



PLASMAN
DRIVING TO A BETTER TOMORROW



Sustainability Report

We believe that creating a better, more sustainable, and inclusive future is our collective responsibility.

2023

Environmental, Social,
and Governance (ESG)
performance metrics



A Message from our CEO

Mark Sullivan
Chief Executive Officer



Plasman is built on a foundation of integrity and ethical conduct. We understand our values play an important role in our commitment to a sustainable future. As a global and community leader we take responsibility for continuously improving the Environmental, Social, and Governance (ESG) well-being where we live and work.

In our 2023 Sustainability Report, we have provided updates on our 2028 climate neutral ambition and highlighted many current efforts that align with our 12 commitments. We continue to focus on key initiatives through responsible management that highlight our responsibility and engagement with our diverse stakeholders.

As part of our sustainability commitment, we work together to support non-profit, youth-oriented organizations that are focused on creating a safe, healthy, and sustainable future for children. From senior leadership to new team members, our employees take an active role by dedicating themselves to a wide range of charitable service organizations and outreach programs in their community. In 2023, Plasman’s Corporate Giving Program, MVP, had over 800 team members volunteer in donations to 50 charities within the local communities in which we operate. These efforts support the long-term sustainability of our neighboring areas and develop lifelong relationships. Together with our partners, we take great pride in making a difference and giving to those who support growing our future.

Our ability as a company to respond and adapt to change and various unforeseen disruptions will always be a test to our business and future growth. The perseverance of our team members and the fortitude of our sustainable commitments are what will allow our global footprint to continue to prosper.

As Chief Executive Officer, I take great pride in the collective passion and focus of our Plasman team members. As One Driving Force™ we are committed to the power of innovation, inclusion, and collaborative actions with our stakeholders and within the communities where we live and work. These strategic actions will drive us forward to achieve our long-term success in a sustainable, socially responsible, ethical, and compliant manner as we strive to reduce our impact on the environment by focusing on resource conservation, energy efficiency, and renewable energy.



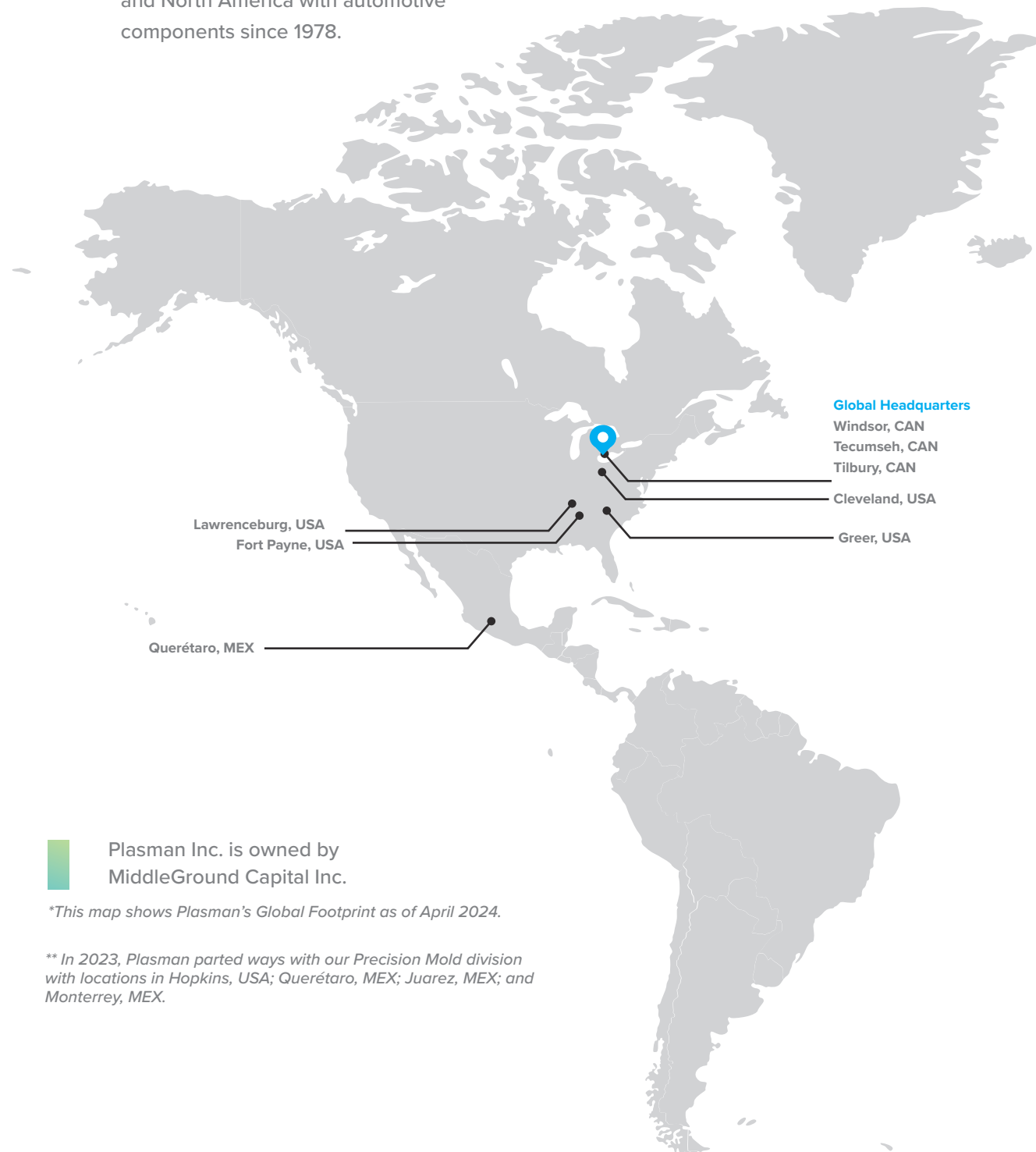
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Global Footprint*

