

# STATICUS



---

## Staticus Group Capability Statement for 2023

# Contents

## 01 Letter from Group CEO

- 3 A milestone year that demonstrated our resilience

## 02 About Staticus

- 8 A resilient company committed to the long term
- 9 Business regions
- 10 Taking façades from concept to reality through an end-to-end value chain
- 12 Legal information
- 13 Our people, our culture and our Agile way of working

## 03 Key highlights 2023

## 04 Our new strategic cycle: 2024-2027

## 05 Corporate sustainability

- 24 Putting Staticus sustainability strategy into action
- 25 Sustainability highlights 2023
- 27 Sustainability goals 2024
- 30 Health & Safety
- 32 Defining our position on business ethics
- 33 Active philanthropy

## 06 Transparent and effective quality assurance processes

## 07 R&D activities and digitalisation

- 41 Major steps forward in key R&D projects in 2023
- 46 Digitalisation initiatives making us more streamlined and transparent

## 08 Key projects

- 49 International Way
- 51 One Exchange Square
- 53 Elephant Park
- 55 Separatørn 1 (S1)
- 57 Textiltorget
- 59 International Meeting Facility (IMF)
- 61 Landspitali
- 63 Forskaren
- 65 Hero
- 67 K8

## 09 Financial results & business plans

- 70 Short introduction to Corporate Finance
- 72 Business plans and Group forecast



# Letter from group CEO

---

## A milestone year that demonstrated our resilience

---

For us as a company, 2023 was a milestone year. We celebrated our 20th birthday, reflecting on our development from a small-scale producer of windows in Lithuania into an international façade contractor serving major clients across Europe.

It was also the year we completed our first strategic cycle (from 2020-2023), while developing and launching our new strategy for the upcoming 4 years. It was noticeable that key decisions we took 3 years ago bore fruit in 2023 and enabled us to record impressive growth while remaining resilient.

This resilience proved important in yet another year when the geopolitical and economic context refused to go back to normal. Although we didn't see crises on the same scale, it was still a turbulent year. Interest rates reached very high levels

which meant a lot of construction was put on hold due to financing challenges. This was not helped by ongoing concerns of recession in European economies and the outbreak of war in the Middle East.

Additionally, living costs went up. This meant as a business we had to find the balance between two competing needs. On the one hand, our employees needed higher salaries to manage the cost-of-living crisis. On the other hand, our clients wanted lower prices to mitigate high interest rates.

I am proud that we managed this balancing act well in 2023. This was only possible because we worked with the right clients and had the right projects in place. The strategic cycle we undertook in 2020 enabled us to be disciplined and judicious in our project selection, and this paid off

in 2023. Because we had already been looking ahead, we had projects like the Landspitali Hospital and partners including Tier 1 construction companies already in place. These projects match our high technical competencies and are the right scale for effective economies.

A secure pipeline of projects like this helped us minimise risk, ensuring we did not need to take on less secure projects with the potential to become "black swans."

## Completing one strategic cycle and developing the next

Last year saw us complete our first strategic cycle while simultaneously developing our strategy for 2024-2027.

This meant there was a lot of focus on fulfilling commitments we had set ourselves 3 years ago and delivering on our promises. We hit our overall goal of EUR 100 million in annual turnover – a huge congratulations to the team for achieving this. There were many other successes, some of which I will mention during the course of this letter.

Meanwhile, as we were delivering on our existing promises we were also defining our new ones. In February, we kicked off the process of creating our vision for the next 4 years. The Strategy Steering Group - along with many other team members who volunteered their time to get involved – brainstormed ideas. This was followed by a period of intensive research, which included a lot of input from our partners.

In total, we had 77 interviews with different stakeholders. We wanted to listen and learn, understanding the pain points and challenges that our clients and partners face. I would especially like to thank all of our clients who participated for being so candid and open with us.

With our research done, we met in Autumn for an intensive programme of workshops guided by James Henderson from IMD, one of Europe's top ranked business schools. James had been heavily involved in the development of our 2020-2023 strategy, so it was great to get his invaluable input once again. During the workshop we took the hard decisions on where to play and how to win. The result was 5 Must Win Battles that represent the core elements of our 2024-2027 strategy:

1. **Boost Markets**
2. **Smarter Work**
3. **Empowering Culture**
4. **Staticus Labs**
5. **Staticus Care**

These Must Win Battles have a sponsor and 3 specific and measurable initiatives, each with a dedicated team and clear targets.

We launched our strategy at the start of this year. This launch was a major event for us, and getting there took a lot of effort and work from the team, for which I am very grateful.

## Being an engaged partner to strategically important clients

Last year, we secured new projects with two of our strategically important clients, Lendlease and Multiplex, both of whom are tier 1 global companies. We are grateful for the trust they have put in us and we take the responsibility very seriously.

---

**Now it is our job to prove that they were right to choose us. We also made our first steps into the Dutch market, gaining the contract for the International Meeting Facility at the European Space Agency's Noordwijk campus in the Netherlands.**

---

I have mentioned a couple of times this year the need to stay lean and keen – not to become “fat and lazy” like some real-life partners can. We don't take anything for granted, and want to always remain active, engaged, and ready for new challenges. As we continue to grow into a global player, there is no space to relax. The projects will become even more challenging, and we will need to go the extra mile to succeed.

## Getting our voice heard louder than ever

In 2023, we had a louder voice than ever within the industry. In total, members of our team spoke at more than 10 different events, with highlights including the ZAK World of Façades conference in London and the ABS conference in Switzerland. What really pleases me is that our expertise is being recognised and valued in diverse areas, from sustainability to industry trends to technical topics.

## Seeing our R&D activities bear fruit

Our 3-year strategic cycle involved a lot of investment into R&D. And in 2023, much of our hard work bore fruit as we managed to commercialise innovations we have been working on.

Most notably, the Hybrid Unitised Façade (HUF) we have been developing through a Norway Grants funded Staticus Care project in partnership with OsloMet, KTU and Sintef, was used in a project for the first time. This façade system uses timber to reduce embodied carbon by up to 75% while improving performance and offering an impressive aesthetic. Last year it was produced and installed for the Textiltorget project in Sweden, its first commercial use. And we received positive feedback from the client.

2023 also witnessed the first project to use our own façade system which was developed in-house. After passing rigorous performance tests at VINCI Labs in the UK that meet CWCT standards, this system was deployed for the Separatör 1 project in Sweden. This was another example of a strategic goal we committed to in 2020 being realised, and also represented a big step for us. Using our own system has implications for our organisational structure and competences, and this is an ongoing process. Naturally, we will still work with system houses, but we now have our in-house too which can be suitable depending on the project needs.

Overall, innovations in our industry are capital intensive, and we are committed to being careful regarding where we invest and what we target so that we have more successes commercialising our new products and services in the future.

## Implementing our Sustainability strategy

Our Corporate Sustainability Strategy, published in 2022, was put into practice in 2023. The strategy defined 5 focus areas: Transparency, Partnerships, Innovation in Design and Delivery, Being a Sustainable Organisation, and Climate Protection.

With regards to transparency and partnership, advances in our XD tool (more on that shortly) and the implementation of our collaboration-based negotiation strategy were notable successes this year. The successful deployment of our next generation HUF and our new façade system (mentioned above), were clear examples of successful sustainability-focused innovation. We continued our research into Internet of things (IoT) sensors, with a view to enabling predictive maintenance that saves on costs and materials. And I valued the opportunity to speak at the CWCT's annual general meeting, where I welcomed calls for more openness and clearer data on embodied carbon calculations.

As an organisation, we continued to diversify, with new talents onboarded from across Europe. We now have team members from 18 different nationalities within the company, increasing our diversity.

## Being a more adaptable, connected and responsive team

As we have learned over our 20-year history, entering new markets requires agility and adaptability. So, it is fitting that our teams are now all cross-functional and working according to an Agile approach.

Once again, embracing Agile was a commitment we set ourselves in 2020, and this was definitely a correct and important decision for our company. Our cross-functional teams can serve projects more effectively. They are better placed to address client pain points and meet their needs faster.

Adopting this approach has not always been straightforward. It has required a significant change in our mindset and has taken longer than we first anticipated. Nevertheless, we have made significant tangible progress, including the adoption of OKRs (Objectives and Key Results), and we will continue on this journey of becoming more adaptable and flexible.

Our ongoing digitalisation as an organisation is enabling greater transparency, efficiency and planning via our XD tool. Team members, partners and clients can now track a wide range of project metrics including daily production and installation rates, non-completed elements, transportation and logistics, and pricing. The tool automatically updates itself 3 times per day, and has quick links to QA information, technical designs, and shipping data.

Ultimately, by embracing a setup based on cross functional teams, applying Agile methodology and using digital tools, the work we do as individuals has more purpose and clarity. This makes our everyday work more meaningful, because we can see the larger goals we are contributing to.



“

With this approach, and our clear focus for development that is defined in our new strategy, I am confident that we will remain resilient and continue to grow in 2024.

”

## Looking ahead to 2024

While I am a positive person, I do see less than blue skies coming in 2024. My reasoning is that there are still many unpredictable factors that can influence markets. Interest rates remain high and there are important elections coming up in many countries. These can directly impact markets, and I believe many investors and other players are waiting to see what will happen.

Ensuring consistent growth will require extra effort and a strategic approach. We are careful in choosing our partners and projects, and remain conservative in terms of cash flow management and our approach to contract negotiations.

---

Yours faithfully,  
**Aušra Vankevičiūtė**  
CEO, Staticus

02

# About Staticus

- 8 A resilient company committed to the long term
- 9 Business regions
- 10 Taking façades from concept to reality through an end-to-end value chain
- 12 Legal information
- 13 Our people, our culture and our Agile way of working

---

U7 - Universitetsgaten Norway, Oslo

---



## A resilient company committed to the long term

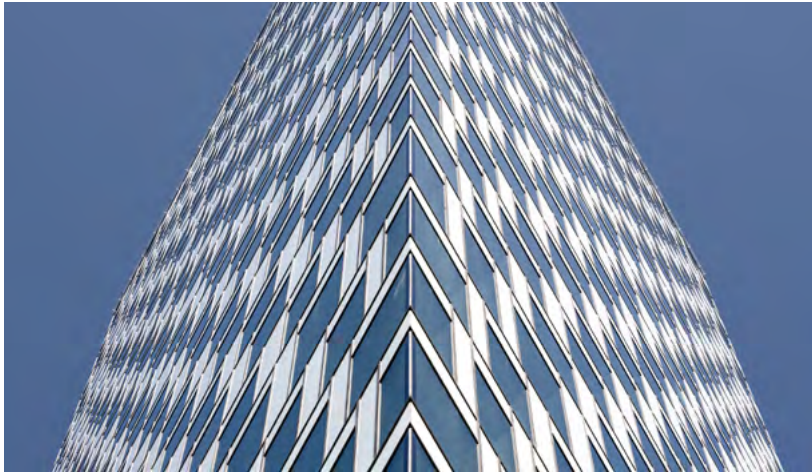


Photo copyright © Andrius Gudelis

Staticus is a leading Northern European façade contractor, working with major international players in the UK and Scandinavia. To handle the complexity of our clients' large-scale projects and meet their rigorous aesthetic and performance requirements, we draw upon over 2 decades of experience. Using adaptability, innovation and a partnership-oriented approach, we deliver benchmark-setting projects that maximise long-term value for our clients and for society.

As a family-owned business that has grown and developed sustainably over more than two decades, we understand the importance of having a long-term perspective.

The key to this long-term approach is our focus on partnership and transparency. We have adopted a collaboration-first negotiation strategy and we are proactive in finding innovative solutions for our partners at the pre-tender stage. Once a project is underway, our highly-developed XD tracking tool provides transparency, allowing our partners to monitor several aspects of a project's progress.

They are also 2 of the key focus areas in our Corporate Sustainability Strategy, which was published in 2022. The other 3 focus areas are innovation in design and delivery, being a sustainable organisation, and climate protection. This strategy, and our extensive R&D efforts, are already bearing fruit. In 2023, our next-generation Hybrid Unitised Façade (HUF) - which cuts embodied carbon by up to 75% compared to a standard aluminum system - was used in a project for the first time. We are also assessing the sustainability of each project and using this to improve design and production, while implementing life-cycle thinking through our end-to-end value chain.

As an organisation, we are deeply committed to people. We subscribe to the very highest standards of health and safety in the industry in order to keep our team, our partners, and the public safe. Our people-first culture within the company aims to create the conditions for every team member to develop and thrive.

## Consistently delivering innovative, high-quality façades

Our long-term approach enables us to consistently win and implement benchmark-setting projects.

We now have a very strong track record across the European market. This includes projects with major international players in the UK, Scandinavia and Central Europe, and our largest value project in Iceland. We have delivered the first ever project in the region to use Closed Cavity Façade technology. And, with our R&D team working on new innovations in IoT and hybrid façades, we aim to continue leading the way in the façade industry.



