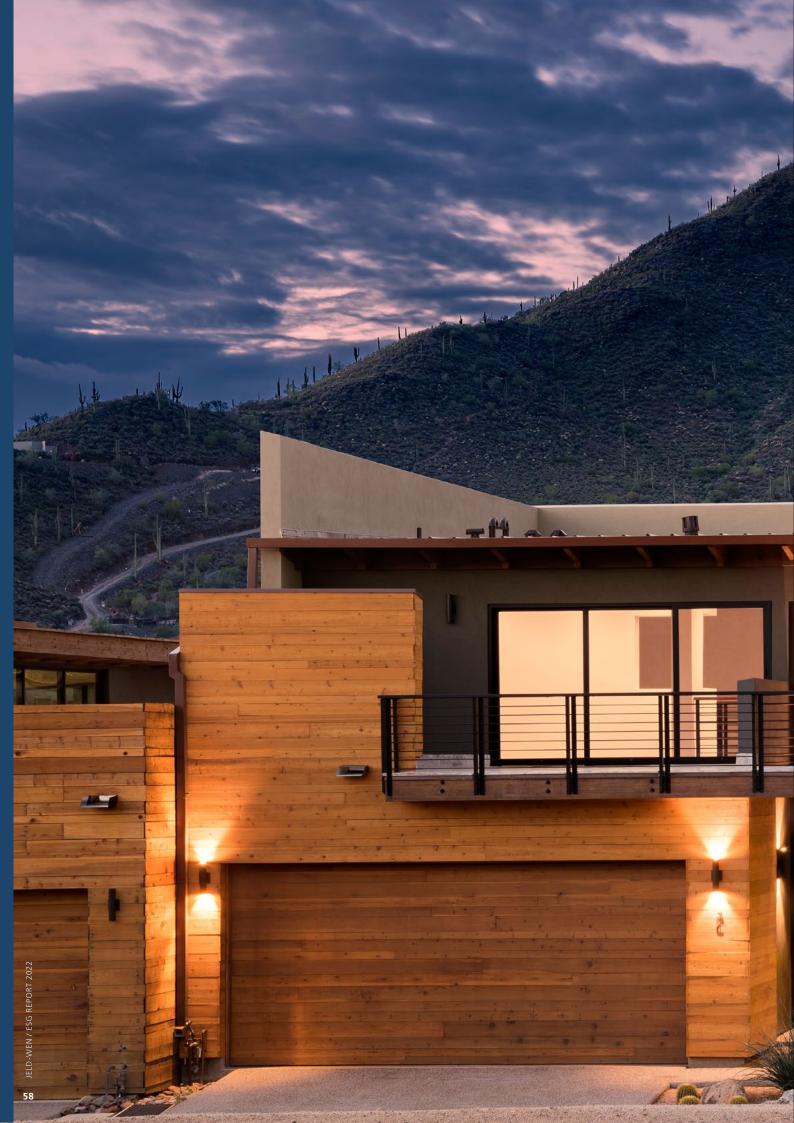
We plan to continue our support of sustainable home building through volunteerism, in-kind contributions, financial donations, and education and advocacy. For example, our sponsorship of the Habitat for Humanity Jimmy & Rosalynn Carter Work Project in Charlotte, North Carolina, includes the donation of nearly 600 windows to the home build project. In addition, 40 volunteers from JELD-WEN plan to work alongside future homeowners and other volunteers in October 2023 to build 20 new single-family homes in a large-scale affordable housing neighborhood in West Charlotte, an area that was once a thriving African-American neighborhood. When complete, the community will offer affordable homeownership for families and will provide a safe, secure place they can call home.

Housing is a critical component of life, we can't do it without donations like JELD-WEN's VPI windows. We are making a real, tangible positive impact to the veterans that we serve, and we are so happy to have JELD-WEN VPI on board."

PAUL COCKERHAM, CHIEF DEVELOPMENT OFFICER AT PURPLE HEART HOMES, A NON-PROFIT, VETERANS-FOCUSED ORGANIZATION



JELD-WEN / ESG REPORT 2022





# TRANSPARENCY, REPORTING & ACCOUNTABILITY

Our commitment to transparency and accountability is an essential part of the ethical framework that underlies JELD-WEN. Our global governance tools and our Lean Manufacturing principles connect our common values to the solutions we create.

Sustainability and operational reviews are incorporated into Lean processes that codify our standards for quality, cost productivity and strategic sourcing. Along with correlated metrics and benchmarks, this integration is designed to ensure that our commitment to ESG permeates every aspect of our business.

We continue to pursue high standards for transparency and reporting, grounded in validated and robust external sources including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), TCFD, and the UNSDGs.

We make information about our ESG activities available through our <u>website</u>, <u>Annual Report</u>, <u>Proxy Statement</u>, and <u>quarterly earnings calls</u>.

We are also committed to ensuring that corporate policies, leadership messaging, and demonstrated behavior advance our DE&I initiatives and ESG goals. For more details on the corporate governance model that supports our transparency, reporting and accountability work, see <u>Corporate Governance</u> and <u>Governance</u>, <u>Ethics and Compliance</u>.



# PRODUCT QUALITY & SAFETY

8

OF JELD-WEN'S SITES IN EUROPE ARE CERTIFIED ACCORDING TO THE STANDARD ISO 9001



#### **OUR APPROACH**

Our commitment to safety is reflected not only in our culture, but also in our portfolio of products. JELD-WEN's products are designed and manufactured with safety and reliability in mind. They undergo rigorous testing for compliance with all applicable safety standards to help ensure they are safe for use in homes and buildings. In the U.S., JELD-WEN actively monitors all regulations at the national and state level. Once a new regulation is put in place, we actively engage the state offices to help ensure we comply with the new regulation or determine a path to compliance. In Europe, we are pursuing Cradle to Cradle certification which mandates that manufacturers consider material health, defined by Cradle to Cradle as "ensuring materials are safe for humans and the environment."

We pay close attention to chemicals within our raw materials. Our local teams, which are experts in jurisdictional regulations, assess any new products and reassess products after product changes. We are committed to protecting our associates and consumers from exposure to harmful chemicals.

Our products contain paints, glues and adhesives, sealants, and other ancillary chemicals used during manufacturing and cleaning. Although chemicals in our products tend to be present at lower concentrations compared to other industries, we continue to seek safer alternatives.

To limit hazardous emissions from products during their use phase, we consider a number of remedies, including but not limited to ENERGY STAR® Certification, Eco-Labeling, Restriction of Hazardous Substances (RoHS) Directive, Emission Standards, Indoor Air Quality Certifications, Chemical Management Standards and LCAs. By implementing these certifications and standards, we can reduce the environmental impact of our operations and our products, minimize hazardous emissions during the use phase, and provide consumers with safer and environmentally friendly choices.

# JELD-WEN / ESG REPORT 2022

### PRODUCT QUALITY & SAFETY CONTINUED

#### **OUR KEY INITIATIVES**

#### **Adhering to Testing Standards**

Reducing VOC (volatile organic compounds) emissions from our products and factories is a priority. We adhere to testing standards in the regions in which we operate.

In North America 96.1% of our manufactured eligible products met VOC emission standards. We adhere to various testing standards in Europe based on the operating country. We have established a process to test base products in accordance with local and regional requirements including the German AgBB Testing and Evaluation Scheme (2010), ISO 16000 standards, and French legislation on VOC emission class labeling. Product groupings vary based on local requirements.

In North America, we test all of our products for VOCs to UL 2821 and assess any new product or potential supplier to the same test standard.

VOC testing is also used to assess compliance with global product stewardship laws including California's Proposition 65, which requires businesses to provide warnings to Californians about significant exposures to chemicals that cause cancer, birth defects, or other reproductive harm.