Plasman at a Glance

Plasman has supplied OEMs, contract manufacturers, and distributors in Europe and North America with automotive components since 1978.



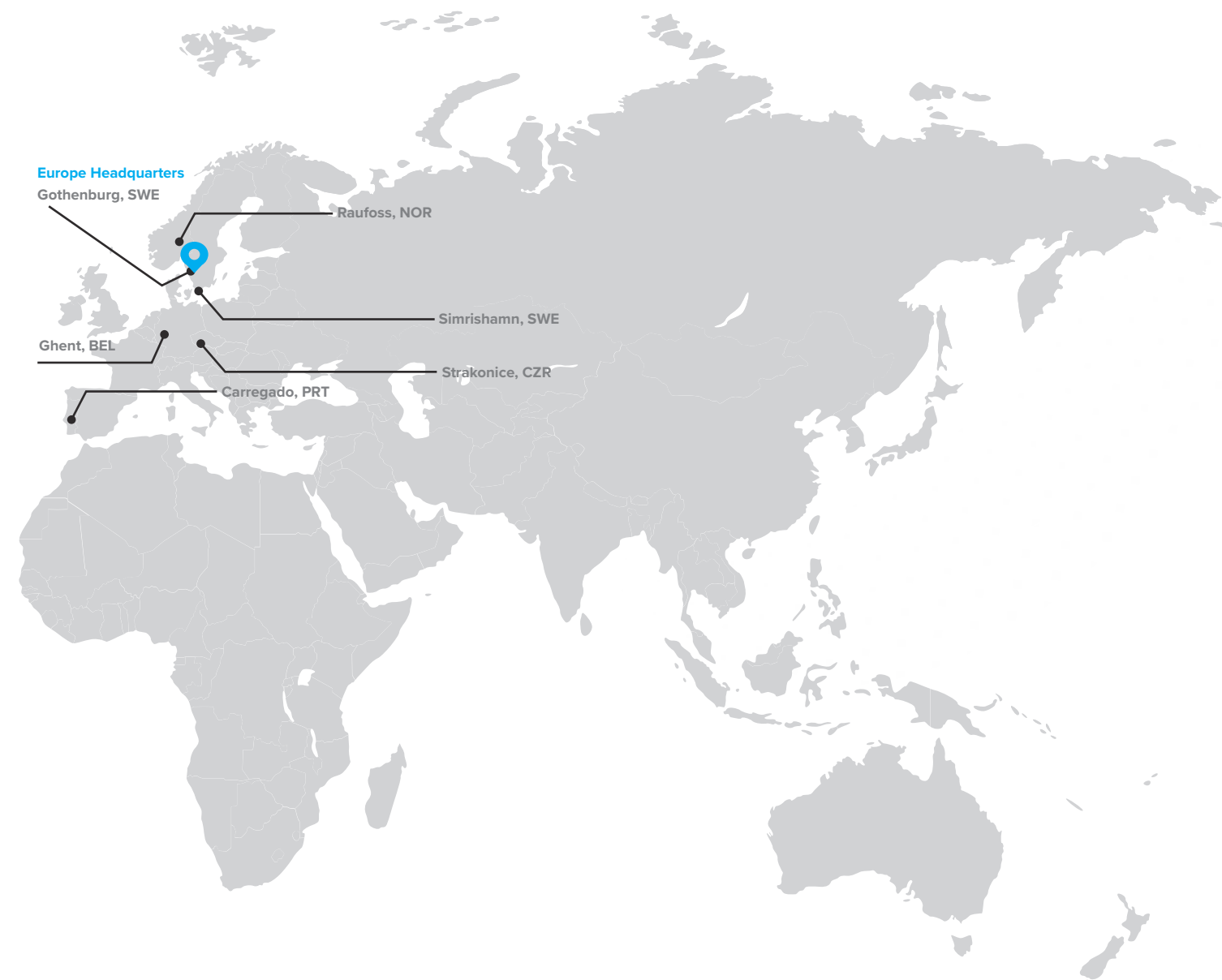
Plasman Inc. is owned by MiddleGround Capital Inc.

*This map shows Plasman's Global Footprint as of April 2024.

** In 2023, Plasman parted ways with our Precision Mold division with locations in Hopkins, USA; Querétaro, MEX; Juarez, MEX; and Monterrey, MEX.

Locations

We have continued to build upon our product capabilities for over 45 years in order to provide the best value to our customers through innovative processes and world-class manufacturing around the world.



Together we will accomplish more than ever imagined.
16 Manufacturing Locations. 11 Countries. 4000+ Team Members.