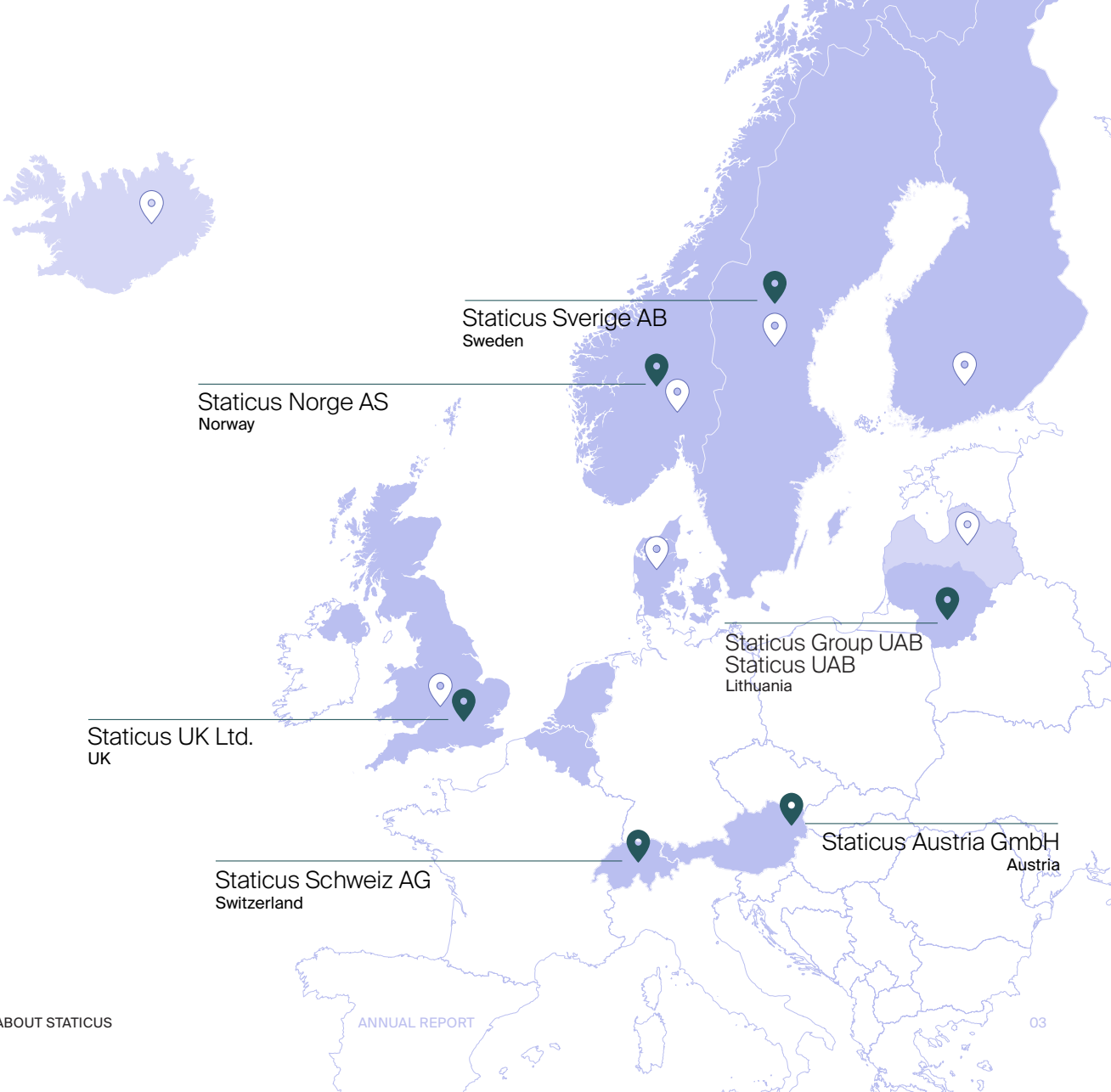
# Business regions

## Our offices and markets

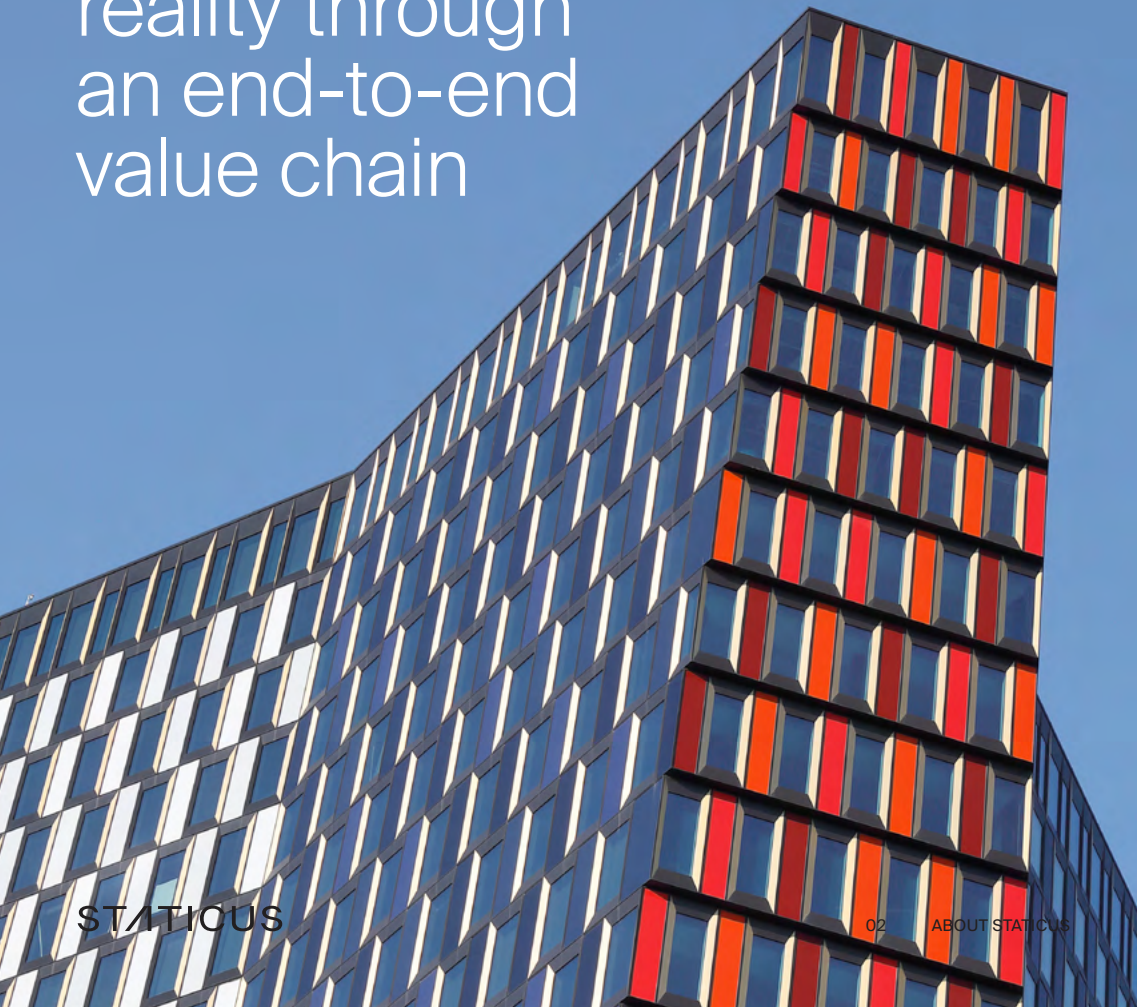
- Markets
- 📍 Offices
- 📍 Branches

Staticus is a truly international company, and we continue to expand our presence both in terms of where our team is based and which markets we operate in. We have delivered, or are currently working on, projects in 8 different countries: Norway, Sweden, Denmark, Finland, the UK, Iceland, the Netherlands, Latvia and Lithuania. We have active operations in Belgium and Luxembourg.

Our international team has 7 offices at present. Our headquarters and production facilities are in Vilnius, Lithuania, and our sustainability team are based in Basel, Switzerland. We also have offices in London, Vienna, Kaunas, Oslo and Stockholm, and there are 18 different nationalities within our team.



# Taking façades from concept to reality through an end-to-end value chain



---

Our end-to-end value chain enables us to ensure the architectural and performance goals for each project are met.

---

We take façade projects from concept design right through to installation and aftercare. Our high levels of digitalisation, especially our 4D reporting tool, enable stakeholders to see the big picture based on real data and react faster. This includes data on production and installation rates, budgets, non-conformities and logistics, along with links to QA and design documents. With updates 3 times per day and data integrated with 3D models, this tool provides up-to-date project information from across the value chain that is simple to understand. This means our clients get transparency across the entire process.

We have continued our evolution as an Agile organisation by strengthening our cross-functional teams' autonomy. We will also ensure there is a smooth flow of information across the value chain. Our introduction of OKRs will ensure alignment between different parts of the value chain and keep us focused on the needs of the project and client.

With a two-decade track record, our team offers expertise at the design, production and installation stages, along with innovations thanks to our ongoing R&D activities.

# Value chain

We offer services at the following project stages:



## Concept design

We collaborate closely and engage as early as possible to ensure the right customisations are made to meet each project's unique needs. This includes early-stage consulting, concept design development, advice on technical feasibility, and budget and cost planning.



## Design development

At this stage of the process, we work through each individual design question and problem-solving question. Other important activities at this project stage include feasibility consulting, structural and physical calculations, parametric design, workshop design, installation drawings, and as-builts.



## Mock-ups and testing

We are able to produce a wide range of mock-ups so that project partners can see and assess the aesthetics, materials and performance of the façade units. This includes the production of Performance Mock-Ups (PMUs) for testing. This testing takes place at facilities in the UK and Germany, or at our own facility using our newly constructed testing rig. Built in 2023, the rig is CWCT and EU compliant and was funded by Norway Grants. It is designed for visual mock-ups and performance testing and can accommodate oversized units. Using this rig, we can carry our full test sequences in Air Permeability, Water Tightness, Resistance Against Impact (interior and exterior), and Dynamic Water Tightness. Having a rig on site during production enhances our quality assurance and means every project is verified via physical testing before production starts and continuously during production itself.



## Production

Our 12,050 m<sup>2</sup> production facility can host up to 12 assembly lines, enabling us to work on multiple projects simultaneously and deliver highly complex, customised projects on time. Our average annual production capacity is 150 K m<sup>2</sup> of façade units.



## Installation

Our focus on installation begins at the early design stages. This enables us to deliver a smooth, continuous installation that maximises our use of on-site time while never compromising health and safety.



## Logistics

Our logistics specialists work closely with site managers to develop plans that minimise on-site storage. Completed façade units are delivered using just-in-time supply, and façade unit storage is also available at our facilities.

---

At every project stage, our philosophy is that “your project is our project.” And we enter into every partnership with a commitment to the long-term, considering the overall impact of any decision and not just short-term gains. This means we take a proactive and collaborative approach and always strive to meet exactly the requirements of each project.

---

# Legal information

## Reference and further explanations of the data presented in the annual financial statements

The information presented in the Group's consolidated annual financial statements is complete and accurate.

### About staticus' own shares

In 2023, none of the companies of the Group held their own shares, nor did they acquire any during the reporting period.

### Information on divisions and representative offices of the group companies

In 2023, Group company UAB Staticus registered offices in Iceland and Latvia.

### Information about the management

On 8 May 2019, Aušra Vankevičiūtė was appointed the new CEO of UAB STATICUS Group.

### Board members

**Chairman of the Board Andrius Smaliukas**, Law Firm Milašauskas, Martinkutė, Smaliukas and Partners. Address: Gedimino ave.10, Vilnius, Lithuania. Position: lawyer, managing partner. The office does not have a company registration code because it is not a legal entity.

**Aušra Vankevičiūtė**, UAB STATICUS Group, Metalo str. 13, Vilnius, Lithuania. Company registration code: 303354911. Position: CEO.

**Paulius Stonkus**, UAB STATICUS Group, Metalo str. 13, Vilnius, Lithuania. Company registration code: 303354911. Position: Chief Legal Officer.

**Tomas Bučas**, Staticus Sverige AB, Engelbrekts väg 6, 19162 Sollentuna, Sweden. Company registration code: 5567477129. Position: Sales Director Nordics.

**Kristian Lars Ahlmark**, Schmidt Hammer Lassen Architects k/s (SHL), Njalsgade 17A, Pakhus 2, 2300 København S, Denmark. Company registration code: 20728132. Position: Partner.

### Information on significant events that have occurred after the end of the financial year

There were no significant events in the Group, the nondisclosure of which could have a significant impact on the decision-making ability of the users of the Group's consolidated financial statements.

### Information on research and development activities of the companies of the group

Developing a more environmentally friendly automated façade system that is integrated into the building's control systems.

Together with OsloMet and SINTEF, Staticus is working on a ConTech project aimed at reducing the construction industry's share of greenhouse gas emissions. By substituting aluminium systems with timber and integrating IoT sensors, we seek to decrease the façade's CO2 footprint by 70-75% and non-renewable energy consumption by 53-56%.

### Financial risk management information

The Group is exposed to foreign exchange risk and uses derivative financial instruments to manage this.

# Our people, our culture and our Agile way of working

---

Our people are our success. That is why we ensure our team, our culture, and our ways of working are constantly growing and developing.

---

4 years ago we embraced the Agile framework, and are now reaping the benefits as our cross-functional teams become ever-more adaptable and are empowered to succeed. Employee and team engagement is up, and our recent adoption of OKRs is providing even more clarity and meaning. And as our people develop, they are featuring evermore prominently at industry events across the continent.



Our people, our culture and our Agile way of working

A diverse and committed team with deep experience and fresh perspectives.

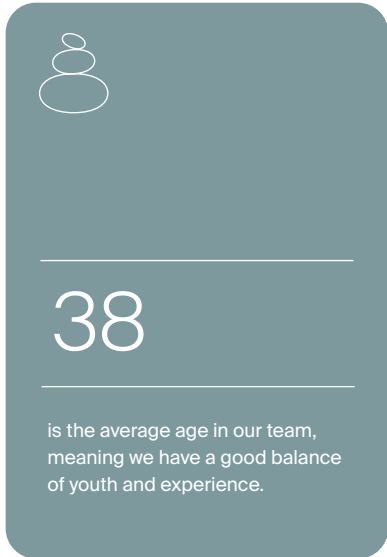
In 2023, our team continued to evolve and diversify. With close to 700 employees from 18 different nationalities across 6 offices in Europe, we are a truly international organisation. In terms of departments and functions, here is how our team breaks down:

Project Management and Estimation	38
Procurement and Supply Chain	63
Administration	78
Design and Engineering	102
Production and Installation	360
 Total employees	641

\* Employee statistics  
31.12.2023.

In 2023, we had over 150 team members who have been with us for more than a decade, including 24 employees who have more than 20 years' experience working with us. Across the whole team, the average tenure at Staticus is 6 years. We truly appreciate this level of loyalty, and we aim to be equally committed to every member of our organisation.

Overall, our team offers a diverse and vibrant mix:



Our diversity brings richness and fresh perspectives. Spread across Europe, our team members can pick up on the latest trends in the façade industry and offer wide-ranging insights. Just as importantly, we have the know-how, experience, and dynamism to put these ideas into practice.

## 2023 achievements in our Agile framework and employee engagement

The purpose of an Agile framework is to have one way of working across an organisation, creating a high-performing team that is oriented to the final project result. This year we have made notable progress in our use of Agile.

- ▶ The Agile framework was fully implemented in our Realisation and Market teams.

- ▶ Our ability to work in iterations improved. Common planning using Releases is now in use with all commercial projects and across our organisation.

- ▶ Our increased use of Agile principles resulted in better self-reflection, continuous learning, and improved customer orientation.

- ▶ We also conducted an Agility Assessment with our employees. The aim was to review where we stand in terms of our Agile transformation and identify areas for improvement. We had a strong response rate, which enabled us to identify specific areas of weakness and find ways to improve our practices.

In 2023 we started implementing the Objectives and Key Results (OKR) goal planning system across our whole organisation. This system helps to create a culture of high performance, and supports alignment and engagement around measurable and ambitious goals. This will be especially important as we focus on delivering our 2024-2027 strategy.

**Implementing the practices mentioned above has had a positive impact on employee engagement and client satisfaction:**

- ▶ Higher employee engagement levels (48%) across our organisation and increased team engagement (85%).

- ▶ Improved client satisfaction (92%) and better management of nonconformities.

- ▶ Increased discipline (83%) in the usage of our framework.