#### **Water-based Paint Alternatives**

We're actively researching water-based paint alternatives that do not sacrifice the quality of our painted products in certain regions of Europe. This shift is intended to improve safety, ease chemical requirements, and further reduce our impact on the environment.

Implementing water-based and UV-based chemical systems will help reduce both VOC and carbon emissions in four factories in Europe. We are also investigating the use of LED curing solutions to add energy savings to our 100% UV systems.

#### **Introducing New Chemicals**

We pay close attention to chemicals within our raw materials and take steps to ensure chemicals comply with applicable regulations aimed to protect consumer health.

Before introducing a new chemical, our sites in Northern Europe, for example, are required to apply for approval of the new chemical in our Chemsoft risk assessment module. Chemicals are not to be approved unless less harmful alternatives have been considered. In other regions, our procurement teams work closely with suppliers to monitor chemical compliance. JELD-WEN complies with regulatory standards on hazardous chemicals and materials across the regions in which it operates.

Our new SDS module in My EHS allows us to maintain a repository of all safety data sheets for chemicals in our manufacturing sites. In addition, the module also includes a new chemical approval process. This global process will ensure the right people in the organization are reviewing new chemicals to further our goal of additional transparency.

#### ACCOUNTABILITY:

#### **WHAT'S NEXT**

Our commitment to transparency and accountability will remain a fundamental element of our governance and our activities. We plan to continue to publish an annual ESG Report, aligned with recognized global standards. Regular communication with our stakeholders will continue as well. By implementing strategies to ensure that our products meet or exceed regulatory requirements and customer expectations, and continuously monitoring and improving our processes, we plan to continue to enhance product quality and safety, thereby building customer trust and loyalty while mitigating potential risks.



Our products and services give us the opportunity to enter people's workplaces, homes and daily lives. With this privilege comes great responsibility to ensure that the products we deliver are reliable and enrich the places and lives that they touch."

FARSAD FOTOUHI, VICE PRESIDENT, ESG, JELD-WEN

#### **GOVERNANCE, ETHICS AND COMPLIANCE**

# CORPORATE GOVERNANCE AND ETHICS



#### **OUR COMMITMENTS**

JELD-WEN is committed to effective corporate governance practices and an ethical and safe workplace. Our Board of Directors and executive leadership are focused on ensuring we maintain the highest standards of ethics and integrity, which are key to our long-term success.

#### **OUR APPROACH**

We believe that good corporate governance helps ensure that the Company is managed for the long-term benefit of our stockholders.

We regularly review and consider our corporate governance policies and practices, taking into account the U.S. Securities and Exchange Commission's corporate governance rules and regulations, the corporate governance standards of the New York Stock Exchange, and stockholder feedback.

Our Corporate Governance Guidelines provide a framework for the governance of the Company as a whole and describe the principles and practices that the Board follows in carrying out its responsibilities. Our <u>Code of Business Conduct and Ethics</u> (also referred to as Code of Conduct), publicly available on our website, is the centerpiece of our corporate ethics activities. It gives our employees guidance on how to uphold the law, how to interact with others, and how to keep us on the right path together as a team and as a Company. Our ethics and compliance strategy commitments are mapped to four action plan categories:

Written policies and procedures.

**Effective** training and communication.

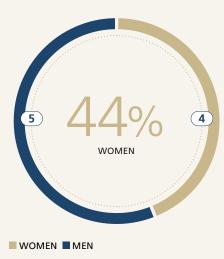
**Internal** monitoring, auditing and effectiveness assessment.

**Prompt** response to detected issues via corrective action and enforcement of standards via incentives and disciplinary measures.

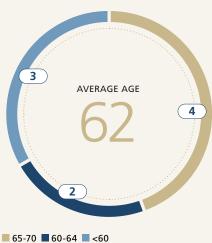
### GOVERNANCE, ETHICS AND COMPLIANCE

### CORPORATE GOVERNANCE AND ETHICS CONTINUED

#### **GENDER DIVERSITY**



#### **BOARD AGE**



#### **INDEPENDENT DIRECTORS**



#### **OUR KEY INITIATIVES**

#### **Board of Directors**

We are proud to have a diverse Board of Directors. In 2022 our Board composed of 44% women in 2022, with a diverse set of expertise including ESG, human capital management, DE&I, and regulatory and government relations. We provide the Board with educational opportunities on a quarterly basis by sharing information on continuing education courses and seminars to help them gain more in-depth knowledge about relevant subjects. For details on corporate governance, see *Our ESG Governance* and our *2023 Proxy Statement*.

#### **Corporate Ethics**

Guided by a strategic plan that focuses on our policies, training and communication, and monitoring and response, we are embedding and instilling ethics and integrity values across our business and operations.

In 2022, we refreshed and rolled out a new Code of Conduct applicable to all of our Directors, officers and associates. Graphical, interactive, and values-based, it is our associates' tool for making good decisions and bringing our policies and our values to life in their daily work.

For example, the Code of Conduct includes a Q&A section to help employees and business partners learn through concrete examples.

In addition to the Code of Conduct, we implemented several policies related to our commitment to ethical business practices: Anti-Corruption, Antitrust & Competition Law, Anti-Harassment & Discrimination, Conflicts of Interest, Equal-Employment Opportunity, and Whistle Blower & Non-Retaliation.

Training on our Code of Conduct is available to all our associates globally, with 95% of our associates <sup>17</sup> completing the custom-developed training in 2022. Associates are required to attest to the Code of Conduct annually. We also conduct regular training on ethics and compliance and cybersecurity. Regional training also exists including antiharassment training in the U.S. Globally, all new associates are provided training in anti-bribery and anti-corruption, antitrust, data privacy, and our Code of Conduct during the onboarding process.

In addition to training, we communicate the importance of ethical behavior and doing the right thing to our associates via Town Halls and management meetings, as well as posters promoting our 24/7 ethics hotline in every facility. We are a member of the Business Ethics Leadership Alliance (BELA), a global organization committed to advancing business integrity. Our BELA membership gives us the opportunity to share best practices with leaders around the world in the ethics and compliance space.

#### **Empowered to Speak Up**

Our associates are encouraged to report non-compliance with the Code of Conduct free of retaliation. The externally managed hotline called EthicsPoint, which operates 24/7, is one mechanism for stakeholders, including associates and vendors, to voice concerns. Reports can be made anonymously via a web interface or local telephone number.

In addition to the hotline, associates are encouraged to report non-compliance with our policies as part of our open-door policy by contacting their manager, the HR team, or the Legal Department.

Results are reported back and applicable actions or remediation is taken. It's interesting to note that while the number of reports has held steady, the number of anonymous reports has declined by 22% from 2019 to 2022, demonstrating that our culture of transparency and trust is taking hold.

## Corporate ethics data in 2022:

95%

OF ASSOCIATES TRAINED ON CODE OF CONDUCT<sup>17</sup>

96%

OF ASSOCIATES TRAINED ON ANTITRUST AND COMPETITION LAW<sup>17</sup>

92%

NEW HIRES TRAINED ON ONBOARDING CURRICULUM<sup>18</sup>

We know there's nothing more valuable than our Company's good name. We recognize the responsibilities we share to protect and enhance our reputation."

ANDREW RINK, VICE PRESIDENT, CHIEF COMPLIANCE OFFICER, JELD-WEN







# REGULATORY COMPLIANCE & RISK MANAGEMENT

Risk surveys and our ERM system help us identify, assess and manage risks. We work with an external vendors to conduct periodic risk assessments to determine top risks in each region. In 2022, our survey identified key compliance risks globally and in each region, and we used the results to prioritize and develop training and remediation efforts. In addition, our legal and ERM teams conducted separate assessments focusing on priority risks. Management regularly reports to the Audit Committee on ERM and compliance matters.