SUSTAINABILITY AT PLASMAN

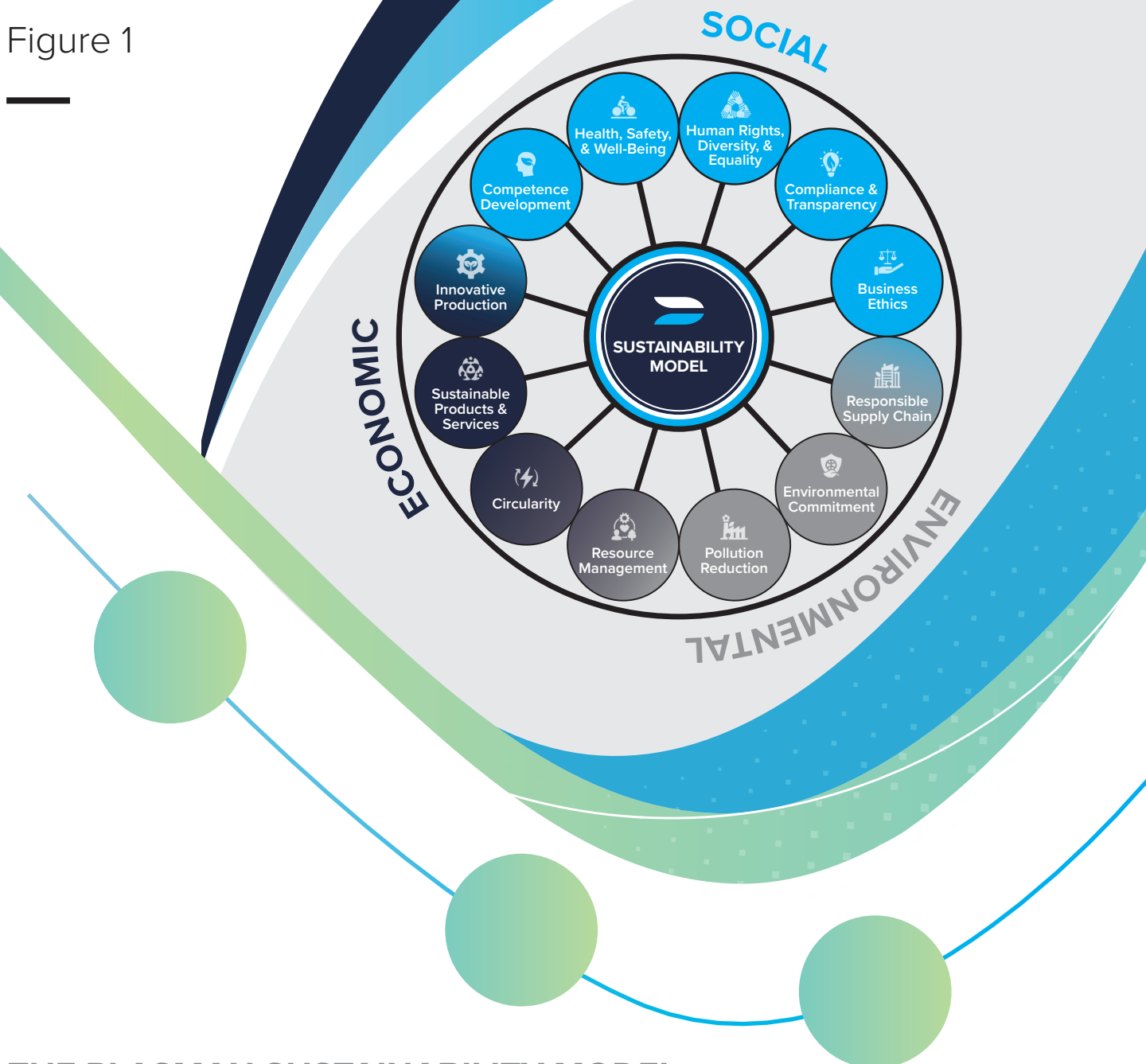
Sustainability is an integral part of Plasman's value system, and our journey focuses on environmental, social, and economic sustainability. We believe integrating these topics into our strategy, operations, and supply chain will support a healthy, diverse, and resilient company for this generation of employees and generations to come.

Developing a sustainability plan at Plasman was a large undertaking and required a globally planned approach. The process began with the creation of two cross-functional teams, one from Europe and one from North America. These teams collaborated with the Global Senior Executive Team to champion the creation of our sustainability blueprint and standards. These regional teams worked with each of our manufacturing locations to collect input from internal and external stakeholders. Our teams collected data from sustainability discussions with our customers, benchmarked our competitors, and analyzed the legislative landscape. The overall strategy is integrated with the UN Sustainable Development Goals.



Plasman is committed to providing our stakeholders with meaningful information about our business. Metrics included collected environmental, social, and economic data used to create a materiality analysis, and resulted in a gap evaluation and a proposed sustainability roadmap for Plasman. This laid the foundation of what would be known as the Plasman Sustainability Model (Fig. 1). The action areas within the Plasman Sustainability Model are divided into three sectors: Social, Environmental, and Economic Sustainability.

Figure 1



THE PLASMAN SUSTAINABILITY MODEL

The Plasman Sustainability Model consists of 12 action areas which link to the UN Sustainability Development Goals. The 12 action areas are described in this report, and drive sustainability within our company and supply chain. These actions are developed and integrated into our cultural practices, and we will focus our continuous improvement and innovation efforts to meet a wide range of employee, customer, and community needs.