03

# Key events & highlights 2023



## Our 20th Anniversary

We celebrated 20 years of Staticus, reflecting on our journey from being a window producer to becoming an international façade contractor.



## Deploying our own façade system in a project for the first time

We used our in-house façade system for the first time on Separatorm 1, an office development in Stockholm, with production completed along with the main element installation.



## €100 million turnover target achieved

We wrapped up our 2020-2023 strategic cycle this year and were proud to deliver on many of our promises, including achieving €100 million in turnover.

## The first project using our next-generation Hybrid Unitized Façade (HUF)

We completed production and most of the installation for Textiltorget, a renovation project in Stockholm featuring our new HUF, which replaces aluminium components with GLULAM for significantly lower embodied carbon and improved performance.



## Further progress in developing IoT technologies for façade systems

We continued our research into the use of the Internet of Things for gathering façade performance data and enabling predictive maintenance.



## Entering a new market - the Netherlands

We secured our first contract in the Netherlands, the façade for the International Meeting Facility at the European Space Agency.

## Tenders for 9 projects with a total value of €120 million

Key projects we landed this year included One Exchange Square (UK), Elephant Park (UK), Hero (Lithuania).



Elephant Park, London, UK

## Investing €2 million in our sheet metal workshop

We upgraded our sheet metal workshop, adding several machines including laser cutting, bending and CNC machines. This new equipment has enhanced our laser cutting capabilities, increased our production capacity, and improve our efficiency as they can work autonomously according to pre-planned programmes.



## A new strategy for the coming 4 years

We created our strategy for 2024-2027, including the overall goal of hitting €250 million in turnover with an EBITDA that is increased by at least 5%.



## Featuring at over 10 conferences and events

Our team featured as speakers and panellists at over 10 industry events, including ZAK World of Façades in London, High-Rise Northern Exposure in Helsinki, and Oslo Urban Week.

## Aulikki Sonntag joined New London Architecture panel

Our CBDO, Aulikki Sonntag, was invited to become a member of the NLA's High Building Panel.



## Team expands by over 200 and diversifies

We welcomed 209 new colleagues to our team, which means we now have 18 different nationalities represented at Staticus.



## Contracts with Tier 1 clients in the UK

We continued our development in the UK market by signing our first contracts with major Tier 1 clients including Lendlease and Multiplex.

## Construction of in-house testing rig completed

Our testing rig, which is compliant with CWCT and European standards, is fully functional, enhancing our R&D, QC and QA capabilities.



## Renovating the home of a local family

For the 6th year running, we renovated the home of a disadvantaged family so it is a warmer, healthier space to live.

04

# Our new strategic cycle: 2024-2027

VIA Vika, Oslo, Norway



## Our new strategic cycle provides a clear vision that builds on our successes

In 2023 we completed our 2020-2023 strategic cycle, while formulating a new strategy for the coming 4 years.

Our 2024-2027 strategy will be an evolution rather than a revolution, building on our major successes over the past 3 years. These include achieving €100 million turnover in 2023, significantly expanding our presence in the UK and Nordic markets, launching our first sustainability strategy, and making notable progress in R&D and our working culture.

Clearly defining where to play and how to win has helped us successfully navigate 3 years of unprecedented disruption and turbulence. Our clear vision and set of priorities ensured we had the right projects in place to enable growth and resilience.

Our 2024-2027 strategy will likewise provide us with a clear focus that will aid our ongoing growth. It provides ambitious yet achievable targets, and establishes common goals and ways of working for our organisation.

## The scale, processes and culture to be a global player

A key focus of our new strategic cycle is growing into a global player. We have set the ambitious target of achieving €250 million in turnover by 2027. To reach this goal, and secure projects with major international clients, we need the right financial muscle.

Our Boost Markets Must Win Battle sets out how we will achieve this. By entering new markets in North America and Central Europe and boosting our hit rate, we will gain the financial means to compete at the highest level. Increasing awareness of our brand will support us in securing a strong pipeline of projects.

To deliver these complex, large-scale projects, we need the right workflow setup and culture. Our Smarter Work Must Win Battle will focus on using automation tools, improving risk management, and building a tech academy to enhance our productivity and ensure we hit budgets. Meanwhile, our Empowering Culture Must Win Battle aims to enable clarity and trust by streamlining our workflow, empowering our cross-functional teams, and encouraging leadership across our organisation.

## Innovating to meet client needs

Offering an innovative range of products and services that meet client needs is another key focus of our 2024-2027 strategy. Our Staticus Labs Must Win Battle will build on our R&D successes in developing a new HUF that has up to 75% less embodied carbon and our own façade system. We will continue to explore Material Science, modularity and systems development in order to create more cutting edge products.

We will also be developing services oriented around circularity through our Staticus Care Must Win Battle. This will encompass further developing our XD tool, interpreting data using Generative AI, and creating bundles of services that improve life cycle management for building owners.

These innovations will support our growth by enabling us to provide tailored offerings to our clients. They also make our growth meaningful. Scaling these solutions will support the industry in addressing key challenges of circularity, sustainability and resilience.

## Moving forward together

Over the space of a year, we worked collaboratively to define our Must Win Battles and each associated initiative. From February 2023, we began working on our new strategic cycle, a process which included 77 interviews with clients and suppliers, and substantial input from James Henderson from the Swiss Business School IMD.

Just as the creation of this strategy has involved substantial input from our colleagues, clients, and partners, so too will its implementation. We are inviting all of our stakeholders to get involved in helping us deliver our goals. You can [WATCH OUR VIDEO](#) featuring our key strategy sponsors to learn more about our strategy, or [READ THIS ARTICLE](#).

The next 4 years will see us evolve with ambition. We will continue to do the things that have brought us so much success. And now we will be doing them at a global scale. This will play to our strengths in terms of delivering large-scale projects with high levels of complexity. It will also amplify our impact as we go beyond façades, towards smarter sustainable buildings.

# Staticus' Must win battles



## Boost Markets

- Increase Hit Rate
- Improve Brand Awareness
- Expand into the US and Central Europe

## 2024-2027

250 Million EUR by 2027

Increase EBITDA by 5%



## Empowering Culture

- Accelerate Flow
- High-Performing Teams
- Leadership HUB



## Staticus Care

- Generative AI in use
- Develop Internal Services
- Built out Life Cycle Management



## Staticus Labs

- Explore Modularity
- Explore Material Science
- Exploit Systems Development



## Smarter Work

- Embed Automation
- Build up Tech Academy
- Expand Risk Management

05

# Corporate sustainability

- 24 Putting Staticus sustainability strategy into action
- 25 Sustainability highlights 2023
- 27 Sustainability goals 2024
- 30 Health & Safety
- 32 Defining our position on business ethics
- 33 Active philanthropy

---

Forskaren, Stockholm, Sweden

---

# Putting our sustainability strategy into action

Through corporate sustainability we create long-term value, focusing on the social, environmental, and economic dimensions of doing business.

Our commitment to sustainability and long-term thinking manifests itself in clear, concrete actions. In 2021, we concluded Staticus' Corporate Sustainability Strategy for the upcoming years. We moved to its implementation phase in 2022, and continued reaching our sustainability objectives in 2023.

Our Corporate Sustainability Strategy consists of 5 key focus areas: transparency, partnerships, innovation in design and delivery, climate protection, and being a sustainable organisation.



## 01 Transparency

## 02 Partnerships

## 03 Innovation in design and delivery

## 04 Climate protection

## 05 Sustainable organisation

### 1. Reporting / Communication:

- Establish sustainability reporting on material topics;
- Develop customer-specific reporting.

### 2. Compliance:

- Monitoring of legislation;
- Labour practice;
- Health & Safety: zero accidents.

### 3. Business resilience:

- Risk management;
- Cost management.

### 1. Sustainable mindset as a foundation for partnerships.

### 2. Supply chain management:

- ESG risk analysis of supply chain;
- Roll-out ESG compliance criteria and monitoring;
- Use supplier assessment platform for management.

### 3. Cooperation with research and educational institutions.

### 1. Monitoring of legislation on sustainable construction.

### 2. Low Carbon Systems.

### 3. Long-term engagement.

### 4. Circular Economy:

- Design for disassembly and reuse;
- Zero waste:
  - Optimise in-house waste management;
  - Optimise site waste management;
  - Operational efficiency.

### 1. Product carbon footprint

- Establish a platform for project-specific analysis.

### 2. Value chain analysis of carbon footprint:

- Estimate scope 1, 2, 3 emissions;
- Development of carbon reduction targets incl. supplier engagement.

### 1. Education and Training.

- Sustainable Mindset;
- Talent development;
- Upskilling.

### 2. Cross Functional teams.

### 3. Diversity and Inclusion.

### 4. Engagement.

- Employee engagement;
- Community engagement





# Sustainability highlights 2023

---

2022 saw the implementation of various sustainability objectives. This meant 2023 was focused on the execution, measurement and calibration of our activities within our 5 sustainability focus areas. Highlights from each category can be found below, with more details to be provided in the upcoming Sustainability Report 2023.

---

## Transparency

It has been a goal of ours at Staticus to provide transparency in sustainability through consistent reporting. We established this last year with the creation of the Sustainability Report 2022, which will be continued and adapted in this year's 2023 report. It will once again focus on continual improvement through the results of our key projects and the adaptation of KPIs and goals.

While the Sustainability Report represents our commitment to broad corporate transparency, we also expanded our commitment to transparency for our project stakeholders through the further development of our XD reporting tool.

The implementation of 4D (3D model plus timeframe) on all projects, and successful prototyping of payment plans (5D) has created a tool that shows a project's progress in real time, further building trust and providing transparency.

## Partnerships

Partnerships have always been a key part of our sustainable mindset at Staticus, and 2023 saw more opportunities than ever to expand on this commitment. We continued to engage with our supply chain on the topic of low-carbon products. We also focused on strengthening our relationship with clients, suppliers, and other stakeholders through a newly developed negotiation strategy. This strategy focuses on how we can cooperate with other companies in the construction sector rather than competing with them. This approach helps us to set aside typical barriers to successful win-win negotiations and work towards a common goal.

There were also many successful educational collaborations, including hosting a workshop at Oslo Urban Week and co-supervising a masters thesis with ETH Zurich. The latter meant that, through providing design and industry expertise, we were able to assist in producing a study aimed at reducing the embodied carbon over the lifecycle of a façade through alternative, bio-based materials.

## Innovation in Design and Delivery

The portfolio we have established in low-carbon and innovative systems laid the groundwork for some of our most ambitious R&D projects yet. One such project was the digitalisation and the creation of a prototype that incorporates sensor technology into our façades. This will allow for the better calibration of façade performance and allow for predictive monitoring and maintenance.

2023 also saw the first implementation of our next-generation unitized hybrid (HUF) system on a project. Developed in 2022, this system uses timber in place of more resource intensive materials, reducing embodied carbon by up to 75%. Completed in Sweden through the Textilgoret project, this achievement highlights our commitment to not simply innovate, but to develop client-centric solutions that meet real market needs and implement them in real projects. The project utilised our previous expertise in designing and installing façades with timber to bring about a cohesive product that delivers value in many aspects of sustainability.

## Climate Protection

In 2023, we continued reporting our value chain's carbon footprint through the Supply Chain Sustainability School. Material usage continued to dominate as the largest contributor to emissions in our supply chain. This reinforced the importance of managing our supply chain effectively, and using more climate-friendly materials in our designs when it comes to achieving higher climate protection.

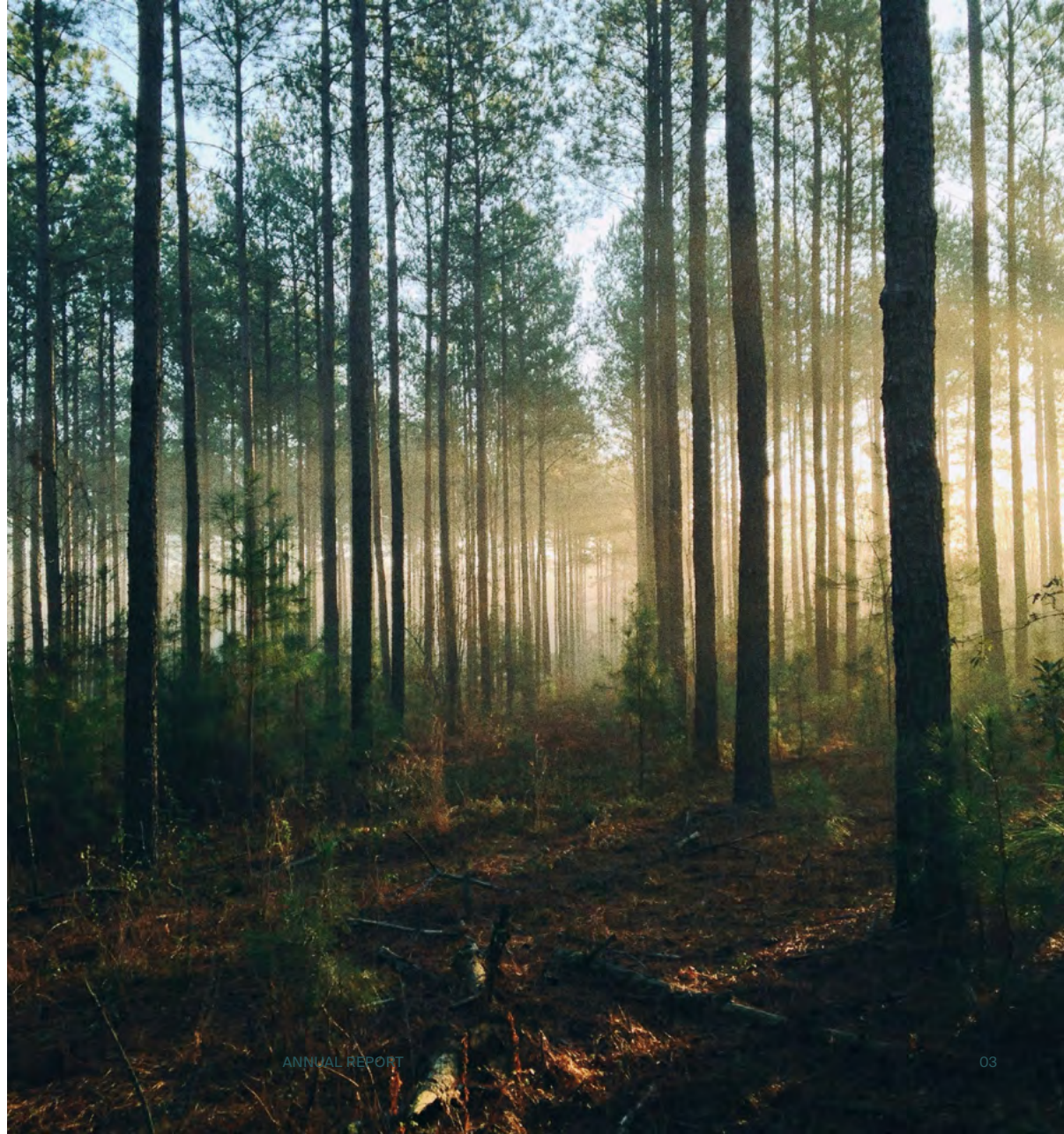
This meant building on our previous involvements with the CWCT to align all of our project-based embodied carbon assessments with their new guidelines. Doing this has ensured we are able to provide our clients with numbers that are meaningful, transparent and comparable to others in the industry. It has also provided a more robust framework for which climate protection measures can be implemented as a design variable in the early stages of a project.