Business impact analysis and business continuity planning play a role in our physical risk assessments as we manage the risks around flood, fire and other climate-related topics. We first aligned these three elements in our 2022 assessment of our Dodson, Louisiana plant which manufactures door skins and is vertically integrated with our wood fiber plants. For more details on climate-related risk, see *Climate Change*.

#### GOVERNANCE, ETHICS AND COMPLIANCE: WHAT'S NEXT

Our attention to governance and ethics will continue to be areas of focus. In 2023, we plan to launch a policy life cycle management tool designed to allow us to publish polices, communicate them directly to associates, and give them the ability to attest to specific polices, all within a single tool.



# SUSTAINABLE PROCUREMENT



#### **OUR APPROACH**

We are dedicated to ensuring a sustainable supply base. Not only are we committed to the responsible sourcing of materials for our products, but we expect that our suppliers are also committed to the highest standards of behavior.

Our <u>Supplier Code of Conduct</u>, which is part of our standard business contract, addresses Labor & Human Rights, Health & Safety, Environment, Ethics, and Gift & Entertainment Guidelines, and sets forth minimum workplace and business practice standards for any supplier doing business with JELD-WEN. We require suppliers and their employees to commit to this Code of Conduct as a condition of doing business.

#### **OUR KEY INITIATIVES**

#### **Supplier Review and Assessment**

Our commitment to sustainable procurement begins before a contract is signed. Prior to engaging in business with a supplier, and throughout the term of the relationship, JELD-WEN assesses the supplier's compliance with our ethical standards.

Working with a third-party risk and compliance assessment tool, we review and rate new suppliers and vendors on adverse media, sanctions, watch lists, and politically exposed persons. If we identify a supplier as non-compliant, we either cease working with the vendor or work with the vendor until they are compliant, depending on the compliance issue.

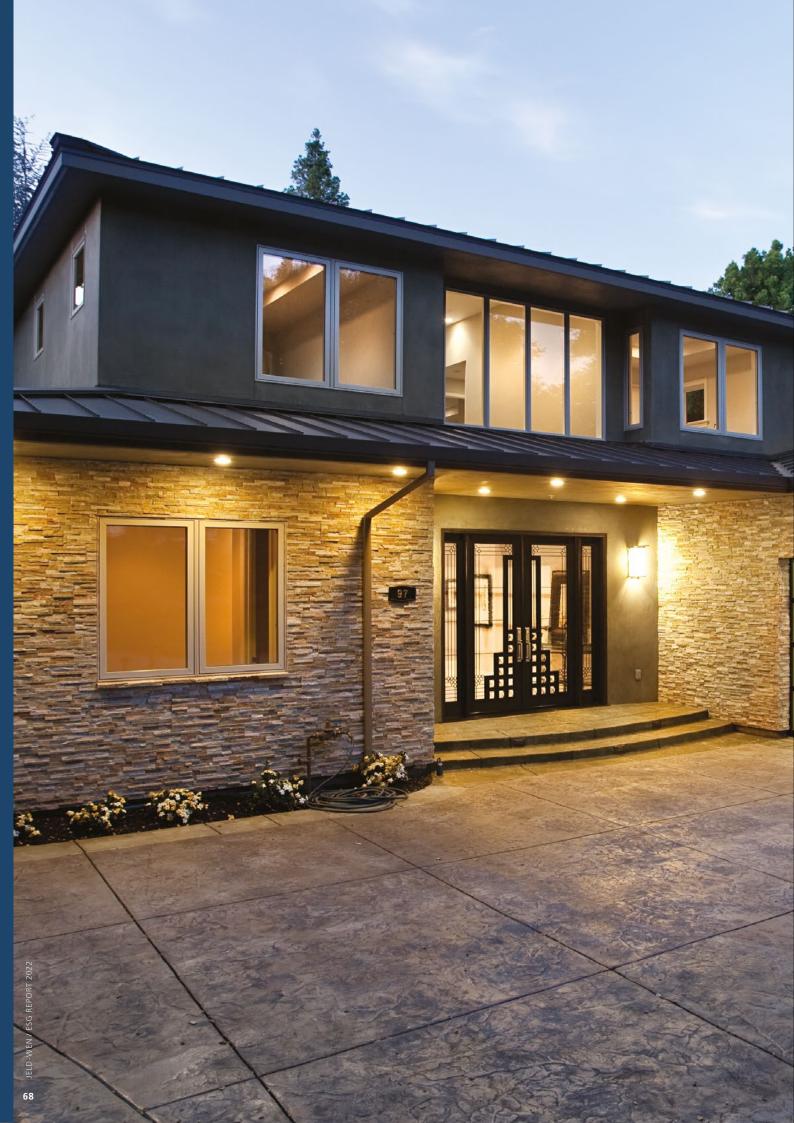
Employees who are responsible for supply chain-related decisions at JELD-WEN receive training on identifying and addressing unethical behavior in our supply chain.

At least annually, our management team reviews our exposure to various supply chain risks to assess whether our policies and procedures appropriately identify and address such risks. We evaluate our supply chain and identify high-risk exposures on a number of parameters, including known risks and country location. When issues are identified, we work with the relevant suppliers to help them improve. For more details on our approach to risk management, see <u>Regulatory Compliance and Risk Management</u>.

For more details on our supply chain, see Partnering with Our Suppliers to Protect the Environment.

## **SUPPLY CHAIN:** WHAT'S NEXT

Keeping the lines of communication open with our suppliers will be key to embedding sustainability throughout our supply chain and achieving our ESG goals and commitments. We plan to continue our dialog with suppliers and to expand our Supplier Summit in 2023 to include some of our European suppliers.



# DATA & DISCLOSURE

We strive to communicate our impacts and progress in a transparent and straightforward way, and we are committed to back up our narrative with credible data. By adopting different frameworks and standards, we are structuring and continuously improving our ESG disclosure, while answering to our stakeholders' expectations.

# JELD-WEN / ESG REPORT 2022

## **ABOUT THIS REPORT**

JELD-WEN's ESG Report is published annually, and it aligns with ESG best practice reporting frameworks and standards such as the SASB for our industry 'Building Products & Furnishings', the Revised GRI Standards (2021) and the TCFD. The information reported covers the period January 1, 2022 to December 31, 2022, unless otherwise stated, and includes data about JELD-WEN Holding, Inc. and its consolidated subsidiaries, capturing the same entities and reporting period as our financial reports.

As we improve our ESG reporting, we note that it may be necessary to restate our data. Reasons for restatements could include changes in reporting boundaries, metric definitions or calculation methodologies. We will highlight the restated items and reasons for restatement if we believe it would be meaningful information. This report includes information that has been restated due to the divestiture

of the Company's Australasia business. For each instance where there has been a restatement of information compared to last year's report, we pointed it out through footnotes or in the text of this report. Additional restatements include a change in certified wood percentage due to a change in the definition. Further, energy and waste data has been restated as some data has been reclassified.

The publication date of this report is October 10, 2023.

Data was validated by our Internal Audit and Financial Reporting departments to ensure accuracy and consistency. The information reported related to Scope 1, Scope 2 (location-based) and Scope 2 (market-based) GHG emissions has been externally assured. Our Independent Assurance Statement can be found in the Independent Assurance Statement section.

#### **ASSOCIATION MEMBERSHIPS**

Our participation in organizations, including the ones listed below, gives us the opportunity to influence policy, share best practices and highlight JELD-WEN's achievements.