To ensure our success and reinforce sustainability as our top priority, we created a dedicated Sustainability Department at Plasman. This Sustainability Department drives our sustainability work, but a lot of effort and hard work takes place at Plasman sites worldwide, including at both world headquarters. At Plasman, we are all participants in making our company sustainable.

2023 HIGHLIGHTS

CORPORATE GIVING

In 2023, MVP had over 800 Plasman employees participate in initiatives across the globe. We donated over \$85,000 to 50 charities globally. Additionally, Plasman received several awards highlighting our community partnerships, including: Champion of Honour Award from Ronald McDonald House Charities (RMHC), Windsor Residence for Young Men Community Awareness award, Canadian HR Excellence Awardee in the Best Corporate Social Responsibility Strategy Category, and Can-Am Recycling Inc. Annual Earth Day award. Also in 2023, Plasman decided to support Göteborgs Stadsmission with a yearly membership. The purpose of the charity is to help local citizens in Gothenburg who are struggling with basic needs.



MOTIVATORS. VOLUNTEERS. PROMOTERS.



PARTICIPATING

800+ EMPLOYEES



CORPORATE GIVING

50 CHARITIES



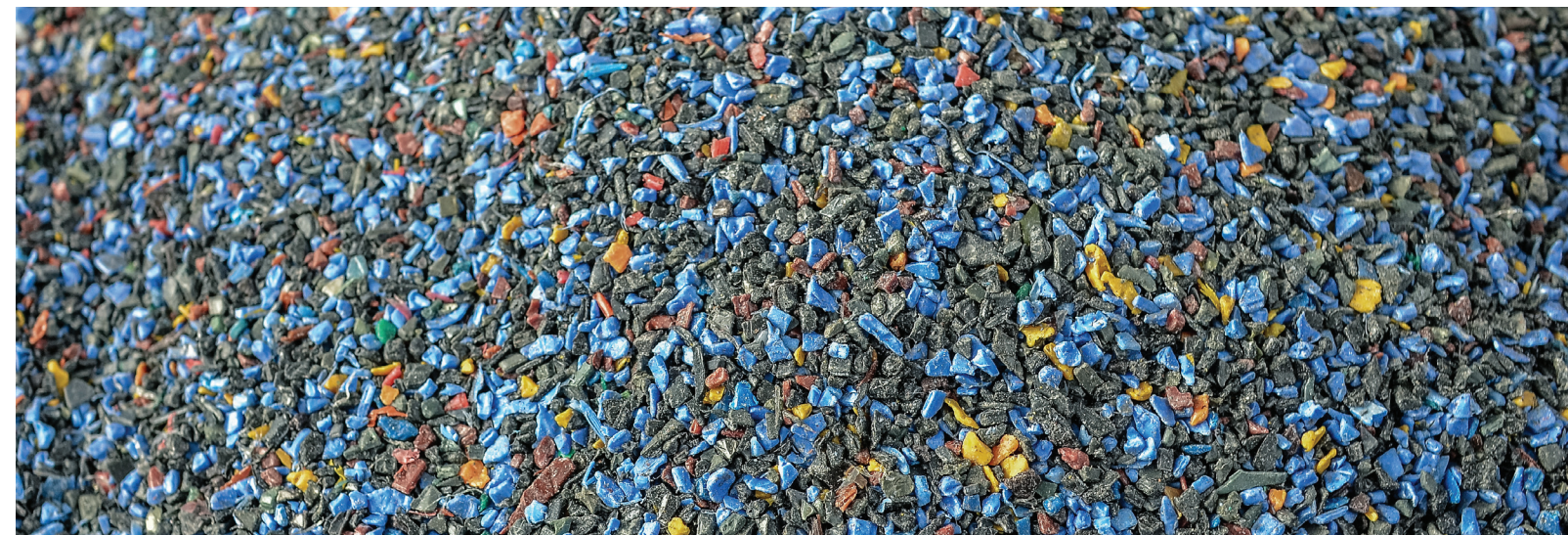
FUNDRAISING

\$85,000 +

CERTIFICATIONS

In 2023, Plasman Europe achieved ISO 45001 certification for its sites in Carregado, Portugal, and Strakonice, Czech Republic. With this accomplishment, all European sites, including our European Headquarters, now adhere to ISO 45001 standards. Additionally, 80% of our North American sites are ISO 14001 certified, with our Greer, South Carolina, facility currently undergoing certification and Windsor Tooling planned for 2024. We're proud to announce that all 10 North American facilities are in the process of preparing for ISO 45001 certification.