Additionally, we have utilised our progress and commitments in climate protection to collaborate with the CWCT, Sintef/OsloMet and many other organisations. This collaborative approach allows us to evaluate our low carbon systems and continue pushing the industry as a whole forward. Key events included our participation in panel discussions at the ZAK World of Façades conference in London and at the Circular Building unConference in Zürich, Switzerland, among many others.

## Sustainable Organisation

As in 2022, we made a lot of effort in 2023 to continue developing a sustainable mindset for our employees. The transition has continued from viewing sustainability as a bonus to certain aspects of our operations, to something that is a part of every department's core mindset. Impetus for this has come from a number of important places in the last year, including continuously assessing and aligning our strategies. This resulted in a new strategic cycle developed for 2024–2027 that includes new Must Win Battles and core Initiatives for achieving each of these.

Consistent financial performance in the past years has been the foundation for Staticus' sustainable work, and this will continue to be the case going forward. We have carefully managed our expenses while investing in new strategic initiatives and expanding our customer base in an effort to increase sales. All of this will help improve our operations and product while driving growth in a sustainable way.



# Sustainability goals 2024

Focus area	Sustainability objective	North Star	Near-term goals for 2024
Transparency 	<b>Reporting/Communication</b>	<ul style="list-style-type: none"> <li>— Produce annual sustainability reporting on material topics</li> <li>— Implement automated customer-specific reporting</li> </ul>	<ul style="list-style-type: none"> <li>— Publish Sustainability Report</li> <li>— Extend functionality and use of 5D reporting tool, adding cost to our visualised project model</li> </ul>
	<b>Compliance</b>	<ul style="list-style-type: none"> <li>— Meet and exceed compliance requirements in each market</li> </ul>	<ul style="list-style-type: none"> <li>— Achieve full compliance with each market requirement</li> <li>— Health &amp; Safety: Zero accidents</li> </ul>
	<b>Business resilience</b>	<ul style="list-style-type: none"> <li>— Thoroughly manage the risks and costs associated with changing market conditions in order to ensure our business operates in a resilient and adaptive way</li> </ul>	<ul style="list-style-type: none"> <li>— Sustain annual growth at or above 15%</li> <li>— Ensure liquidity of over 1.1</li> <li>— Maintain financial performance</li> </ul>
Partnerships 	<b>A sustainable mindset as a foundation for partnerships</b>	<ul style="list-style-type: none"> <li>— Build long-term relationships with clients, partners and suppliers who share our sustainable mindset</li> </ul>	<ul style="list-style-type: none"> <li>— Engage in New London Architecture expert panels and programs through the joined partner network</li> <li>— Implement our negotiation strategy and further integrate sustainability criteria with trusted partners</li> </ul>
	<b>Supply chain management</b>	<ul style="list-style-type: none"> <li>— Establish and manage a centralised library of suppliers' sustainability data</li> <li>— Embed sustainability criteria into procurement decisions</li> <li>— Develop carbon reduction targets in collaboration with suppliers</li> </ul>	<ul style="list-style-type: none"> <li>— Carry on work with developed supplier surveys to create sustainability criteria and rankings for key supply chain members</li> </ul>

## Sustainability goals 2024

### Cooperation with universities and research institutions

- Collaborate with high-ranked universities and research institutions to develop R&D solutions, share knowledge, and attract top-level employees
- Continue collaborations with research institutions and other organisations to drive new R&D projects
- Encourage long-term engagement and results through student internship programs

## Innovation in design and delivery



### Monitoring of legislation on sustainable construction

- Be up-to-date regarding existing sustainability regulations in each market, and be in a position to influence these regulations
- Be fully compliant with each market requirement
- Update our library of regulations and client requirements in each market

### Low carbon R&D systems

- Develop and use low-carbon façade systems in at least in 50% of our projects - these systems should satisfy low carbon footprint and high thermal insulation requirements
- Work on our next generation HUF or other low carbon systems and conduct additional testing for alternative climate zones and future weather conditions

### Long-term engagement

- Manage the façade lifecycle through value added services, replaceable skins and IoT solutions
- Further engage in material take back initiatives to push reuse to the next level
- Utilise obtained data from façade sensors to calibrate analytical models for predictive maintenance and façade performance indicator tools.

### Circular economy

- Develop façade systems that satisfy the requirements of design for disassembly and reuse, and use these systems in projects
- Achieve Zero Waste in-house and on-site
- Revolutionise architectural possibilities through adaptable, forward-thinking solutions that explore modular elements and new installation techniques among many others
- Apply automation, robotics, and machine learning to reduce cost, waste and errors while increasing efficiency in material use
- Create new solutions for cladding and subframes through material explorations that reduce environmental impact without compromising quality

## Climate protection



### Product carbon footprint

- Have the automated measurement of project-specific CO2 footprints as a standard performance criteria

- Complete an evolving library of materials and products that combines manufacturer EPDs with internal design knowledge
- Explore generative AI in automating project and corporate carbon emission assessments

### Value chain carbon footprint analysis

- Annually measure scope 1, 2, and 3 emissions
- Develop carbon reduction targets

- Expand scopes 1, 2 and 3 emissions reporting according to emerging frameworks and standards
- Define and publish carbon reduction targets with an outlook towards long term net-zero initiatives

## Sustainable organisation



### Education and training

- Foster a sustainability mindset within our employees
- Nurture a culture of learning which includes talent development, career promotion and reskilling

- Prioritise continued education by organising further Knowledge Club sessions and tech academy lessons around sustainability topics
- Enable our employees' continued growth through a bi-annual People Review process that ensures employee compensation is aligned with our organisational objectives and industry standards

### High-performing teams

- Become an organisation driven by high-performing teams capable of making client-centric decisions and adapting to market changes
- Grow leadership with strong capabilities to create a strong working culture

- Continue increasing business agility and improving cross-functional team performance
- Utilise OKRs across the organisation to ensure goal alignment

### Diversity and Inclusion

- Celebrate diversity and practice inclusion by providing equal employment opportunities

- Maintain equal conditions for employees in the same position, regardless of nationality, cultural background, gender or age

### Engagement

- Maintain and strengthen employee engagement
- Create meaningful social impact by supporting the community we work in with our charitable activities
- Increase employee involvement in our philanthropic activities

- Support disadvantaged families across Lithuania by assisting with housing and resources, equipment and gifts
- Increase employee involvement in charity and outreach activities

# Health & Safety



Health and Safety is the foundation of our work culture and practices.

We never compromise when it comes to keeping our team, our partners, and the public safe. Our aim is always to ensure the overall safety, health and well-being of anyone involved in or affected by the work we do.

The continual pursuit of knowledge and excellence is central to our culture, and we apply this approach to our Health and Safety practices.

## Our Health and Safety Record in 2023

We are committed to achieving a strong Health and Safety record each year, and work continuously to ensure our activities are in line with industry best practice.

We are proud that our efforts in Health and Safety resulted in a very strong record in 2023, which included:

0 serious or fatal accidents

0 occupational diseases

0,6 Accident Frequency Rate (AFR)

0,6 Lost Time Injury Frequency Rate (LTIFR)

No penalties or notices from HSE authorities or courts in the last 5 years.

Encouraging a culture where near misses and safety observations are reported without fear of reprisal is crucial for maintaining a safe and proactive work environment. That is why our focus is on increasing the number of unsafe conditions, and unsafe behaviors that are reported. In 2023, we received 44% more reports of potentially unsafe working conditions or unsafe behavior. This allows us to further improve our safety culture, safety procedures and overall risk management.

To bolster the safety and well-being of our employees, subcontractors, partners, and other stakeholders, we regularly provide theoretical and practical training sessions for our team. In 2023, these sessions focused on a range of topics, including working at heights and rescue actions in the event of a fall, fire safety, and first aid training for team members in hazardous environments.

## A People-first Health and Safety Policy

To ensure our commitment to Health and Safety becomes an everyday reality within our team, we follow our Health and Safety Policy. This lays out specific actions that all parties involved can take in order to achieve an injury-free work environment.

We are proud to be able to demonstrate the highest standards year after year, as evidenced by the certificates we hold. Competence certificates held by Staticus include ISO 14001, ISO 45001, Achilles, CHAS, and Constructionline.

## Our strategic vision – zero accidents

Our executive team fully understands the need to provide ample resources for the ongoing improvement of safety performance.

While 2023 saw success in avoiding serious or fatal accidents, our ultimate aim is zero work-related accidents by 2025. To achieve this, we will focus on targeted preventive actions. These include increased data collection on unsafe conditions, and unsafe behaviours – situations that did not cause damage but could have done. We will use this data to proactively identify unsafe situations and mitigate incidents.

We also aim to attend conferences and innovation fairs to keep up with the latest Health and Safety trends, technologies and applications.

## Holistic approach

Here at Staticus, our zero injuries policy applies to all employees and subcontractors. In fact, it is focused on anyone who is related to or affected by the work we do.

Despite the significant challenges faced by the construction and manufacturing industry with regards to workplace safety, we aim to always ensure the overall health and well-being of everybody involved.

In addition to safety, the measures Staticus currently has in place also take into account workplace stress, mental health, and long-term health hazards posed by environmental factors like dust, noise, and poor ergonomics.

## Key Health and Safety initiatives

### Comprehensive Training Programmes

We invest in training programmes for our employees to ensure they are well-informed about safety protocols, emergency procedures, and the proper use of equipment. Regular training sessions are conducted to keep everyone up-to-date with the latest industry standards. By the end of 2023, 99% of our construction site team members had received practical first aid training.

### Hazard Identification and Risk Assessment

Staticus conducts thorough hazard identification and risk assessments at each project site and production units. This proactive approach allows us to address potential risks and implement preventive measures to mitigate the likelihood of accidents or injuries.

### Safety Inspections and Audits

Our dedicated safety team conducts regular inspections and audits to monitor compliance with safety regulations and identify areas for improvement. This ongoing process helps us maintain a safe working environment and continuously enhance our safety practices. In 2023, we carried out 50 construction site audits and 173 inspections at production facilities. We are improving the inspection process so that it is understandable to all stakeholders.

# Defining our position on business ethics

## Our commitment to ethical business practices, anti-corruption, and transparency

We promote transparent and fair business practices and do not tolerate any form of bribery or corruption.

It is important to us that responsible and honest business principles are adhered to and that competition takes place under fair conditions which encourage ethical conduct in commercial activities. We always comply with the legal requirements of the countries in which we operate. Furthermore, we have internal obligations established in the Staticus Code of Business Conduct, which defines our zero-tolerance position on corruption.

In terms of ensuring transparency, the internal organisational culture we have developed, which is based on open and two-way communication, plays a significant role. By nurturing this culture, we create an environment where employees can openly ask questions, share ideas, participate in discussions, and solve problems together with their managers and other teams. We encourage the reporting of potentially unethical behaviour by company employees or representatives, cases of discrimination, corruption, bribery and other violations of sustainability principles or issues of concern.

## Relationship with suppliers and partners

We choose suppliers and partners whose approach to sustainable and responsible business aligns with our values, and who undertake to comply with international human rights, labour conditions, environmental and anti-corruption standards. To this end, we encourage our suppliers to base their business operations on principles that are consistent with those established in our Code of Business Conduct – this is an important criterion for initiating or further developing business relationships.



# Active philanthropy

## Our philanthropic milestones



6 families across Lithuania given long-term support, a relationship that begins with upgrading the windows of their house

1 to 17 years is the age range of the children we are helping

30 windows replaced before Christmas 2023, significantly improving living conditions in winter

23 Children receiving a dream Christmas gift from our colleagues

Improving our local communities through consistent philanthropic engagement

Our commitment to the long term applies to our partners and employees, and also to the communities that we are part of. Our future will not be resilient and sustainable if the society we are part of does not receive the support it needs.

That is why we have an extensive and ever-growing range of philanthropic activities. These activities are focused on having a transformative impact at a local level and are particularly targeted at the wellbeing of children.

## Our ongoing activities



- Christmas tables furnished with food in the past 6 years
- Appliances like computers for school, refrigerators and washing machines provided to the families we support
- Seasonal surprises sent to the families we support at Christmas and Easter



## Our initiatives in detail



### A Christmas miracle from our colleagues

Along with meeting the family whose home we are improving, we invite our colleagues to take part in an additional Christmas miracle - making children's wishes come true.

The families we support provide a wishlist of items and gifts their children would like - some wishes include toys, whilst others feature new furniture and even clothing. This list is shared with the Staticus team, and colleagues "book" an item of the list that they would like to give. The list is always fully booked within a couple of days, and the 23 children we support even get extra items. This is a tradition that colleagues look forward to every year and one that we are very proud of. It strengthens our ongoing relationship with the disadvantaged families we support.



### An ongoing partnership with Raguvėlė Children's Centre

Raguvėlė Children's Centre is a day care centre in the Lithuanian town of Anykščiai. On average, over 20 children of varying ages use its services every day.

Staticus has had a long standing partnership with Raguvėlė. This began when we helped the centre recover from a fire.

Since then, we have been regularly providing supplies, equipment and materials for the after school activities it puts on.

06

Transparent and  
effective quality  
assurance processes



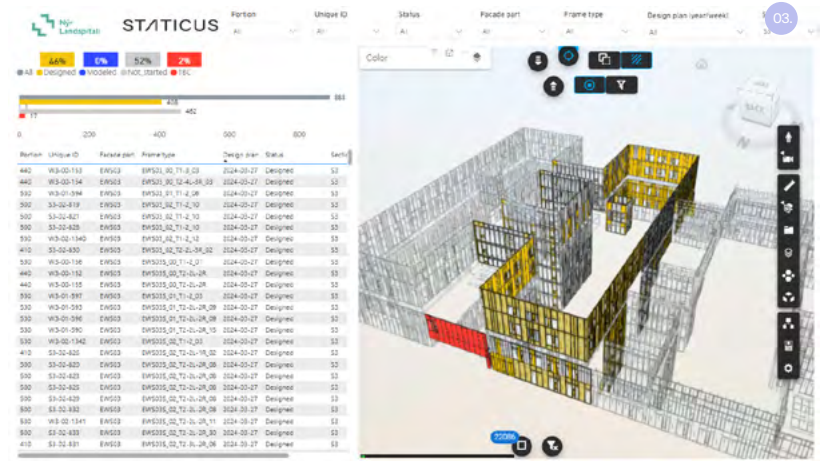


# How QA is now tracked through our value chain

## 2. Workshop design

The workshop design sheets (WSD) in our XD tool show the status of different elements, allowing stakeholders to see any questions the design team has and to visually check if anything is missing.