- American Society of Testing & Materials
- Business Ethics Leadership Alliance
- The Conference Board EHS Executives
- The Conference Board Harvard Joint Center for Housing Studies
- European EHS Group and Occupational Safety & Health Group
- Fenestration & Glazing Industry Alliance
- National Accreditation & Management Institute
- National Association of Corporate Directors
- National Association for Environmental, Health & Safety, and Sustainability Management
- National Association of Homebuilders
- National Association of Manufacturers
- National Council for Air and Stream Improvement
- National Fenestration Rating Council
- National Safety Council
- North Carolina Chamber of Commerce
- Window & Door Manufacturers Association



# FORWARD-LOOKING STATEMENT

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms 'anticipate,' 'believe,' 'continue,' 'could,' 'estimate,' 'expect,' 'intend,' 'likely,' 'may,' 'plan,' 'possible,' 'potential,' 'predict,' 'project,' 'should,' 'target,' 'will,' 'would' and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts are forward-looking statements, including statements regarding our business strategies and related business and stakeholder impacts and our ability to execute on our plans, initiatives, projections, goals and commitments, all of which involve risks and uncertainties that could cause actual results to differ materially.

For a discussion of these risks and uncertainties, please refer to our Annual Report on Form 10-K for the year ended December 31, 2022 and our other filings with the U.S. Securities and Exchange Commission. Do not unduly rely on forward-looking statements as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and we do not undertake to update or revise them to reflect changes, new information, or events that occur after that date, except as required by law.

This report does not cover all information about our business. References in this report to information should not be construed as a characterization regarding the materiality of such information to our financial results. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with U.S. federal securities laws.

# MATERIAL TOPIC DEFINITIONS

# **ENVIRONMENTAL**

MATERIAL TOPIC	DEFINITION
Air Quality	<ul> <li>Manage air quality and reduce pollutants from manufacturing and operations (including NOx, SOx, PM10, dioxins/furans, VOCs, PAHs, heavy metals).</li> </ul>
Climate Change	<ul> <li>Shape and drive consumer demand for and adoption of energy-efficient products.</li> <li>Expand offering of energy-efficient products, setting standard as vendor-of-choice in green buildings.</li> <li>Partner with customers who are leaders in green building and optimize our product portfolio to meet their needs.</li> <li>Reduce GHG emissions through actions to address the largest sources of emissions.</li> </ul>
Ecological Impacts & Biodiversity	<ul> <li>Protect and restore cultivated and natural biodiversity.</li> <li>Enhance the management, restoration, and protection of high-value natural ecosystems.</li> </ul>
Innovation & Research	<ul> <li>Pursue breakthrough science for new materials (e.g., materials science investment for doors).</li> <li>Develop leading research capability to support broader ESG agenda.</li> </ul>
Sustainable Materials & Circular Economy	<ul> <li>Use virgin materials derived from sustainable practices (including sustainable forestry).</li> <li>Source and procure processed materials with minimized GHG emissions.</li> <li>Increase proportion of products made from recycled materials and volume of recycled content across the full product portfolio.</li> <li>Design products for circular end-of-use disposal, either for use as inputs in own products or by others.</li> <li>Work with partners to operate circular logistics and business models, both downstream and upstream.</li> </ul>
Waste & Hazardous Materials	<ul> <li>Minimize waste generated, divert waste from landfills to be reused or recycled.</li> <li>Ensure waste and hazardous materials are properly treated to prevent them from damaging the environment.</li> </ul>
Water & Wastewater	<ul> <li>Measure and reduce total fresh water withdrawn from local sources, especially in regions with high baseline water stress.</li> <li>Develop innovative processes to recycle and reuse wastewater.</li> </ul>

# SOCIAL

MATERIAL TOPIC	DEFINITION
Community Engagement, Access & Affordability	<ul> <li>Create positive socio-economic impact for key stakeholders through community engagement, fundraising, and social justice.</li> <li>Ensure broad access of products and services for different populations.</li> <li>Support and raise awareness of the critical need for affordable housing through direct initiatives, donations, and partnerships.</li> </ul>
Customer Experience & Well-being	<ul> <li>Design top-of-the-line products for home/building safety and security.</li> <li>Develop products that benefit customers and consumers by enhancing the home environment.</li> <li>Improve product installability and safety.</li> <li>Deliver customer and consumer satisfaction.</li> <li>Generate value and brand loyalty.</li> </ul>
Diversity, Equity & Inclusion	<ul> <li>Ensure culture, hiring, and promotion practices embrace the building of a diverse, equitable, and inclusive workforce that reflects the makeup of local talent pools and customer base.</li> <li>Address issues of unconscious bias, especially those based on race, gender, religion, ethnicity, or sexual orientation.</li> </ul>
Health & Safety	<ul> <li>Implement best-in-class safety management systems, standards, and training requirements for associates and auditors to help prevent workplace injuries, fatalities, and illness.</li> <li>Conduct regular audits of own operations and those of subcontractors to ensure compliance with implemented systems and standards.</li> <li>Develop products and partnerships that support the health and safety of customers and consumers (e.g., builders).</li> <li>Promote safety mindfulness at home and in community spaces.</li> </ul>
Recruiting, Development & Retention	<ul> <li>Uphold labor and compensation standards in the workforce, including minimum wage, overtime pay, provision of benefits, and wage non-discrimination.</li> <li>Develop, implement, and communicate associate recruitment and retention strategies with coverage of topics such as internal management, respect for diversity and shared values, career development opportunities, work-life balance programs, and associate recognition.</li> </ul>

# **GOVERNANCE**

MATERIAL TOPIC	DEFINITION
Company Financial Performance	Maintain consistent and transparent financial reporting — incorporating vision for short- and long-term business goals.
	Implement and scale business strategies that improve the overall profitability of the organization.
Corporate Governance	Align business strategies and risk management activities with the Company's goals.
& Ethics	Drive values of accountability, honesty, and integrity through the organization.
	Refine internal monitoring processes to manage enterprise risk.
	<ul> <li>Develop leading approach to managing risks wherever we work — such as fraud, corruption, bribery, anti-competitive behavior — and identify opportunities to reinforce our commitment to ethical conduct of business.</li> </ul>
	Link executive compensation to ESG performance.
Product Quality & Safety	Develop products that meet customer expectations and do not pose health and safety risks to end-users.
	<ul> <li>Conduct rigorous product testing and raw material management to ensure product performance and sustainability.</li> </ul>
Regulatory Compliance	Align key stakeholders to regulatory engagement and compliance at large.
& Risk Management	<ul> <li>Implement practices and improve safeguards that reduce risks resulting from systemic failure, such as weakening or collapse of financial, natural resource, and technological systems.</li> </ul>
Sustainable Procurement	Select suppliers with products derived from sustainable practices and with lower environmental impacts.
	<ul> <li>Promote awareness and create accountability for human rights abuses, ethical labor practices, and anti-corruption guards that suppliers must consider in their operations.</li> </ul>
	Support the growth and development of key suppliers across regions.
Transparency, Reporting	Build integrated sustainability reporting and corporate transparency into the Company's ethos.
& Accountability	<ul> <li>Establish ESG goal-setting, transparency, and reporting, with data and publications validated by external standards.</li> </ul>
	<ul> <li>Develop standardized processes to enable the measurement of efficiency and sustainability in operations across sites and regions.</li> </ul>

# **ESG DATA**

### **OUR PROGRESS**

ESG Goal Performance	2022	2021
GHG emissions — Scopes 1 & 2 (market-based) (metric tons CO <sub>2</sub> -e)	255,272	266,797
Total landfill waste (non-hazardous and hazardous) (metric tons)	62,613	67,180
Percent of wood from third-party certified forestlands	45%	42%
Percent of recycled materials used in primary products	10%	3%

Market-based emission factors are used wherever possible and supplemented with location-based data where market-based data is not available.