80%



INNOVATIVE RESEARCH COLLABORATION

In 2020, the Swedish research institute RISE invited Plasman to collaborate on a groundbreaking study exploring the performance of recycled plastic in automotive components. Working alongside esteemed partners such as Volvo Cars, Volvo Trucks, and several other industry leaders, Plasman demonstrated its expertise by molding, painting, and rigorously testing parts featuring a higher recycled plastic content.

The outcome surpassed all expectations. Our meticulous tests have proven that we can craft parts utilizing recycled plastic without compromising on quality or functionality. This achievement not only aligns with the stringent requirements set by our esteemed suppliers but also fills us with immense satisfaction.

Eager to further our commitment to sustainability, Plasman eagerly anticipates its involvement in an upcoming research endeavor. This initiative aims to revolutionize the design process, streamlining recycling efforts by minimizing reliance on adhesives, metals, and plastic blends.



Creating a better tomorrow as One Driving Force™

| We believe that creating a better, more sustainable, and inclusive future is our collective responsibility.

THE PLASMAN SUSTAINABILITY MODEL - 12 ACTION AREAS

The Plasman Sustainability Model is composed of 12 action areas. The following includes a description of each area, what our goals are for each, and highlights of progress we made in 2023.

HUMAN RIGHTS, DIVERSITY, & EQUALITY

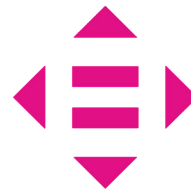
5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



Plasman is committed to the highest standards of human rights, diversity, and equality. We continuously search for ways to build a culture that is welcoming to all. We have implemented internal processes that uphold a culture of inclusion. We create and manage unbiased recruitment, development, and employee retention practices.

Plasman is committed to:

- Observing all applicable employment, wage, and working hour laws,
- Honoring collective labor agreements, and
- Offering compensation and benefits to all members of our workforce in a fair, objective, and equitable manner.

Applicable laws govern the provisions of compensation and benefits to our employees. We expect that members of our workforce will follow the systems we develop to ensure compliance with those laws. It is the role of every manager to understand the laws, rules, and regulations that apply to the people within the organization. We provide compensation that complies with relevant laws and collective labor agreements and will attract, retain, and engage qualified employees with the kind of skills, talents, and experience we need to succeed. We review the applicable compensation and benefits to ensure we remain competitive with other employers in our industry and related labor markets. Compensation decisions are based on performance, contribution, professional competence, company rules, and labor market practice. Plasman has developed specific tools to evaluate our workforce and promote leadership and management development.

Plasman pledges to ensure fair working conditions and promote a healthy work-life balance. We follow all applicable regulations and social standards.

At Plasman, one team and One Driving Force are part of who we are. We pride ourselves on our workforce – a workforce built by talented and diverse individuals across the globe. Through the combined strengths and diversity of our team members, we will continue to drive forward to a better tomorrow.

We believe that more important than where you're going is who you get there with, which is why we are dedicated to creating a workforce driven by diversity, equity, and inclusion. And together, as One Driving Force, we will accomplish more than ever imagined.





A CULTURE OF ACCOUNTABILITY

Together, our reputation is built by being committed to honest and ethical behaviour while conducting our business with integrity and personal ownership. At Plasman, we are proud of our commitment to an Open Door policy that includes a hotline to help resolve concerns.



Open Door Policy

We connect and build trust through open transparent communication and encourage employees to bring concerns forward at any time. Our managers are trained to welcome feedback directly through the course of their daily work.