## 03. Workshop design



## 3. Element completion

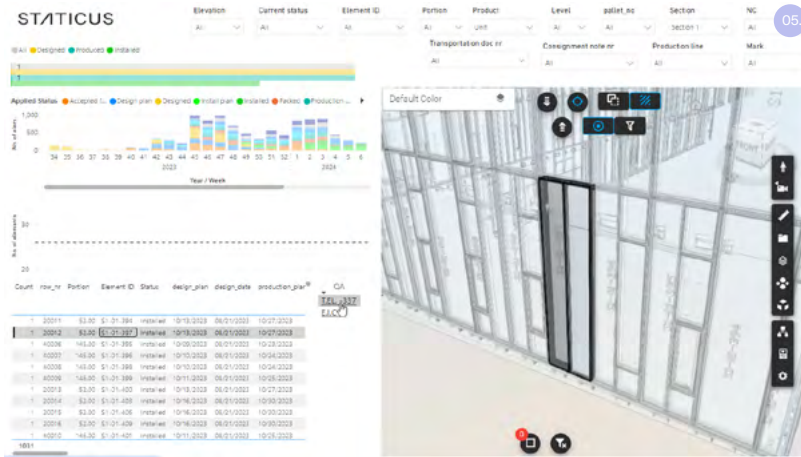
Our XD tool includes a filter for incomplete elements. This allows stakeholders to quickly see which elements have issues and to prepare accordingly.

## 4. Quality Assurance Documentation

Having used the filter to identify incomplete elements, stakeholders can then see detailed QA documents about these elements. They can check the exact materials and technologies that were used, speeding up the resolution of any nonconformities. This documentation also serves as proof that the element has been produced.

## 04. Quality assurance documentation

## 05. Quality assurance documentation





## How QA is now tracked through our value chain

### 5. Production lines

The production team and project managers can use a filter to identify which elements belong to which production lines. This can help them plan the assembly line. They can also check data such as completion status for specific production lines, which can be especially helpful with complex projects.

### 6. Payment plans

Clients can track the payment plans for production and installation. Using the XD tool, they can visually check elements in the 3D model and see their payment status, making it simpler to keep track of progress and manage payments.

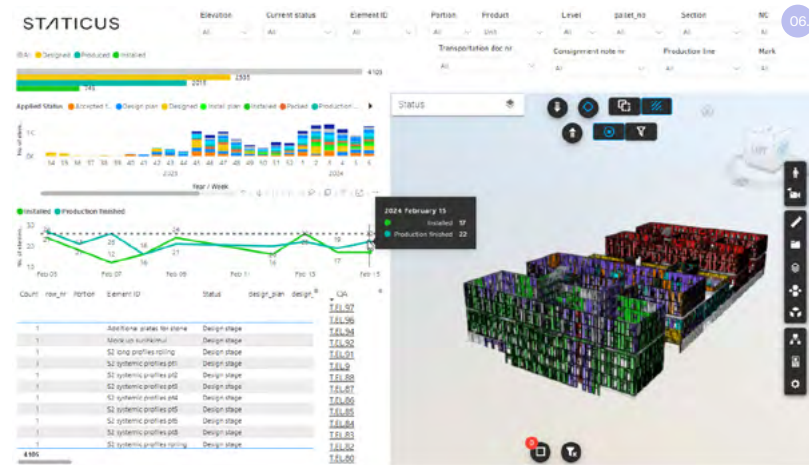
### 7. Transportation and logistics

Stakeholders can see detailed information for each element on their shipping to the site, making it easier to track the logistics of a project and improving planning accuracy and communication on-site.

### 8. Production and installation rates

Our XD tool features summary charts on production and installation rates for the last two weeks of a particular project. This provides a clear visual representation of the current situation, making it easy for internal and external stakeholders to track a project's progress.

#### 06. Production and installation rates





## Improving our Model Based Definition capabilities in 2023

We are continually developing our use of Model Based Definition (MBD), especially in terms of enabling direct communication with CNC machines without the need for manual programming. We have described our MBD workflow and provided training in it, and have dedicated teams for working with the MBD method.

**In 2023, we made notable progress in our adoption of MBD.**

- ▶ We switched Workshop on Design (WSD) on all projects from 2D to 3D modelling, and saw a 62% reduction in nonconformities in the first 2 months for projects using 3D.
- ▶ While modelling the first elements in 3D takes longer initially, we saw dramatic improvements in efficiency and quality at later stages. For example, the team working on the Preses Nams project achieved 133m<sup>2</sup> per 1 Dalux hour, which is 10 times higher than on other projects (although this rate will vary project by project depending on complexity and levels of team experience).

## Listening closely to our employees in production

In 2023, we introduced a biannual People Review process which has been applied in our Production team. In these reviews, we carry out comprehensive assessments of employee categorisation and remuneration, ensuring we have alignment with our organisational goals and industry benchmarks. This process led to timely adjustments in role levels and salaries, which had a positive impact on turnover in production (which was 44% in 2023, as compared to 39% in 2022), ensuring fewer errors, and improving job quality.

- ▶ We selected a single modelling platform to use, and created Inventor apps and generators.
- ▶ We reintroduced Pareto table meetings for analysing nonconformities, which has improved our modelling.
- ▶ To ensure traceability and transparency, we ensured all models and related documents are managed using a Product Data Management (PDM) system.

We have learned many things during our adoption of MBD and we are still developing it furthermore. The teams are adjusting to this new method and sometimes experience challenges that require extra effort to learn new things or solve the technical problems. We aim to further enhance WSD throughout and quality by creating a detailed description of our MBD workflow 2.0. We will also be programming an automatic element base model generator, creating a single source of inbound information (Revit) and using Computer Aided Manufacturing (CAM) in production (STEP).

# Quality assurance focuses for 2024

We aim to make specific improvements in our QA activities and processes, including rolling out improvements in packaging, introducing quality gates and creating a new design strategy.



## Introducing Quality Gates

- ▶ In 2024, we will put even more attention on increasing the quality of our processes and products in order to deliver higher client satisfaction. This includes the introduction of a new quality assurance tool - Quality Gates. These are checkpoints that must be met at specific stages of the process, and they will help us catch defects earlier and mitigate risks.
- ▶ Quality Gates serve as milestones that we need to achieve at different stages of the process. They will enable us to address any issues proactively and make the necessary adjustments, leading to more efficient and successful projects.
- ▶ The use of Quality Gates will complement our existing quality system, ensuring that risks are managed as early as possible and that the final product meets and even exceeds the customer's expectations.
- ▶ Our aim is to introduce 5 Quality Gates in 2024, and we will start with a focus on production and design.

## Developing a new Design Strategy

- ▶ In 2024, we will create a new quality and planning document for design.
- ▶ This will be our second generation of design strategy, and it will be dedicated to design stage planning. Design stage planning is fundamental to design management and involves defining the project's objectives, scope, assumptions, constraints, and understanding the resources required.
- ▶ This new design strategy will create a time, place and canvas for the Design team to plan ahead, rather than serving as a policy document for management. According to this plan, Design Managers and the design team will create a plan before the project begins, creating an overall view of the project, agreeing on the main goals, identifying key variables, and thinking about how we should achieve our project goals. The plan will include a project overview and goal, key milestones, and feedback for the client and internal teams.
- ▶ The overall goal of our new design strategy is to ensure reduced waste, fewer errors, and enhanced quality in later stages.

07

# R&D activities and digitalisation

- 41 Major steps forward in key R&D projects in 2023
- 46 Digitalisation initiatives making us more streamlined and transparent





# Major steps forward in key R&D projects in 2023



---

Staticus' R&D activities are fundamental in enabling us to meet the changing needs of our clients and of society. In our R&D activities, we focus on making long-term commitments that will lead to a more sustainable future.

---

- 
- ▶ In 2023, our R&D team worked extensively on the further development of a next-generation hybrid unitised façade (HUF) that can cut embodied carbon by up to 75%. This HUF was installed on a project - Textiltorget - for the first time.
  - ▶ Meanwhile, we completed the construction of a new in-house testing rig, which was then calibrated by an independent third party. This enables us to conduct EU and CWCT-compliant testing on premises.
  - ▶ We also made progress in our exploration of IoT technology for improved management and maintenance over a building's entire life cycle. This included building the cloud data infrastructure and setting up a real time data feed to it from IoT sensors in a mock-up.
  - ▶ These 3 projects - the development of hybrid unitized façades, our exploration of IoT uses, and our internal testing rig - are all partially funded by Norway Grants.

- 
- ▶ We also deployed our aluminium unitised façade system based on applying Design for Manufacturing (DfM) principles in a project.
  - ▶ Seeing two of our innovations fully implemented on projects in 2023 represented a major milestone in the commercialisation of our R&D activities. Building on this foundation, we will continue to develop and improve our products and innovations.
  - ▶ This includes improved sensor packages in our IoT project, and more integration between these sensors and our internal data so that we can further refine our models. AI will play a crucial role in this process, and we will be exploring different forms of AI (such as Machine Learning and Generative AI) and how they can be deployed throughout our value chain.

## Deploying our low-carbon hybrid unitised façades (HUF)

The façade industry has a key role to play in reducing CO2 emissions, given that buildings currently account for 40% of all energy consumption and 36% of greenhouse gas emissions in the EU.

We are committed to playing our part. Most notably, we have developed an innovative hybrid unitized façade (HUF) system that replaces high-carbon materials with low-carbon alternatives like timber. Our HUF can achieve an up to 75% reduction in embodied CO2 compared to a standard aluminium unitized façade, and offers improved thermal performance.



## Key achievements in 2023

- ▶ In 2023, we commercialised our new generation HUF for the first time. It was used for Textiltorget, a 9-storey renovation project in Stockholm. We designed, built and installed 1,400 m2 of our timber-aluminium hybrid façade for this project.
- ▶ In May, prior to implementation, we conducted extensive testing of a full performance mock-up for the Textiltorget project at VINCI Technology Centre in the UK.
- ▶ The testing included air permeability, wind resistance (serviceability and safety), watertightness (static and dynamic) and impact resistance.

## Focuses for 2024

- ▶ In 2024, we will conduct additional testing to address other market and building type requirements. Furthermore this will allow us to make ongoing improvements.
- ▶ This will include acoustic tests on the system in March 2024. We will determine airborne sound insulation from inside to outside in accordance with EN ISO 10140 Part 2. We will also test flanking sound insulation (from floor to floor) in accordance with EN ISO 10848 Part 2.
- ▶ In terms of fire safety, we also plan to test our new HUF system in accordance with EN 1364-4. This testing determines the fire spread between the floors of a building. This test will show if any improvements must be implemented in the system spandrel area.
- ▶ In general, conducting extensive testing is important since it confirms long term performance of our products in changing weather conditions.
- ▶ We firmly believe that hybrid unitized façade systems are valuable future-oriented products that meet real market needs. They provide low carbon solutions in conjunction with long-term durability, warm aesthetics and well-being. In this context, we explored alternative materials for this system in collaboration with ETH Zurich in 2023 and will continue to do so in 2024.

## Improved performance with IoT technology

Staticus' R&D team is exploring ways to integrate Internet of Things (IoT) technology in our façades with the goal of enhancing building performance, and reducing maintenance costs. Achieving this can have a significant impact on reducing carbon emissions and lowering maintenance costs for a façade.

The team developed façades with integrated sensors. These sensors deliver real time data to a digital twin, allowing us to monitor façade performance. Once this data is integrated into the building management system (BMS), the BMS can be optimised for improved energy use and faster responses to changing conditions or potential issues. This is because our sensors are able to collect data that is otherwise unavailable to a tradition BMS, creating much richer datasets and providing all relevant information consolidated in one place.

Another important advantage of IoT is related to façade end of life and component reuse. By tracking and archiving information on components in our digital twin library, we will be able to accurately determine which components are still reusable. We can then plan for their retrieval and reuse. This will allow us to have an impact on parts of the value chain that we are not yet directly involved in.



## Key achievements in 2023

- ▶ In 2023, we built the cloud data infrastructure, an IoT mock-up, and the pipeline connecting these two elements together. As a result, we now have live data constantly streamed from our IoT mock-up to an Azure platform in the cloud. Here it is stored, shared and analysed by our partners at SINTEF and OsloMet in order to calibrate their mould prediction and building physics models.
- ▶ KTU, another of our university partners, completed the development of their Digital Twin concept. This combines BIM and photogrammetric models with the capability to overlay live sensor data and toggle between model views. They also delivered their report documenting the methodology for replicating their concept on any of our future projects.
- ▶ The first phase of the cloud platform development mentioned earlier was completed by our partner ADD Business Solutions. They also started work on the development of a web browser and mobile client application.

## Focuses for 2024

- ▶ Our goal for 2024 is to complete phase two of our cloud architecture along with the development of the Staticus CARE web browser and mobile application. The app will use our cloud architecture for the following features:
  - ▶ Maintenance requests,
  - ▶ Façade monitoring and Digital Twin,
  - ▶ Predictive maintenance,
  - ▶ Notifications for events, and alerts,
  - ▶ And a maintenance and events calendar.
- ▶ We will also be testing and integrating IoT monitoring for various mock-ups using the same platform and systems that we have built for Staticus CARE with an upgraded sensor package.



## Enhanced R&D and QA with in-house testing rig

We have constructed a new, and significantly larger, testing rig on our premises in Vilnius. This rig is funded by the 2014-2021 Norwegian Financial Mechanism Program “Business Development, Innovation and SMEs” EEA and Norway Grants.

The rig offers an enlarged capacity and is being used by the Production Technology Unit team to ensure that every Staticus project is verified via physical testing both before production begins, and throughout the production process.

The team can use this rig for visual mock-ups as well as performance testing. The rig is large enough to accommodate over-size units and enables us to run full test sequences in accordance with CWCT and European standards at our premises. It further enhances our in-house quality control and quality assurance programme. Furthermore, it is a valuable asset for our R&D and prototyping work, allowing our engineers to quickly collect a range of testing data without having to leave Staticus’ facility.

## Key achievements in 2023

- ▶ In 2023, we completed the construction of our new testing rig.
- ▶ It was then fully calibrated by an independent third party. This means that, in addition to tests performed for production quality control and research purposes, we are now able to conduct full performance mock up testing in accordance with EN and CWCT standards.
- ▶ With this rig we can carry out full test sequences in Air Permeability, Water Tightness, Wind Resistance, Impact (interior and exterior), and Dynamic Water Tightness.