2021 North America wood data is from four of our largest wood vendors. 2022 North America wood data includes an additional four wood vendors totaling to eight.

Recycled materials data represents certified, renewable wood over total direct materials purchased covering approximately 74% of global spend in 2021 and 73% in 2022.

2021 data only includes North America spend. Australasia is excluded from 2022 and 2021 data.

### **ENVIRONMENTAL**

GHG emissions	2022	2021
Scope 1 GHG emissions (metric tons CO <sub>2</sub> -e)	93,101	96,758
Scope 2 GHG emissions (location-based) (metric tons CO <sub>2</sub> -e)	166,378	175,789
Scope 2 GHG emissions (market-based) (metric tons CO <sub>2</sub> -e)	162,170	170,038
GHG emissions — Scopes 1 & 2 (metric tons CO <sub>2</sub> -e)	255,272	266,797
GHG intensity based on revenue (millions, excluding AUA) (Scopes 1 and 2)	56.18	63.80
Emissions from biomass	CH <sub>4</sub> : 32,979,233 g N <sub>2</sub> O: 16,489,617 g CO <sub>2</sub> : 0 g	CH <sub>4</sub> : 21,473,491 g N <sub>2</sub> O: 10,736,745 g CO <sub>2</sub> : 0 g
North America GHG emissions — Scope 1 (metric tons CO <sub>2</sub> -e)	85,078	86,451
North America GHG emissions — Scope 2 (market-based) (metric tons CO <sub>2</sub> -e)	138,320	136,964
North America GHG emissions — Scope 2 (location-based) (metric tons CO <sub>2</sub> -e)	138,320	136,964
North America GHG emissions — Scopes 1 & 2 (metric tons CO <sub>2</sub> -e)	223,398	223,415
Europe GHG emissions — Scope 1 (metric tons CO <sub>2</sub> -e)	8,023	10,307
Europe GHG emissions — Scope 2 (market-based) (metric tons CO <sub>2</sub> -e)	23,850	33,074
Europe GHG emissions — Scope 2 (location-based) (metric tons CO <sub>2</sub> -e)	28,058	38,825
Europe GHG emissions — Scopes 1 & 2 (metric tons CO <sub>2</sub> -e)	31,873	43,381

 $Biomass\ emissions\ calculated\ using\ the\ EPA\ emission\ factors\ for\ grams\ per\ Metric\ Million\ British\ Thermal\ Unit\ (MMBTu).$ 

# **ESG DATA CONTINUED**

### Climate-related risks

Туре	Identified risks	Description
Transition Risks	Current regulation	Current climate-related regulations can be relevant to our manufacturing and design processes. The geographic breadth of our facilities, the nature of our operations, and many of our products are also subject to various climate-related laws and regulations.
	Emerging regulation	Emerging regulations are monitored by our legal and compliance department along with the ERM department and applicable regional teams, and we engaged a third-party consultant to review our upcoming European climate-related regulations and provide feedback on our implementation roadmaps.
	Technology	Changes in supply and demand due to technology change are monitored across the regions. In Europe, products with lower embodied carbon are favored by some consumers. By making our operations as efficient as possible through upgrading inefficient equipment like air compressors, we reduce the carbon required to make a product.
	Legal	As a public company with global operations, we are subject to the laws and regulations of the United States and multiple foreign jurisdictions.
	Market	We monitor market risks including changing customer behavior, uncertainty in market signals, and supply chain pressure in our ERM processes. We recognize different regional preferences for certain materials and products. For example, our energy-efficient windows are a strong preference in the United States. In Europe, some consumers have a heightened focus on embodied carbon.
	Reputation	Reputational risks such as shifts in consumer preferences and increased stakeholder concern or negative stakeholder feedback could impact JELD-WEN. Reputational risks are monitored in the ERM process.
Physical Risks	Acute physical	Our climate-related risk assessment identified the increased intensity and/or frequency of extreme natural occurrences (hurricanes, floods, wildfires, etc.) as acute physical risks. These could lead to the closure of our facilities and other direct damages. We can take steps to minimize losses by reviewing insurance for adequate coverage and applying for additional coverage, as appropriate.
	Chronic physical	The consequences of climate change might lead to a higher risk of drought and reduced supplies of water. Some of our facilities rely on water to produce steam to form door skins, and ensuring access to water and using water responsibly is our priority. To address these pressures, we are monitoring our current water use and exploring water reuse opportunities to reduce our water usage.

Energy	2022	2021
Total energy consumed (GJ)	4,932,543	4,712,417
Electricity consumption (GJ)	2,072,271	2,149,323
Percent of renewable electricity	6%	5%
Percent of grid electricity	94%	95%
Energy intensity ratio based on revenue (millions)	1,086	1,127
North America energy consumed (GJ)	3,275,091	3,228,190
North America electricity (GJ)	1,508,118	1,545,559
Europe energy consumed (GJ)	1,657,452	1,484,227
Europe electricity (GJ)	564,153	603,764
Energy comprises of energy from all external and self-generated sources including purchased electricity, heating, stea Australasia is excluded from 2022 and 2021 data.	m and direct fuel usage.	
Waste (metric tons)	2022	2021
Total waste generated (non-hazardous and hazardous)	273,064	287,661
Total waste disposed (landfill) (non-hazardous and hazardous)	62,613	67,180
Percent of total waste that is hazardous	1%	1%
Non-Hazardous Waste		
Non-hazardous waste diverted from disposal	88,697	72,340
Non-hazardous waste directed to disposal	182,772	213,590
Non-hazardous waste directed to disposal (landfill)	62,367	66,932
Non-hazardous waste directed to disposal (incineration with energy recovery)	115,235	126,369
Non-hazardous waste directed to disposal (incineration without energy recovery)	5,171	20,289
Non-hazardous waste diverted from disposal (recycling)	88,683	72,208
Non-hazardous waste diverted from disposal (preparation for reuse)	14	132
Hazardous Waste		
Hazardous waste diverted from disposal	233	168
Hazardous waste directed to disposal	1,362	1,563
Hazardous waste directed to disposal (landfill)	246	248
Hazardous waste directed to disposal (incineration with energy recovery)	611	237
Hazardous waste directed to disposal (incineration without energy recovery)	504	1,078

Australasia is excluded from 2022 and 2021 data.

Hazardous waste diverted from disposal (recycling)

168

233

### **ESG DATA CONTINUED**

Environmental Certifications	2022
Number of facilities certified to ISO 14001	4
Number of facilities certified to ISO 50001	7
Number of facilities certified to Eco-Management and Audit Scheme (EMAS)	1

Wood	2022	2021
Amount of wood fiber materials purchased (m³)	1,334,338	1,321,299
Percent certified from third-party forestlands	45%	42%
Europe amount of wood fiber materials purchased (m³)	730,382	896,150
Europe percent from third-party certified forestlands	86%	83%
North America amount of wood fiber materials purchased (m³)	603,956	425,149
North America percent from third-party certified forestlands	84%	90%
North America amount of wood fiber materials purchased (air dried metric tons)	308,039	212,690

2021 North America wood data is from four of our largest wood vendors. 2022 North America wood data includes an additional four wood vendors totaling to eight. Australasia is excluded from 2022 and 2021 data.

Recycled Materials	2022	2021
Percent of recycled materials used in primary products	10%	3%

Recycled materials data represents certified, renewable wood over total direct materials purchased covering approximately 74% of global spend in 2021 and 73% in 2022. 2021 data only includes North America spend.