Whenever an employee wishes to bring concerns forward outside the Open Door policy, they can utilize the confidential third party hotline or online portal.



The Plasman Hotline

We acknowledge there are circumstances where employees may want to use a hotline to voice their concerns when they have used the open door policy and did not get a resolution or would prefer to keep their identity confidential.

Communicate without the fear of reprisal

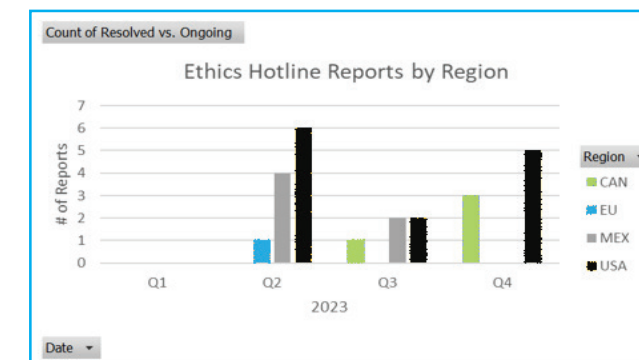
Types of issues to report:

Discrimination or harassment · Conduct violations · Law violations · Theft / fraud / bribery
Environmental / safety · Internal business policy compliance violations or concerns

- Our reputation at Plasman is built by each team member through everyday commitments to honest and ethical behavior. True to our core values, we are proud of our commitment to an Open Door Policy that welcomes every employee's questions and concerns at any time. Supervisors and Managers have been trained to action all concerns through formal investigations and discussions, without employee fear of retaliation.

With that said, there could be times where employees may want to use a confidential Hotline to voice their concerns, or to escalate situations where an employee has used the Open Door Policy without an agreeable resolution. For these matters, Plasman provides an alternative reporting method that is accessible to all employees. Through a third-party, the Plasman Hotline provides employees a confidential service worldwide and available 24/7/365 via toll-free live operator services or a web-based reporting system. Information from the third-party reporting is shared directly with Plasman senior leadership and counsel. All reports are formally investigated to ensure that Plasman is committed to our code of conduct, core values, and operating standards.

Following the guidelines of reporting, employees can use the hotline to report topics anonymously for a variety of reasons, such as:



- Matters of high importance, confidential, and for which cannot be addressed through the normal supervisory channels and Open Door Policy.
- Critical information related to unethical behavior such as bribery, theft, safety, and discrimination violations.
- Wrongdoing and misconduct that compromises the integrity of employees and company.

Above all, our Open Door Policy and Plasman Hotline helps provide accountability, ensures ownership, and develops best practices. We resolved all reported complaints in 2023.



MOTIVATORS. VOLUNTEERS. PROMOTERS.

Our Corporate Giving program, called MVP, had another successful year after being implemented in 2021. This program focuses on working together on Plasman's commitments to support non-profit, youth-oriented organizations that create safe and healthy environments to promote a sustainable future for children and our new leaders of tomorrow.

MVP stands for Motivators, Volunteers, and Promoters and is structured around three pillars: Corporate Giving, Fundraising, and Participating. We introduced MVP to align our Corporate Giving initiatives and each of Plasman's location's local community involvement as one team for one cause.

In 2023, MVP had over 800 Plasman employees participate in initiatives across the globe. We donated over \$85,000 to 50 charities globally. Additionally, Plasman received several awards highlighting our community partnerships, including: Champion of Honour Award from Ronald McDonald House Charities (RMHC), Windsor Residence for Young Men Community Awareness award, Canadian HR Excellence Awardee in the Best Corporate Social Responsibility Strategy Category, and Can-Am Recycling Inc. Annual Earth Day award.

Plasman European Headquarters in Gothenburg, Sweden became an annual supporter of the charity Göteborgs Stadsmissionen starting December 2022. The purpose of the charity is to help local citizens in Gothenburg who are struggling with basic needs. Having a strong connection with the local society is a priority within Plasman and this collaboration ensures that people in need get help.