## Focuses for 2024

- ▶ Among other performance tests, we plan to fully test the elements for the Hero Business Centre project in Vilnius in mid-April 2024. This will include impact testing and other routine tests.
- ▶ We will also use our new rig to test the PMU element for the Elephant Park project in London, where the combined elements will reach up to 7 meters in size.



## Design for Manufacturing (DfM) used for aluminium elements

---

At Staticus, we aim to use Design for Manufacturing (DfM) increasingly in our façade projects. DfM means designing parts, components or products with uppermost efficiency of manufacturing in mind. This is achieved by simplifying, optimising and refining the product's design. This allows us to make better products at a lower cost. The higher efficiency this approach enables also means our production is more environmentally friendly.

We have created our own system for designing and creating unitized aluminium systems based on DfM principles.

## Key achievements in 2023

---

- ▶ In 2023, we completed installation on the Separatörn 1 building in Flemingsberg, Southern Stockholm. For this project, we used our DfM unitized aluminium system.
- ▶ We took full control over the production of profiles in collaboration with an extrusion company. The system achieved full EN and CWCT test certification for performance compliance.
- ▶ Delivering this project enabled us to assess how our cross functional collaborative teamwork is taking shape. We further optimised our Design for Manufacturing processes.

## Focuses for 2024

---

- ▶ In 2024 we will implement the DfM on several high-rise projects.

## Securing patents for our cantilevered structures installation mechanisms

---

There is increasing demand for exterior structures and features outboard of the façade. To avoid using scaffolding and disrupting the safe and fast installation of unitized curtain walls, we have developed an installation mechanism for cantilevered structures, allowing for direct load transfer to the building structure. It permits the exterior cantilevered structure to be finely adjusted once it is securely installed in place.

We have received a national patent for this innovation in Lithuania. This covers the equipment and methods used.

## Focuses for 2024

---

- ▶ We anticipate receiving a European patent for this innovation in 2024.

# Digitalisation initiatives making us more streamlined and transparent

Our digitalisation activities in 2023 encompassed project monitoring, stock management and workflow consolidation. They enabled us to be more efficient, saving time and costs. They also provided our stakeholders with new levels of transparency.

We are always looking for new ways to leverage digital technologies to the benefit of our colleagues and clients, and, having made important progress in this area in 2023, we have clear plans for further digitalisation progress in 2024.

## Enhancing stock management using digital tools

- ▶ In 2023, our e.Warehouse system was implemented to ensure proper stock management and by July, all of our material categories, excluding parts, were being efficiently managed in the Equinox warehouse system. Using this system enables precise storage, barcode-based acceptance and collection, and real-time information exchange. As a result, we have streamlined material tracking, eliminating the need for paper tasks which saves valuable time in material retrieval.
- ▶ Within 11 months of introducing our digital solutions for material stock management we generated nearly the same quantity of orders from stock as in the past 3 years. This shows its efficiency and translates into significant time and cost savings for the company.

01. Barcode-based inventory system "Equinox"

## Adding high-value functionality to our XD reporting tool

- ▶ One of our latest and most important digitalisation projects is our XD reporting tool. It connects detailed 3D models of our projects with data from various Enterprise Resource Planning (ERP) and Common Data Environment (CDE) systems via the VCAD tool in Power BI. This enables our team and our stakeholders to easily check a project's progress in real time, providing transparency and building trust.
- ▶ In 2023, we achieved significant breakthroughs by adding newly created reports like payment plans (5D), and technical and workshop design management dashboards.

## Improving workflows and access to data

46

- ▶ We added new features to e.Staticus, a package of digital workflows for the employee journey process designed to save time on everyday tasks.
- ▶ We consolidated our supply orders, production orders and production status in one platform. This has eliminated the need for additional excels, which accelerates information updating and removes the need for manual checks on each order update, resulting in easy error detection and correction.



# Key focuses for 2024

---

Digitalisation is an important component of our 2024-2027 strategy, featuring in many of our strategy's Must Win Battles' initiatives.

---

We also have specific developments planned for 2024.

- ▶ We will focus on **cybersecurity**, which we see as integral to a successful and resilient business strategy in today's digital landscape.
- ▶ We plan to invest in a new ERP system that will serve as our business core system. This will enable us to manage our projects with integrity across the whole value chain, bringing improved efficiency and productivity, and enhancing our reporting, planning, compliance, risk management, and scalability. And, most importantly, serving our clients' needs.
- ▶ We will explore different AI solutions for leveraging our data and producing innovative services that will facilitate sustainability, reduce risks, and enable cost savings and efficiencies. This will be on of a key initiatives of the Staticus Care Must Win Battle in our strategy.

- 49 International Way
- 51 One Exchange Square
- 53 Elephant Park
- 55 Separatorn 1 (S1)
- 57 Textiltorget
- 59 International Meeting Facility (IMF)
- 61 Landspitali
- 63 Forskaren
- 65 Hero
- 67 K8

---

Forskaren, Stockholm, Sweden

---





# International Way

Location	Stratford, London, UK
Client and investor	Telford Homes
Architects	Burwell Architects
Category	Residential
Building type	2 x 26-storey residential towers and ground-level public realm
Façade area	22 300 m <sup>2</sup>
Type of façade	Unitized
Façade Engineering Consultants	Ramboll
Year of completion	2025
Key features	Our largest UK project to date, with complex production owing to its scale and logistical challenges due to its location next to Stratford International Station



# International Way

Our largest UK project to date featuring a complex installation next to one of London's busiest stations

International Way is an aesthetically dynamic, community-oriented residential development in the Stratford district of London. It is also Staticus' largest UK project so far, featuring two 26-storey towers that will together have 380 homes.

We are designing, producing, and installing 22 300 m<sup>2</sup> of façade for this project. Our production team is working methodically and rigorously to manage the scale and complexity of this project. We are producing 15 732 m<sup>2</sup> of unitised cladding, 1 910 m<sup>2</sup> of fixed windows and sliding doors, and 4 650 m<sup>2</sup> of other cladding, along with fire safety glass balustrades up to the roof level and other features. The façade uses specially developed brick-faced GRC cladding columns - this is the first time we have used brick slip GRC cladding in a project - and all cladding will have a PPC finish. With BREEAM - Excellent the target for this project, along with a strong focus on biodiversity and green space, sustainability is at the forefront.

The location next to Stratford International Station, one of London's busiest stations, has influenced International Way's design. Aesthetically, the project explores the

concept of "tracks and movement". The location also poses major logistical challenges for our team. Its proximity to the railway means Health and Safety requirements for installation are at the highest level possible.

Our team is successfully navigating these technical challenges in production and installation. Production started in late Autumn 2023, and the installation team was on site before Christmas to begin work. Both teams will be working throughout 2024, with project completion planned for early 2025.

The architectural vision and location of this project make it exciting in its own right. For us, it is also significant as another major step in our development within the UK market. As our largest project in the UK so far, and with a large amount of complexity, it demonstrates the trust major UK clients have in us. Reaching this point is the result of many years' work building our presence in this market, but is also just the start of our next chapter in the UK market as we aim to serve the largest clients and deliver the biggest projects.



Visualisation copyright © Tham & Videgård Arkitekter

# One Exchange Square

Location	London, UK
Client / General contractor	Multiplex Construction Europe Ltd
Developer	Jones Lang LaSalle
Architects	Fletcher Priest Architects
Category	Office building
Consultants	Eckersley O'Callaghan
Façade area	14 500 m <sup>2</sup>
Certificates	Targeting BREEAM Outstanding, WELL Platinum, NABERS UK DfP 5 Stars (design stage)
Year of completion	2026
Notable features	Our largest subcontract in the UK to date, this refurbishment project in the heart of central London boasts exceptional sustainability credentials



# One Exchange Square

## A highly sustainable retrofit in the City of London

Located within the Broadgate campus in the heart of London's financial district, One Exchange Square is an ambitious refurbishment project with exceptionally high sustainability targets. General contractor Multiplex has been selected by LaSalle to realise this project, and we will be working closely with Eckersley O'Callaghan and Fletcher Priest Architects for what is our largest subcontract in the UK to date.

Originally built in the late 1980s in the heart of the City of London, One Exchange Square will be transformed into a new high quality workplace, offering over 39 500 m<sup>2</sup> of offices and 2 000 m<sup>2</sup> of retail. The new scheme is notable for its focus on material reuse. Over 90% of the existing structure will be kept, with the side of the building that faces onto the iconic Bishopgate radically refurbished.

Staticus will be working with Eckersley O'Callaghan and Fletcher Priest Architects to deliver the 14 500 m<sup>2</sup> façade for this project in what will be our largest subcontract in the UK. This project has high levels of complexity. A portion of the existing envelope material will be retained, and the façade will include features such as Juliette balconies (on floors 2-12) and full-height openable windows.

This project has very high sustainability targets. The building aims to have 50% less embodied carbon than comparable offices, and will exceed the Greater London Authority's carbon targets. The façade will play a key role in achieving these standards. 75% of the existing façade will be reused and enhanced. Meanwhile, intelligent façade design and mechanical services will be combined with building management systems to optimise operational energy use. The project is targeting BREEAM Outstanding, WELL Platinum and NABERS UK DfP 5 Stars Rating at the Design Stage.

The exoskeleton, one of the project's key architectural features, will influence our design for one of the main façade element types. It will also impact our installation strategy, as will the site location. One Exchange Square is adjacent to London Liverpool Street, by far London's busiest station, and is in the heart of the city's financial district.

Production for One Exchange Square is scheduled to begin at the end of the Summer, 2024, and we expect to be on site to kick off installation in September 2024. Production should be complete in Q2 2025.

This project is an ideal fit for our team's competencies, with its high levels of complexity and ambitious sustainability targets. And partnering with Multiplex, Eckersley O'Callaghan, and Fletcher Priest Architects on a major central London development is another indicator of our growing status within the UK market.



Visualisation copyright © Tham & Videgård Arkitekter

# Elephant Park



Location	London, UK
Investor	Lendlease Corporation Limited
Client	Lendlease Construction (Europe) Limited
Architects	HOK International Limited
Category	Residential and retail
Consultants	Meinhardt (UK) Ltd
Façade area	approx. 10 000 m <sup>2</sup>
Certificates	BREEAM Excellent
Year of completion	2025
Notable features	Our 1st project for Lendlease on a central London redevelopment targeting very high quality and sustainability levels



# Elephant Park

---

## Partnering with Lendlease to deliver a prestigious London redevelopment

---

In 2023, we secured our first project with Tier 1 contractor Lendlease, a stunning regeneration project in London. We are designing, producing and installing the façade for the ground floor and the 25-storey block A tower of the H11B building of the Elephant Park redevelopment.

H11B will be home to 259 residences, and will have retail space on the ground floor. It will form a key part of this impressive development in Elephant and Castle. Set in parkland in the heart of London's Southwark borough, Elephant Park is a mixed-use scheme combining office spaces with apartments and retail.

For the block A tower and ground floor of the H11B building we are delivering a 10 000 m<sup>2</sup> façade, including 1 812 façade units, 548 windows, 136 sliding doors, and 60 single and 14 double doors. The façade will be a striking mix of visual panels, incorporating some manual sliding doors and opaque panels clad with aluminium and GRC.

We are currently in the design stages for this project, with production scheduled to begin in July. The Staticus team is then committed to being on site by October 2024, with 10 floors' worth of panels already produced and in storage in the UK.

Working with a Tier 1 client on a prestigious redevelopment project represents another step forward for Staticus in the UK. We are committed to delivering a very high quality façade for this project, and we have the experience, people and financial footing to ensure this happens.



Visualisation copyright © Tham & Videgård Arkitekter

# Separatorn 1 (S1)

Location	Stockholm, Sweden
Client	Skanska Sverige AB
Architects	Tham & Videgård Arkitekter
Investor	Fabege AB
Category	Office building
Building area	30 000 m <sup>2</sup>
Façade area	7 037 m <sup>2</sup>
Year of completion	2024
Notable features	First use of Staticus' own façade system developed inhouse, and first production process based exclusively on 3D drawings



# Separatorn 1 (S1)

## Staticus' own façade system deployed for first time in Stockholm office development

S1 is a 12-storey development in Stockholm that will house offices and an innovation centre. The 7 037 m<sup>2</sup> façade is unique for its curved corners and sinus-shaped stainless steel finish. S1 also represents a major step for Staticus, as it is the first project based on our aluminium façade system, which has been developed inhouse by our R&D team.

S1's façade has a number of challenging features, including a corrugated metal sheet cladding. The elements are large, with standard units at 2.7m x 3.7m, and the tallest reaching up to 5.5m high. Plus, there are two corner elements.

Using our own in-house façade system added an additional level of complexity to this project. We coordinated the production of profiles and gaskets with two different extrusion companies. We also put our façade system through rigorous testing at VINCI Technology Centre in the UK. It

passed successfully, achieving the set parameters for acoustics, air and water permeability with minimal adjustments needed.

This additional complexity was most definitely worth it. Using our in-house system as a foundation, we were able to create specially-tailored profiles exclusively for the S1 project. This tailoring process took more than one year, and enabled us to ensure we met the exact needs of the client.

Using our own system also brought advantages for us at the production stage. With more control over the value chain, we were able to ensure greater efficiency, with less material waste and energy use. This was enhanced by our exclusive use of 3D models in the design and production phases. Incorporating Design for Manufacturing principles - designing parts, components or products with a focus on ease of manufacturing and assembly - we were able to produce the façade more efficiently and sustainably.

Our system has been in development since 2021, and deploying it successfully in a project for the first time represents a significant step for us. Main element

installation on the S1 project was completed in January, with project finalisation due in Autumn 2024.

Being able to commercialise an innovation we have been working on for 3 years is a testament to our team's technical ability, and demonstrates that the new products we are developing meet real market demand. It also highlights the importance of our long-term partnerships. We have worked together with client Skanska Sverige AB on numerous major projects in Sweden. Furthermore, we are partnering with investor Fabege on another innovative project, this time featuring our new Hybrid Unitised Façade (HUF). These close partnerships are characterised by trust, open communication, and shared priorities, which make deploying new innovations possible.



Visualisation copyright © Tham & Videgård Arkitekter



# Textiltorget

Location	Stockholm, Sweden
Client	Fabege AB
Category	Office and retail building
Façade area	1 400 m <sup>2</sup>
Year of completion	2024
Key features	Meeting the project's very high sustainability goal through the first ever use of our new generation Hybrid Unitised Façade system



# Textiltorget

## The renovation project using Staticus' next generation Hybrid Unitised Façade (HUF) for the 1st time

Textiltorget is a sustainability-oriented renovation project in Stockholm. This former factory, originally constructed in 1955, is being transformed with an aesthetic reboot and dramatically improved energy efficiency.