### SOCIAL

Health and Safety	2022	2021	2020
Total recordable injury rate	3.9	4.1	3.6
Lost time injury rate	1.3	1.7	1.4
Serious injuries and fatalities rate	0.08	0.13	0.09
Total serious injuries	92	99	N/A
Number of EHS inspections completed (MyEHS)	6,917	N/A	N/A
Number of cases of recordable work-related ill health	0	17	N/A
The rate of high-consequence work-related injuries (excluding fatalities)	0.50	N/A	N/A
Rate of recordable work-related injuries	3.85	N/A	N/A
The rate of fatalities as a result of work-related injury	0%	N/A	N/A
ShareIt closure rate	99%	98%	N/A
Corrective action closure rate (ATS)	90%	N/A	N/A

Australasia is excluded from 2022 and 2021 data.

DE&I	2022	2021	2020
Percent of workforce that is female	25%	24%	24%
Percent of workforce that is male	75%	76%	76%
Percent of Board of Directors that is female	44%	33%	25%
Percent of executives that is female	20%	10%	10%
Percent of management that is female	21%	21%	20%
Percent of senior management that is female	25%	20%	25%
Percent of middle management that is female	23%	21%	20%
Percent of early management that is female	20%	19%	20%
Percent of professionals that is female (Career Track)	29%	46%	45%
Percent of production that is female (Career Track)	21%	19%	20%
Percent of employees under 30 years old	19%	N/A	N/A
Percent of employees ages 30-50 years old	48%	N/A	N/A
Percent of employees ages over 50 years old	33%	N/A	N/A
United States Data Metrics			
Percent of workforce that is ethnically diverse	33%	34%	27%
Percent of executives that are ethnically diverse	14%	22%	20%
Percent of senior management that is ethnically diverse	8%	8%	13%
Percent of middle management that is ethnically diverse	11%	11%	10%
Percent of early management that is ethnically diverse	19%	20%	20%
Percent of management that is ethnically diverse (Career Track)	16%	17%	16%
Percent of professionals that is ethnically diverse (Career Track)	18%	20%	19%
Percent of production that is diverse (Career Track)	37%	39%	29%

Executives = members of the Senior Leadership Team (SLT). Management = individuals who have a direct report. Senior management = executives and their direct reports (not including admin and support staff). Middle management = one level below senior management. Early management = one level below middle management, directly responsible for front line staff. Career Track = career path associated with an individual's job title. Production = staff that performs work directly tied to the creation of a product. Professionals = non-production roles. Does not include office hourly/support positions. Ethnically diverse = self-reported race, all non-white categories. Australasia is excluded from 2022 data.

### **ESG DATA CONTINUED**

Employees	2022	2021
North America employees	12,038	12,544
North America male employees	8,939	9,339
North America female employees	3,093	3,195
North America other or undisclosed	6	10
Europe employees	7,246	7,575
Europe male employees	5,431	5,721
Europe female employees	1,812	1,851
Europe other or undisclosed	3	3

Training	2022
Average hours of training per year	5
Average hours of training per year for executives	29
Average hours of training per year for production employees	1
Average hours of training per year for support employees	3
Average hours of training per year for contingent workers	1
Average hours of training per year for management	7
Average hours of training per year for professionals	6

Training is based on employees who fall under the executive, management, professional, and support career tracks in JELD-WEN's Performance Management Program.

### **GOVERNANCE**

Product Emissions	2022	2021
North America percent of eligible products meeting VOC emissions and content standards	96.1%	95.9%
Europe/Percentage of eligible products meeting VOC emissions and content standards	Not tracked regionally	Not tracked regionally
Ethics and Compliance	2022	2021
Percent of employees trained on code of conduct	95%	99%
Percent of global new hires trained on onboarding curriculum	92%	N/A
Percent of global new hires trained on onboarding curriculum  Percent of employees trained on Antitrust & Competition Law and code cert	92% 96%	N/A N/A

Topic training frequency is guided by our strategic plan that evaluates business priority. Prior to 2022, workplace harassment training was only conducted annually for employees in California. Australasia is excluded from 2022 data.

# **GRI CONTENT INDEX**

JELD-WEN has reported the information cited in this GRI content index for the period January 1, 2022 to December 31, 2022 with reference to the GRI Standards and in line with GRI 1: Foundation 2021.

DISCLOSURE #	DISCLOSURE TOPIC	2022 RESPONSE
General Disclosu	res	
The Organization	n and its Reporting Practices	
2-1	Organizational details	ESG Report 2022: • Introduction, Who We Are, page 10  Annual Report 2022, pages 9-17
2-2	Entities included in the organization's sustainability reporting	ESG Report 2022:  Data & Disclosure, About this report, page 70
2-3	Reporting period, frequency and contact point	ESG Report 2022:  Data & Disclosure, About this report, page 70  Back cover
2-4	Restatements of information	ESG Report 2022:  Data & Disclosure, About this report, page 70
2-5	External assurance	ESG Report 2022:  • Data & Disclosure, Independent Assurance Statement, page 90
Activities and W	orkers	
2-6	Activities, value chain, and other business relationships	<ul> <li>ESG Report 2022:</li> <li>Introduction, Who We Are, page 10</li> <li>Introduction, Stakeholder Engagement, page 18</li> <li>Governance, Supply Chain, Sustainable Procurement, page 67</li> <li>Annual Report 2022, pages 9-17</li> </ul>
2-7	Employees	<ul> <li>ESG Report 2022:</li> <li>Introduction, Who We Are, page 10</li> <li>Social, Diversity, Equity &amp; Inclusion, Demographics, page 52</li> <li>Annual Report 2022, page 14</li> </ul>
Governance		
2-9	Governance structure and composition	ESG Report 2022: • Introduction, Our ESG Governance, page 13  Proxy statement 2023, pages 7-22
2-10	Nomination and selection of the highest governance body	Proxy statement 2023, pages 14-16
2-11	Chair of the highest governance body	Proxy statement 2023, page 10
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Report 2022: • Introduction, Our ESG Governance, page 13  Proxy statement 2023, page 8
2-13	Delegation of responsibility for managing impacts	ESG Report 2022: • Introduction, Our ESG Governance, page 13  Proxy statement 2023, page 8
2-14	Role of the highest governance body in sustainability reporting	ESG Report 2022:  Introduction, Our ESG Governance, page 13
2-15	Conflicts of interest	Code of Business Conduct and Ethics, pages 21-22
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# GRI CONTENT INDEX CONTINUED

DISCLOSURE #	DISCLOSURE TOPIC	2022 RESPONSE	
2-16	Communication of critical concerns	Code of Business Conduct and Ethics, page 7-11	
2-17	Collective knowledge of the highest governance body	ESG Report 2022: • Introduction, Our ESG Governance, page 13  Proxy statement 2023, pages 14-15	
2-18	Evaluation of the performance of the highest governance body	Proxy statement 2023, pages 22-48	
2-19	Remuneration policies	Proxy statement 2023, pages 22-55	
2-20	Process to determine remuneration	Proxy statement 2023, pages 22-55	
2-21	Annual total compensation ratio	Proxy statement 2023, page 56	
Strategy, Policies	s, and Practices		
2-22	Statement of sustainable strategy	ESG Report 2022: • Introduction, CEO Letter, page 04	
2-23	Policy commitments	ESG Report 2022: Governance, Corporate Governance & Ethics, page 63 Governance, Sustainable Procurement, page 67 Code of Business Conduct and Ethics	
2-24	Embedding policy commitments	<ul> <li>ESG Report 2022:</li> <li>Introduction, Our ESG Governance, page 13</li> <li>Governance, Corporate Governance &amp; Ethics, page 63</li> <li>Governance, Sustainable Procurement, page 67</li> <li>Code of Business Conduct and Ethics</li> </ul>	
2-25	Processes to remediate negative impacts	ESG Report 2022:  Governance, Corporate Governance & Ethics, Empowered to Speak Up, page 65	
2-26	Mechanisms for seeking advice and raising concerns	ESG Report 2022:  • Governance, Corporate Governance & Ethics, Empowered to Speak Up, page 65  Code of Business Conduct and Ethics, pages 7-11	
2-27	Compliance with laws and regulations	ESG Report 2022:  • Environment, Environmental Management, page 33	
2-28	Membership associations	ESG Report 2022:  Introduction, Stakeholder Engagement, page 18	
Stakeholder Eng	agement		
2-29	Approach to stakeholder engagement	ESG Report 2022:  Introduction, Stakeholder Engagement, page 18	
2-30	Collective bargaining agreements	Annual Report 2022, page 14	
<b>Material Topics</b>			
3-1	Process to determine material topics	ESG Report 2022:  Introduction, Materiality Assessment, page 17	
3-2	List of material topics	ESG Report 2022: Introduction, Materiality Assessment, page 17 Data & Disclosure, Material Topics Definitions, page 72	

DISCLOSURE #	DISCLOSURE TOPIC	2022 RESPONSE		
Topic-Specific Standards				
Material Topic: Corporate Governance & Ethics GRI 205: Anti-corruption (2016)				
3-3	Management of material topics	<ul> <li>ESG Report 2022:</li> <li>Introduction, Our ESG Governance, page 13</li> <li>Introduction, Our ESG Framework, page 16</li> <li>Governance, Corporate Governance &amp; Ethics, page 63</li> <li>Code of Business Conduct and Ethics, pages 31-32</li> </ul>		
205-2	Communication and training about anti- corruption policies and procedures	ESG Report 2022:  Data & Disclosure, ESG Data, Ethics and Compliance, page 80		
Material Topic: S GRI 301: Materia	ustainable Materials & Circular Economy ls (2016)			
3-3	Management of material topics	<ul> <li>ESG Report 2022:</li> <li>Introduction, Our ESG Governance, page 13</li> <li>Introduction, Our ESG Framework, page 16</li> <li>Environment, Products' Environmental Impacts, Sustainable Materials &amp; Circular Economy, page 36</li> </ul>		
301-1	Materials used by weight or volume	<ul> <li>ESG Report 2022:</li> <li>Environment, Products' Environmental Impacts, Sustainable Materials &amp; Circular Economy, page 36</li> <li>Data &amp; Disclosure, ESG Data, Wood, page 78</li> </ul>		
301-2	Recycled input materials used	<ul> <li>ESG Report 2022:</li> <li>Environment, Products' Environmental Impacts, Sustainable Materials &amp; Circular Economy, Recycling and Reusing Raw Materials and Products, page 40</li> <li>Data &amp; Disclosure, ESG Data, Recycled Materials, page 78</li> </ul>		
301-3	Reclaimed products and their packaging materials	ESG Report 2022:  • Environment, Innovation & Research, Our Key Initiatives, page 42		
Material Topic: Climate Change GRI 302: Energy (2016)				
3-3	Management of material topics	ESG Report 2022: Introduction, Our ESG Governance, page 13 Introduction, Our ESG Framework, page 16 Environment, Climate Change, page 24 Environment, Energy-Efficient Products, page 41		
302-1	Energy consumption within the organization	<ul> <li>ESG Report 2022:</li> <li>Environment, Climate Change, Managing our Energy Consumption and Renewable Energy, page 27</li> <li>Data &amp; Disclosure, ESG Data, Energy, page 77</li> </ul>		

# GRI CONTENT INDEX CONTINUED

DISCLOSURE #	DISCLOSURE TOPIC	2022 RESPONSE
302-3	Energy intensity	<ul> <li>ESG Report 2022:</li> <li>Environment, Climate Change, Managing our Energy Consumption and Renewable Energy, page 27</li> <li>Data &amp; Disclosure, ESG Data, Energy, page 77</li> </ul>
302-4	Reduction of energy consumption	ESG Report 2022: • Environment, Climate Change, page 24 • Data & Disclosure, ESG Data, Energy, page 77
Material Topic: C GRI 305: Emission		
3-3	Management of material topics	<ul><li>ESG Report 2022:</li><li>Introduction, Our ESG Governance, page 13</li><li>Introduction, Our ESG Framework, page 16</li><li>Environment, Climate Change, page 24</li></ul>
305-1	Direct (Scope 1) GHG emissions	ESG Report 2022:  • Environment, Climate Change, Measuring Emissions, page 26  • Data & Disclosure, ESG Data, GHG emissions, page 75
305-2	Energy indirect (Scope 2) GHG emissions	ESG Report 2022:  • Environment, Climate Change, Measuring Emissions, page 26  • Data & Disclosure, ESG Data, GHG emissions, page 75
305-4	GHG emissions intensity	ESG Report 2022: • Environment, Climate Change, Measuring Emissions, page 26
305-5	Reduction of GHG emissions	ESG Report 2022: • Environment, Climate Change, page 24 • Data & Disclosure, ESG Data, GHG emissions, page 75
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ESG Report 2022: • Environment, Air Quality, page 34 • Governance, Product Quality & Safety, page 61

DISCLOSURE #

# GRI CONTENT INDEX CONTINUED

DISCLOSURE #	DISCLOSURE TOPIC	2022 RESPONSE
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG Report 2022: • Social, Health & Safety, Preventing Serious Injuries & Fatalities, page 48
403-8	Workers covered by an occupational health and safety management system	ESG Report 2022:  Social, Health & Safety, Our Approach, page 47
403-9	Work-related injuries	<ul> <li>ESG Report 2022:</li> <li>Social, Health &amp; Safety, Our Goals and Commitments, page 46</li> <li>Social, Health &amp; Safety, Positive Progression for Health &amp; Safety Metrics, page 48</li> <li>Data &amp; Disclosure, ESG Data, Health and Safety, page 76</li> </ul>
403-10	Work-related ill health	ESG Report 2022: • Social, Health & Safety, Environmental, Health & Safety Management System (EHSMS), page 47
	Diversity, Equity & Inclusion sy and Equal Opportunities (2016)	
3-3	Management of material topics	<ul> <li>ESG Report 2022:</li> <li>Introduction, Our ESG Governance, page 13</li> <li>Introduction, Our ESG Framework, page 16</li> <li>Social, Diversity, Equity &amp; Inclusion, page 50</li> </ul>
405-1	Diversity of governance bodies and governance	ESG Report 2022:  Social, Diversity, Equity & Inclusion, Demographics, page 52  Data & Disclosure, ESG Data, DE&I, page 77
Material Topic: P	roduct Quality & Safety	
3-3	Management of material topics	<ul><li>ESG Report 2022:</li><li>Introduction, Our ESG Governance, page 13</li><li>Introduction, Our ESG Framework, page 16</li><li>Governance, Product Quality &amp; Safety, page 61</li></ul>

# SASB INDEX

The table below references the SASB Standard for the Building Products & Furnishings industry, as defined by SASB's Sustainable Industry Classification System.