Client Fabege AB is aiming for BREEAM-SE Bespoke Excellent certification, which imposes high demands on sustainability performance, including minimising the façade's carbon footprint. For this reason, we proposed using our newly-developed Hybrid Unitised Façade (HUF) for the Textiltorget renovation.

As part of a Norway Grants funded project, we have been developing our next-generation HUF over the past 3 years in

collaboration with our research partners SINTEF, KTU and OsloMet. The explicit aim of this project is to develop a unitized façade that offers much lower embodied carbon. This has been achieved by replacing aluminium mullions and transoms with GLULAM – glued laminated timber.

This material requires much less energy to produce and can be sourced sustainably. It also offers advantages in terms of performance. Timber's thermal insulation is 400 times better than steel and 1 700 times better than aluminium. Indeed, we have been using wood in our projects since 2012 thanks to its excellent thermal performance which is at or above passive house standards. Our HUF can be delivered in sizes up to 10m<sup>2</sup>, and the fact that it is prefabricated facilitates cost efficiency and makes installation easier compared to site-built wood systems.

The use of wood brings aesthetic and design advantages as well. This was evident in January 2024 when our installation team removed the protective foil to reveal the natural wood used in our HUF.

This was one of the final tasks for the installation team, who had completed all their main work by the beginning of 2024. They started installation in September 2023, following intensive testing at VINCI Technology Centre in the UK in May and production throughout the summer.

As the first project featuring our next-generation HUF, Textiltorget is an important milestone for us. All of our R&D projects are undertaken with the view to create something commercially viable that meets needs in the market. Fabege, with its focus on sustainability and open-minded approach to innovation, has proved to be an important and trusting partner in this process. We look forward to many further projects where our newly-developed HUF is used to achieve high levels of sustainability.



# International Meeting Facility (IMF)

Location	Noordwijk, Netherlands
Architects	Studio Blengini Ghirardelli Architects
Client	Rizzani de Echer
Investor	European Space Agency (ESA)
Category	Conference centre
Façade scope	2 269 m <sup>2</sup>
Year of completion	2024



# International Meeting Facility (IMF)

International Meeting Facility at the ESA is our lift off in the Dutch market and our first partnership with contractor Rizzani de Echer

The International Meeting Facility (IMF) will be a new conference building at the European Space Agency's Noordwijk campus in the Netherlands. This 3-storey building, Staticus' first project in the Dutch market, promises to be an architectural spectacle. Inspired by the orbits of the planets, the design features elliptical curves and wave-like forms.

The 2 269 m<sup>2</sup> façade has a silver-coloured aluminium glaze, with the cladding formed along with the orbital design. We are also producing a glass roof, railings, doors, external soffits, ventilated façades, a glass balustrade, and windows for this project.

The bold architectural vision poses various technical challenges. The design includes a wave-like part of the façade that is in between the floors, and each floor has its own special curvature.

Our design team has used 3D design extensively, including at the Workshop design stage, to ensure we meet the visual requirements of the project. This includes aligning the cladding under different curvatures in the southern and northern façades of the building.

Achieving the high performance values required for this project, while managing the challenging climatic conditions that comes from close proximity to the North Sea, has also posed numerous questions for the team to solve.

With solutions in place to manage these complexities, the project is progressing well. Production kicked off last Autumn, and installation is set to be completed by late Summer 2024.

Delivering this striking building will be another indicator of our ongoing sustainable growth. We are partnering with the major international contractor Rizzani de Echer for the first time, providing further evidence of our ability to work at the highest levels of complexity. And completing our first project in the Netherlands will mark another milestone in our planned market expansion.



# Landspítali University Hospital

One of Iceland's largest and most complex building projects ever is also our highest value project to date

Location	Reykjavik, Iceland
Client	NLSH (Nýr Landspítali)
Architects	Corpus 3 (Iceland)
Category	Medical
Façade area	30 000 m <sup>2</sup>
Year of completion	2027

# Landspítali University Hospital

One of Iceland's largest and most complex building projects ever is also our highest value project to date

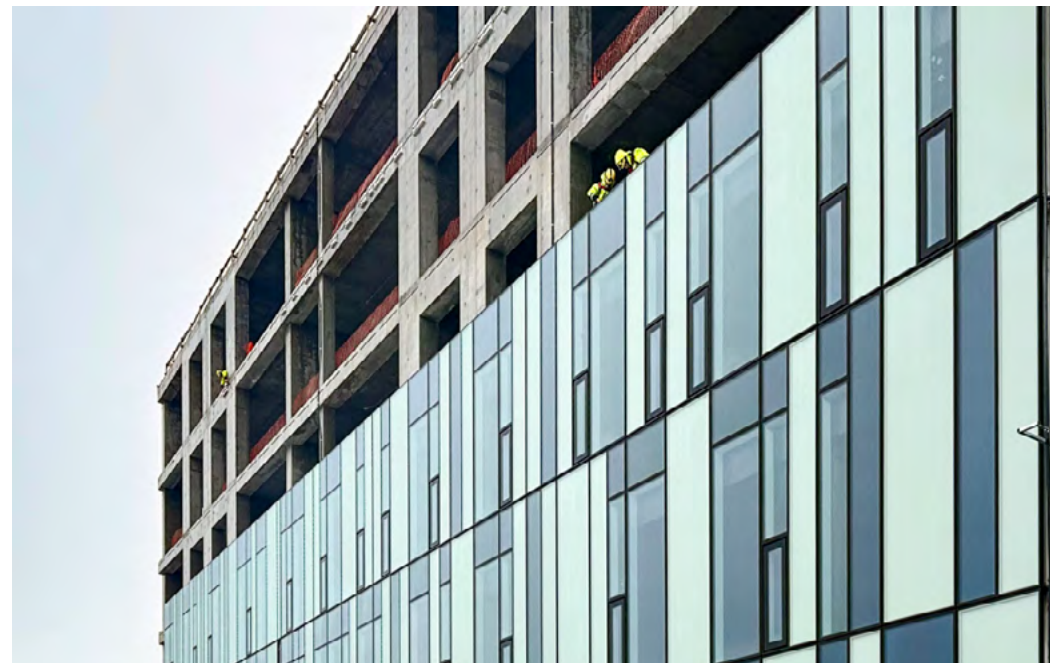
The new treatment centre of the Landspítali University Hospital in Reykjavik will be the biggest single building of Iceland's largest and most important medical facility. It features 5 separate building sections and measures around 70 000 m<sup>2</sup>. According to Ólafur Hersisson, an architect at Corpus 3, it is "the largest and most complex project in Iceland to date." The treatment centre will be used as an emergency and university hospital.

We signed the contract for this building's 30 000 m<sup>2</sup> façade in 2022, and at €47 million it was our largest ever. Now, the team is making strong progress through the production and installation phases. The project features 3 different façade systems along with glass roofs, doors, rainscreens, and ceilings.

In design and production, we have had to factor in Iceland's unpredictable climate and seismic activity. We have successfully tested the elements using both standard CWCT testing, and tests for the seismic conditions according to the American AAMA standard. This is the first time we have conducted such testing for one of our façades. The units are also designed for wind loads of  $-5.89/+3.53$  kN/m.

With a target date of January 2025 to complete the façade, 5 production lines are working in our production facility. Façade elements are then transported by ship to Iceland, where we have up to 70 installers working on site at peak times. We have a minimum of 2 teams working on any given day, and this increases to 5 teams at peak times. One team installs 13-15 elements per day on average.

The New National University Hospital is a landmark project for us: our largest in contract value and our first project in Iceland. It proves that we have the expertise, experience, and capacity to carry out such a large and complex project, while building on our extensive experience working on hospital projects in Scandinavia.



Visualisation copyright © Corpus 3

# Forskaren

Location	Stockholm, Sweden
Investor and developer	Vectura
Architect	3XN
Category	Office building
Building area	24 000 m <sup>2</sup>
Façade area	10 000 m <sup>2</sup>
Type of façade	Unitised and stick façades
Type of construction	New construction
Certificates	LEED Platinum
Year of completion	2024
Notable features	A circular, funnel-shaped building with a façade that incorporates exceptional Accoya wood from New Zealand



# Forskaren

A high-sustainability façade featuring Accoya wood installed ahead of schedule

The 10-storey Forskaren building is part of a developing pharmaceutical cluster in Stockholm, Sweden. This building, which will be a life sciences hub that includes an exhibition space, restaurants, and cafes, is an architectural statement. It has an unusual funnel shape, with each floor increasing in radius by over 1m as the building ascends, and its façade uses Accoya wood from New Zealand. This material is aesthetically impressive, and also offers lower embodied carbon and impressive energy performance that will help the building achieve its target of LEED Platinum certification.

Staticus has designed, produced and installed the 10 000 m<sup>2</sup> façade for Forskaren. It is made up of unitised and stick façade, along with doors and soffit cladding. Designing a unitised façade for a building that steps out by 1m at every floor raised various technical questions for the design team.

Another practical challenge was the selection and use of suitable materials to meet the project's very high sustainability and aesthetic goals. The team used Circal recycled-content aluminium for the bearing profiles. The most notable material, however, is the Accoya wood, a natural

pine product that is specially processed to achieve a higher level of stability and durability than that of a tropical hardwood. This wood was used for the wooden slats on the exterior, while veneered wood cladding was installed from the inside of the façade units.

Using these materials has significantly reduced the façade's embodied carbon emissions. Similar buildings typically have embodied carbon of 150 kg/m<sup>2</sup> of façade, whereas the figure for Forskaren is under 100 kg/m<sup>2</sup>.

This project has also been notable for us because we achieved a new installation record - 74 elements installed in a single day. We achieved this with two installation teams working. Together, they installed an average of 18 elements per day, and they were frequently working at two or three times the planned installation rate. The team deployed technology innovatively to achieve this - they used a Maeda Mini Crane MC104 and an SL1009 glazing robot, which was used to install entire elements as well as glass. As a result of their hard work and agility, the installation phase was completed in 2023, one month ahead of schedule.



Photo copyright © Andrius Gudelis



# Hero



Location	Vilnius, Lithuania
Client	Realco statyba
Investor	Realco statyba
Category	Office
Façade scope	13 856 m <sup>2</sup> of unitized façade and 2 139 m <sup>2</sup> of stick façade
Accreditation	BREEAM Excellent
Year of completion	2025



# Hero

---

Delivering a 16 000 m<sup>2</sup> façade in under 1 year for a new landmark in Vilnius

---

Providing 32 000 m<sup>2</sup> of first class office space, the Hero Business Centre will be a new landmark in Vilnius' central business district. Comprising two towers, connected by a 3-floor base section that will be home to shops and restaurants, this development has a strong focus on health and sustainability. The building will feature advanced air purification and humidification systems, and the project targeting is WELL and BREEAM EXCELLENT certification.

We are delivering 13 856 m<sup>2</sup> of unitized façade and 2 139 m<sup>2</sup> of stick façade. The complex architectural shape means that one third of all the elements consist of segmented elements, and overall there are many different types of façade as the exterior composite finishes have many different angles. The outside cladding which will be from aluminium lamellas and composite lamellas.

The foundation works are already done and the building is scheduled for completion by Q2 in 2025. This means there is a tight turnaround for this façade project. In one year, we will complete the design, production and installation for both the unitized and stick façade. We have made excellent progress so far, with visual mock-ups presented in February 2024. Nevertheless, the short timeframe for this project requires careful planning and very clear workflows.

In this project, we are partnering with Realco Statyba on what will be a valuable addition to Vilnius' business ecosystem. And delivering the Hero Business Centre will be another contribution by Staticus to Vilnius' ever-developing skyline.



Visualisation copyright © Studio3DG

# K8



Location	Stavanger, Norway
Client	Skanska
Investor	Base Property AS
Architects	Schmidt Hammer Lassen Architects
Category	Office and retail building
Façade area	6 670 m <sup>2</sup>
Certificates	BREEAM Excellent targeted, WELL Gold targeted
Year of completion	2023
Notable features	This project includes Closed Cavity Façade units and it was the 1st time we have solely used model-based definition for production information.

# K8

---

## K8 – Our 3rd project featuring Closed Cavity Façade elements delivered for Skanska

---

K8, a mixed-use office development in Stavanger, Norway, is the third project we have delivered to feature Closed Cavity Façade (CCF) elements. Successfully completing this project has deepened our experience with this innovative technology, and further strengthened our long-term partnership with client Skanska.

K8 is a 16-floor tower that contains 15 000 m<sup>2</sup> of space for offices, restaurants, exhibitions and conferences. It offers a creative work environment for both occupants and users, and is a significant contribution to the city's urban development.

The façade design is a composition of slim vertical aluminium and glass panels that offer increased daylight to over 600 workspaces. For this project we have delivered a 6 670 m<sup>2</sup> façade composed of both Closed Cavity Façade (CCF) and Single Skin Façade (SSF) elements. One significant challenge was meeting the strict testing requirements, which included air tightness (EN 12152) and water-tightness (EN 12154 and EN 12155), as well as a special fogging test required for the CCF

elements. A section of the CCF also required a fire rating of EI120 and, as modular façade systems do not meet this rating, the team worked hard to find an overall solution. All of these tests were successfully completed in 2022.

Another notable design and installation challenge was the trapezoidal cantilever on the SSF elements and the 16th floor trapezoidal and corner elements. These complex features contribute to the distinctive character of the K8 façade.

Another noteworthy aspect of the K8 project was the team's exclusive use of model-based definition when delivering information for production. This was our first ever project completed using this approach.

With installation completed in December 2023, the K8 project is now finished and the building is already open for use, including the stunning top-floor restaurant. Successfully delivering K8 marks another milestone in our long-standing relationship with Skanska, with whom we have worked on multiple projects in the Nordics.



Image © Schmidt Hammer Lassen. Illustration copyright © Studio3DG

09

# Financial results & business plans

- 70 Short introduction to Corporate Finance
- 72 Business plans and Group forecast

---

Gothenburg City Gate,  
Gothenburg, Sweden

---



# A short introduction to our Corporate Finances

The distribution of our income by market is as follows:

Staticus' consolidated revenue grew by an impressive 26% in 2023 as compared to the previous year. This significant growth is a clear indication of the success of our business strategies, the efficiency of our operations, and the trust our clients have in our services. While revenue grew, our net profit remained stable at 3.28% in 2023. This compares to 2.91% in 2022.

It is important to note that maintaining a stable net profit is a significant achievement considering the challenges faced by the construction industry in an economy experiencing high inflation and other uncertainties. We were able to achieve this stability by implementing cost-saving measures, improving our supply chain management, and optimising

our production processes. Our focus on efficiency has allowed us to maintain profitability while still providing high-quality services to our clients.