TOPIC	SASB CODE	REQUESTED METRIC	2022 RESPONSE
Energy Management in Manufacturing	CG-BF-130a.1	(1) Total energy consumed	ESG Report 2022:  Data & Disclosure, ESG Data, Energy, page 77
	CG-BF-130a.1	(2) Percentage grid electricity	ESG Report 2022:  Data & Disclosure, ESG Data, Energy, page 77
	CG-BF-130a.1	(3) Percentage renewable	ESG Report 2022:  Data & Disclosure, ESG Data, Energy, page 77
Management of Chemicals in Products	CG-BF-250A.1	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	ESG Report 2022:  Governance, Product Quality & Safety, page 61
	CG-BF-250A.2	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	<ul><li>ESG Report 2022:</li><li>Data &amp; Disclosure, ESG Data, Product Emissions, page 80</li></ul>
Product Life Cycle Environmental Impacts	CG-BF-410a.1	Description of efforts to manage product life cycle impacts and meet demand for sustainable products	<ul> <li>ESG Report 2022:</li> <li>Environment, Climate Change, Measuring Emissions, page 26</li> <li>Environment, Sustainable Materials &amp; Circular Economy, page 36</li> </ul>
	CG-BF-410a.2	Weight of end-of-life material recovered (metric tons)	<ul> <li>ESG Report 2022:</li> <li>Environment, Waste &amp; Hazardous Materials, Our Key Initiatives, page 30</li> <li>Environment, Sustainable Materials &amp; Circular Economy, Recycling and Reusing Raw Materials and Products, page 40</li> <li>Data &amp; Disclosure, ESG Data, Waste, page 77</li> </ul>
		Percentage of recovered materials recycled	<ul> <li>ESG Report 2022:</li> <li>Environment, Waste &amp; Hazardous Materials, Our Key Initiatives, page 30</li> <li>Environment, Sustainable Materials &amp; Circular Economy, Recycling and Reusing Raw Materials and Products, page 40</li> <li>Data &amp; Disclosure, ESG Data, Waste, page 77</li> </ul>

# SASB INDEX CONTINUED

TOPIC	SASB CODE	REQUESTED METRIC	2022 RESPONSE
Wood Supply Chain Management	CG-BF-430a.1	Total weight of wood fiber materials purchased	ESG Report 2022:  Data & Disclosure, ESG Data, Wood, page 78
		Percentage of wood fiber materials from third-party certified forestlands	ESG Report 2022:  Data & Disclosure, ESG Data, Wood, page 78
		Percentage of wood fiber materials by standard	ESG Report 2022:  • Environment, Sustainable Materials & Circular Economy, Sustainable Wood Sourcing and Certification, page 38
		Percentage of wood fiber materials certified to other wood fiber standards	<ul> <li>ESG Report 2022:</li> <li>Environment, Sustainable Materials &amp; Circular Economy, Sustainable Wood Sourcing and Certification, page 38</li> </ul>
		Note to CG-BF-430a.1	ESG Report 2022: • Environment, Sustainable Materials & Circular Economy, page 36
Activity Metric	CG-BF-000.A	Annual production	ESG Report 2022: • Introduction, Who We Are, page 10

# TCFD INDEX

This Report aligns with the recommendations from the TCFD, our voluntary disclosure on climate-related risks and opportunities.

The Index below includes our responses to each of the 11 recommendations of TCFD.

CORE ELEMENTS		RECOMMENDED DISCLOSURES	2022 RESPONSE
Governance	Disclose the organization's governance around climaterelated risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	ESG Report 2022: • Introduction, Our ESG Governance, page 13
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	ESG Report 2022: • Introduction, Our ESG Governance, page 13
	Disclose the actual and potential impacts of climate- related risks and	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	ESG Report 2022:  • Environment, Climate Change, Understanding Climate-related Risks, page 24
	opportunities on the organization's businesses, strategy, and financial planning where	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<ul><li>ESG Report 2022:</li><li>Environment, Climate Change, Understanding Climate-related Risks, page 24</li></ul>
	such information is material.	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul><li>ESG Report 2022:</li><li>Environment, Climate Change, Understanding Climate-related Risks, page 24</li></ul>
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	ESG Report 2022:  • Environment, Climate Change, Understanding Climate-related Risks, page 24
		b) Describe the organization's processes for managing climate-related risks.	ESG Report 2022: • Environment, Climate Change, Understanding Climate-related Risks, page 24
		c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	ESG Report 2022:  • Environment, Climate Change, Understanding Climate-related Risks, page 24
Metrics and Targets  Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	ESG Report 2022:  • Environment, Climate Change, Understanding Climate-related Risks, page 24	
	opportunities where such information is	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	<ul> <li>ESG Report 2022:</li> <li>Environment, Climate Change, Understanding Climate-related Risks, page 24</li> <li>Data &amp; Disclosure, ESG Data, GHG emissions, page 75</li> </ul>
		c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<ul> <li>ESG Report 2022:</li> <li>Introduction, Our 2050 Goals and Progress, page 20</li> <li>Environment, Climate Change, Understanding Climate-related Risks, page 24</li> </ul>

# INDEPENDENT ASSURANCE STATEMENT

#### **VERIFICATION OPINION STATEMENT GHG EMISSIONS**

Geosyntec Consultants, Inc (Geosyntec) was engaged by JELD-WEN, Holding Inc. (JELD-WEN) to conduct an independent verification of the GHG emissions reported by JELDWEN for the period of January 1 through December 31, 2022. This Verification Statement applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of JELD-WEN. JELD-WEN is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. Geosyntec's sole responsibility was to provide independent verification of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze, and review the information. Geosyntec is responsible for expressing an opinion on the GHG statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing, and extent than in a reasonable level of assurance verification. The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating, or estimating the underlying information.

Boundaries of the reporting company GHG emissions covered by the verification:

- Organizational: Operational Control.
- Geographic: Worldwide, 90 Facilities. 15
- Exclusions from the boundary of JELD-WEN's GHG emissions assertion include emissions from JELD-WEN's joint ventures, partnerships, or other business arrangements where JELD-WEN does not hold a majority ownership interest or majority voting control.

Types of GHGs:  $CO_2$ ,  $CH_4$ ,  $N_2O$ 

#### **GHG** Emissions Statement:

- Scope 1: 93,101 metric tons of CO<sub>2</sub> equivalent
- Scope 2 (Market-Based): 162,170 metric tons of CO<sub>2</sub> equivalent
- Scope 2 (Location-Based): 166,378 metric tons of CO<sub>2</sub> equivalent
- Scope 3: Not Reported
- GHG Offsets Purchased: 0 metric tons of CO<sub>2</sub> equivalent

Data and information supporting the Scope 1 and Scope 2 GHG emissions statement were primarily historical in nature.

### Period covered by GHG emissions verification:

• January 1, 2022 to December 31, 2022

### Criteria against which verification conducted:

The 'GHG Protocol' is used in this document to refer collectively to the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition* and the *GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard.* 

- **Scope 1.** The World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. Scope 1 represents direct GHG emissions that occur from sources that are owned or controlled by the Corporation.
- **Scope 2.** The WRI/WBCSD Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Corporation.

### **Reference Verification Standard:**

• ISO 14064-3: Greenhouse gases — Part 3: Specification with guidance for the validation and verification of GHG statements.

#### **Level of Assurance and Materiality Threshold:**

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors.

#### **GHG Verification Methodology:**

A risk-based approach was used throughout the verification. Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of JELD-WEN;
- Review of documentary evidence produced by JELD-WEN:
- Review of JELD-WEN data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of sample of data used by JELD-WEN to determine GHG emissions.

#### **Verification Opinion:**

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- Is not materially correct and is not a fair representation of the GHG emissions data and information; and
- Has not been prepared in accordance with the GHG Protocol.

It is our opinion that JELD-WEN has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

### Statement of Independence, Impartiality, and Competence

Geosyntec conducted this verification independently and to our knowledge there has been no conflict of interest. Geosyntec has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 25 years' combined experience in this field and an excellent understanding of Geosyntec's standard methodology for the verification of GHG emissions data.

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