As a unitised façade subcontractor, we take pride in our ability to deliver exceptional work and meet our clients' needs efficiently. We believe that our revenue growth and

stable net profit reflect our commitment to excellence and customer satisfaction, and our ability to adapt to changing market conditions.

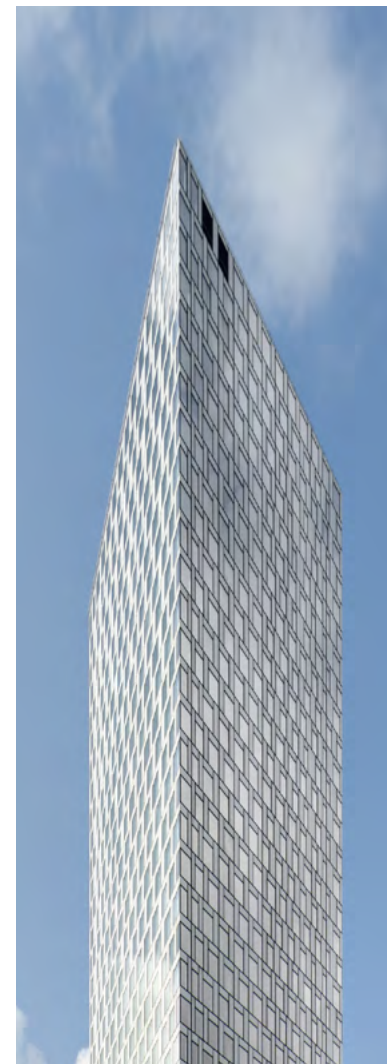
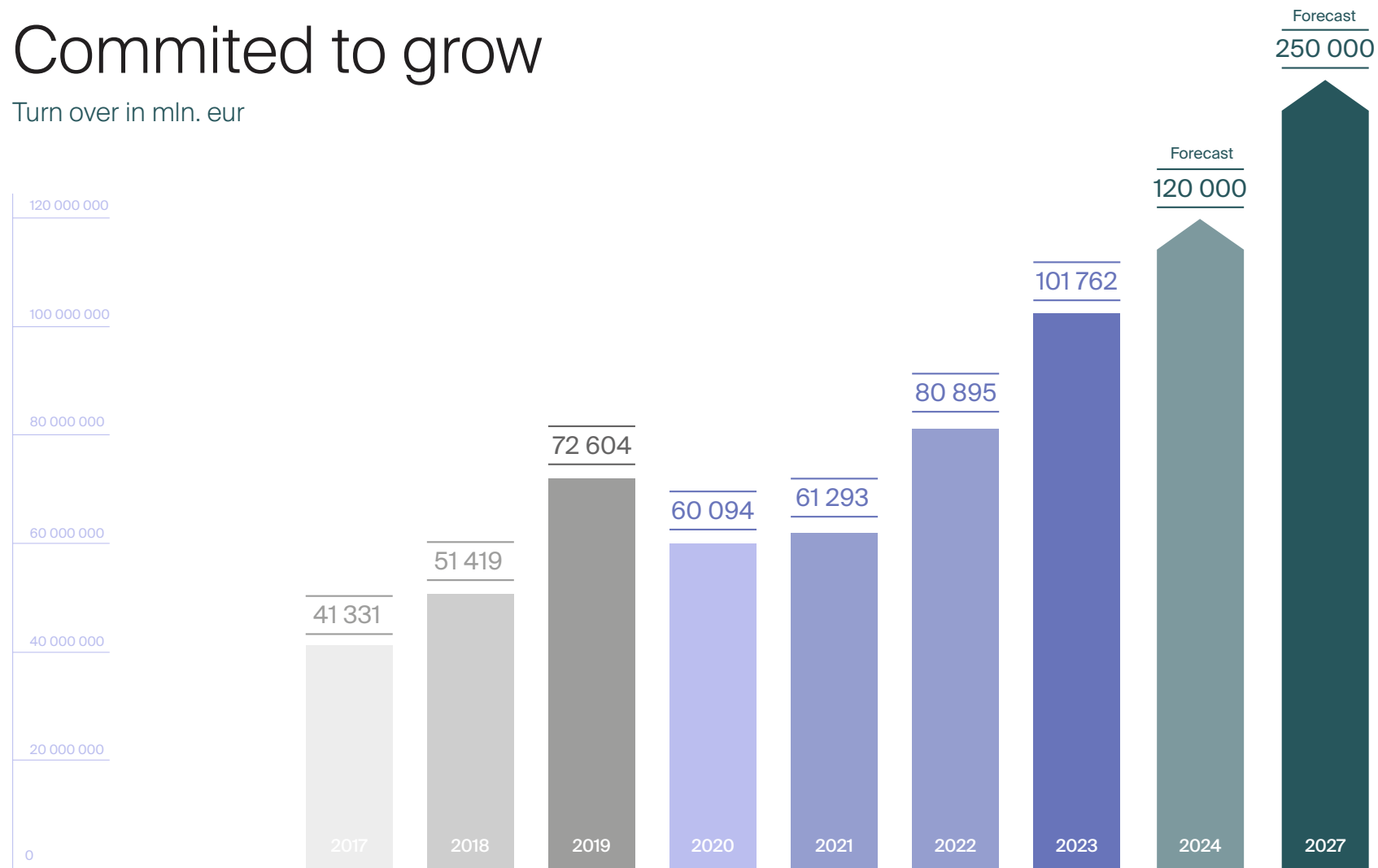
42% from Nordic,  
40% from the UK,  
18% from Central Europe (including Baltics).

	2023	2022	2021	2020	2019	2018	2017
Revenue, in thousands of EUR	101 761	80 895	61 293	60 094	72 604	51 419	41 331
Change, compared with previous year	26%	32%	2%	-17%	41%	24%	-11%
Net profit, in thousands of EUR	3 358	2 350	1 813	1 461	2 081	1 332	818
Net profit, %	3.28%	2.91%	2.96%	2.43%	2.87%	2.59%	1.98%
<b>Market income as a percentage of total revenue</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Nordic	42%	60%	70%	78%	42%	59%	55%
UK	40%	31%	14%	21%	48%	35%	35%
Central Europe (incl. Baltics)	18%	9%	16%	1%	10%	6%	10%
Total liquidity ratio*	1.6	1.7	1.5	1.5	1.1	1.1	1.1

\*Current ratio = Current assets / Current liabilities

# Committed to grow

Turn over in mln. eur



# Staticus' plans and forecasts



STATICUS

---

Staticus has clear business plans moving forward into 2024.

---

## Strategic cycle completion and launch of our new 4-year strategy

In 2023, our team delivered on the goals of our strategy for the period 2019-2023. This included exceeding our revenue target of EUR 100 million, and extending our presence in key markets such as the UK.

Building on this foundation of success, we formulated Staticus' 2024-2027 strategy over a period of 11 months. The process of creating our new strategy included in-depth interviews with 77 stakeholders (including clients and partners) and workshops facilitated by leading European business school IMD.

The result is a clear and focused vision for our development over the coming 4 years. Our strategy 2024-2027 is broken down into 5 Must Win Battles - Boost Markets, Staticus Labs (focused on product innovation), Staticus Care (focused on service innovation), Smarter Work and Empowering Culture. Each of these has 3 concrete initiatives that we will be working on over the coming 4 years to ensure we grow into an international player while remaining resilient, sustainable and innovative.

## Maintaining our current market share and stable revenue

By focusing on the company's growth and on profit optimisation, we will strive to maintain our current market share and to ensure stable revenue in 2024. Currently, our highest-income projects are Landspítali (Reykjavik), Clarendon Road (London), Canada Water (London), New North Zealand Hospital (Hovedstaden), and K8 (Oslo). These are followed by Oxford (Oxford), S1 (Stockholm) and Radiumhospitalet (Oslo).

Given the challenging economic situation and the geopolitical turmoil caused by Russia's aggression in Ukraine and the tensions in the Red Sea, Staticus is focused on maintaining a robust cash flow position. This will allow us to execute our projects effectively and avoid any disruptions in our supply chain and billing processes.





#### Sustainability, talent and transformation

We have a wide range of sustainability goals for 2024. These include continuing to be a leading voice in the industry. In 2023, members of our team spoke at over 10 events. We also hosted 3 panels as part of Oslo Urban Week. We aim to further increase our voice in the sector in 2024, including our engagement in New London Architecture expert panels and programmes. Additionally, by implementing our negotiation strategy, we will further integrate sustainability criteria into our working relationships with trusted partners.

In 2024, we will continue to expand and diversify our team, which is currently almost 700-strong with team members from 18 different nationalities.

This team will be even more streamlined as we fully implement the Objectives and Key Results (OKRs) goal planning system across our whole organisation, which was launched in 2023. In 2023, we achieved employee engagement levels of 48% across our organisation and increased team engagement to 85%. We aim to continue improving in these areas, and

supporting the enhanced performance of our cross-functional teams by further clarifying our workflows. We will also have a strong focus on developing leadership skills within our team over the next year. Finally, we plan to reassess our organisational values in 2024, clarifying the essence of our culture and defining the behaviours and values that are essential for success.

#### R&D activities in 2024

In 2023, we successfully commercialised two important innovations, our hybrid unitised façade (HUF) and our aluminium façade system based on Design for Manufacturing (DfM) principles. Both were successfully implemented in projects for the first time in 2023, and will be deployed in more projects in 2024. These systems will also be further refined and developed.

We also plan to make significant progress with our research into IoT for façade maintenance and building management. Our goal for 2024 is to complete phase two of our cloud architecture along with the development of the Staticus Care web-browser and mobile application.

Last year, we completed installation of our testing rig, and in 2024 we will fully test the elements for the Hero Business Centre project in Vilnius using among other our projects.

We will also be working to extend functionality and use of our 5D reporting tool, adding cost to our visualised project model.

# Key risks and how we are mitigating them

In 2024, we foresee many potential risks that can impact the markets we are in and plan to enter. Monetary policies, and their impact on developers, is one potential risk. There are major elections in many countries coming this year, and these can affect financial markets in addition to ongoing geopolitical risks.

We have a comprehensive risk management framework in place that enables us to identify, assess, and mitigate the various risks that we face in our operations. We monitor market conditions and geopolitical developments closely and our cross functional teams enable us to react and adjust quickly to changing requirements. We also maintain a diversified portfolio of projects and clients across different regions and sectors, which reduces our exposure to any single market or country. We have established strong relationships with our suppliers and customers, and ensure timely payments and deliveries. We also have contingency plans and backup options in place in case we encounter unforeseen events or disruptions.

By following these measures, we aim to minimise the impact of the risks on our cash flow and performance.

## Supply chain disruption

The ongoing geopolitical situation, including tensions and conflicts in the Red Sea region, continue to have the potential to disrupt supply chains.

We have worked hard to diversify our supply chain and build strong partnerships with framework agreements in place in order to minimise our exposure to disruptions.

The main materials in our supply chain are glass and extruded aluminium. To mitigate risks and avoid dependence on the Far East, we mainly rely on European suppliers for these products. This strategic decision shields us from potential disruptions, such as the closure of the Suez Canal, as all of our suppliers can be reached by land.

We conduct careful due diligence on our suppliers to ensure resilience and mitigate risk. We assess the key financial indicators of our suppliers during the prequalification process, and then in annual reviews. We also conduct scans to ensure that our suppliers have no ties to Russia and Belarus. We have a supplier black list in our supplier database, which ensures that none of our projects involve materials

or components purchased from these countries.

The strategic suppliers of our main raw materials all provide sustainability certificates and have transparent sourcing policies. Most of them are already committed to sustainability and transparency as they are based in Europe, where focus on this topic has already been harmonised.

In terms of material pricing for projects, we implement hedging strategies and negotiate contracts to maintain larger material buffers and avoid price shocks.

Along with strategic suppliers, we are actively expanding our contract manufacturing partnerships given the current geopolitical situation. We are now seeking additional full-production contracting partners in Europe, including Poland, Italy and other countries, in order to have more flexibility and diversification.

## Evolving sustainability requirements

Sustainability requirements are evolving every year, with still limited alignment in regard to calculation methods, reading and understanding sustainability data within the industry.

Our engagement and collaboration with the CWCT establishes more clarity in façade related sustainability practices in the UK. We are working to be as transparent as possible, and to encourage transparency within the industry. We do this by providing clear and comprehensive information about our sustainability performance, the methodologies we use for data calculation, and any assumptions or limitations associated with the data.

We are continuously improving, reviewing and updating our sustainability reporting processes and practices in response to evolving requirements and stakeholder expectations. We have created our advanced data analytics tool which enhances our ability to collect, analyse, and interpret sustainability data effectively. We also have dedicated resources for monitoring regulatory changes, industry standards, and best practices related to sustainability reporting.



## Adopting ISO 31000 for our organisation

We are planning to adopt ISO 31000 in 2024. Following ISO 31000 guidelines enables companies to develop robust risk management strategies tailored to their specific needs, thereby reducing the likelihood of project delays, cost overruns, and quality issues.

This move will be important for our resilience, especially in an increasingly unpredictable context. The ISO 3100 framework allows newly formed teams and new hires to achieve good risk management more quickly, and overall, adopting it will accelerate improvement and learning within our teams.

Adopting ISO 31000 guidelines will also provide additional transparency to our business partners, as we will be able to clearly explain how risk management works both on specific projects and in our company as a whole. It will mean we can systematically identify, assess, and manage risks associated with our projects and minimise any potential negative impacts. Ultimately, by embracing ISO 31000 principles, we can enhance project outcomes, optimise resource allocation, and strengthen our competitive position in the market as we will be the first in the region gaining this.

### Cyber security

One specific risk we are well aware of is threats to our cybersecurity. Cybersecurity is integral to a successful and resilient business strategy, and we will continue to be focused on this topic in 2024. This will include implementing new software, continuing with monitoring by a third party Security Operations Centre, and conducting internal training for employees on cybersecurity risks.

### New regulations due to the new Building Safety Act in the UK

The Building Safety Act is designed to enhance the safety of buildings, particularly high-rise and multi-occupancy residential buildings. It promotes transparency by requiring building owners to share information about the safety of their buildings and any safety measures in place.

With Staticus' focus on quality and transparency, we see the building safety act as an opportunity to further demonstrate our fully aligned way of work and the responsibility we take over our product and services delivered.

Our experienced team members have been trained to comply with this regulation. Our transparent reporting and information sharing in our XD model, combining BIM with ERP data in a visualised model) provides all relevant information in one consolidated place. Furthermore, our engineering, production and installation processes include various quality control gates to ensure compliance and going beyond. With a project focused early engagement and our stringent quality control and health & safety regulations throughout our value chain, we further ensure the requirements of the Building Safety Act are met.