HEALTH, SAFETY, & WELL-BEING

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



We fully commit to occupational health and safety standards through policy development, certified management systems, and all applicable legal requirements. Plasman exercises the highest care to ensure our facilities are safe and that we have the necessary personnel and systems to mitigate health and safety risks. We regularly review the content of our employee's health and wellness training and support the promotion of well-being, including mental health. Plasman also promotes a healthy organizational culture and healthy, active lifestyles. Plasman's biggest asset is our employees, and to further strengthen our global work environment, the company is aiming for full certification to ISO 45001 at all of our plants. In 2023, Plasman Europe successfully obtained the ISO 45001 certificate for sites located in Carregado, Portugal, and Strakonice, Czech Republic. As a result, all European sites, in addition to our European Headquarters, are now certified in accordance with ISO 45001 standards. In North America, 80% of our sites are ISO 14001 certified. Our Greer, South Carolina, facility is currently in the process of receiving certification, and Windsor Tooling is planned for certification in 2024. North America is in the process of preparing for certification in ISO 45001 across all 10 facilities.

Our working environment policy focuses on a healthy, enriching, and sustainable mental and physical environment. We have systems in place for reporting and monitoring events, such as injuries, accidents, and sick leave, and these tasks are performed by our working environment committees. An important part of this work takes place through proactive activities, including training in physical and psychosocial health and training in ergonomics.

We follow all applicable laws and regulations around working hours and break times, and studies have shown that our wage structure is in accordance with local market standards. All new employees and consultants are trained in our ethical guidelines and informed about our environmental and sustainability efforts and accomplishments.

We continue to conduct bi-annual employee engagement surveys, and our most important quantitative metrics in the personnel area are staff turnover and sick leave.

In the past, our Simrishamn, Sweden, site faced challenges with indoor air quality stemming from the melting of plastic waste during injection molding processes, impacting the well-being of our operators. Plasman conducted a thorough analysis and risk assessment to address these issues and enhanced both air quality and working conditions by installing suction vents in production areas.

Additionally, in Simrishamn, a risk analysis was completed to evaluate various risks and threats to improve safety during work at high altitudes. The use of ladders in the production area is usually unsafe due to their unstable nature and the risk of forklift drivers hitting them, as they are not a permanent installation and are difficult to see.

As a solution, permanent platforms with protective guide rails and stairs were built to keep the operators safe from the risk of falling.



Some incidents and injuries occur because someone takes a shortcut instead of following procedure. Stickers have been made and strategically placed throughout Raufoss Manufacturing to encourage employees to stop and think to avoid injury.

HI- WE ENCOURAGE YOU!



STOP and think!

Is it **SAFE** to do what you are going to do?

Drive, move, cut, lift, etc!

Is it slippery where you are going?

REMEMBER personal protective equipment!



**SAFETY DRIVEN
THROUGH
TEAMWORK**



Several products in Simrishamn contain substances of very high concern (SVHCs=chemicals that have serious effects on human health or the environment). Therefore, in 2023, a KPI related to this was established with the target of reducing Simrishamn's use to zero products on this list. We went from 13 products to four at the end of 2023, which was a significant reduction, but did not reach the target. Work will continue in 2024.

WHAT DOES THE ENVIRONMENTAL POLICY MEAN TO YOU?

PREVENTION OF POLLUTION. **C**ONTINUOUS **I**MPROVEMENT.
COMPLIANCE TO GOVERNMENT REQUIREMENTS.

IN THE EVENT OF A TORNADO, WHERE DO YOU GO?

Head to the nearest washroom or hallway by the paint kitchen.

WHERE DO YOU GO IN CASE OF A FIRE?

Walk calmly to the nearest exit and meet at the muster point.

YOU COME ACROSS A SPILL. WHAT DO YOU DO?

Notify your supervisor immediately of spills greater than 4L/Gallon.



WHAT DO YOU RECYCLE IN YOUR JOB?

Plastic parts, cardboard, paper, water bottles, cans.

REMEMBER - PROPER DISPOSAL MEANS NO MIXED WASTE!



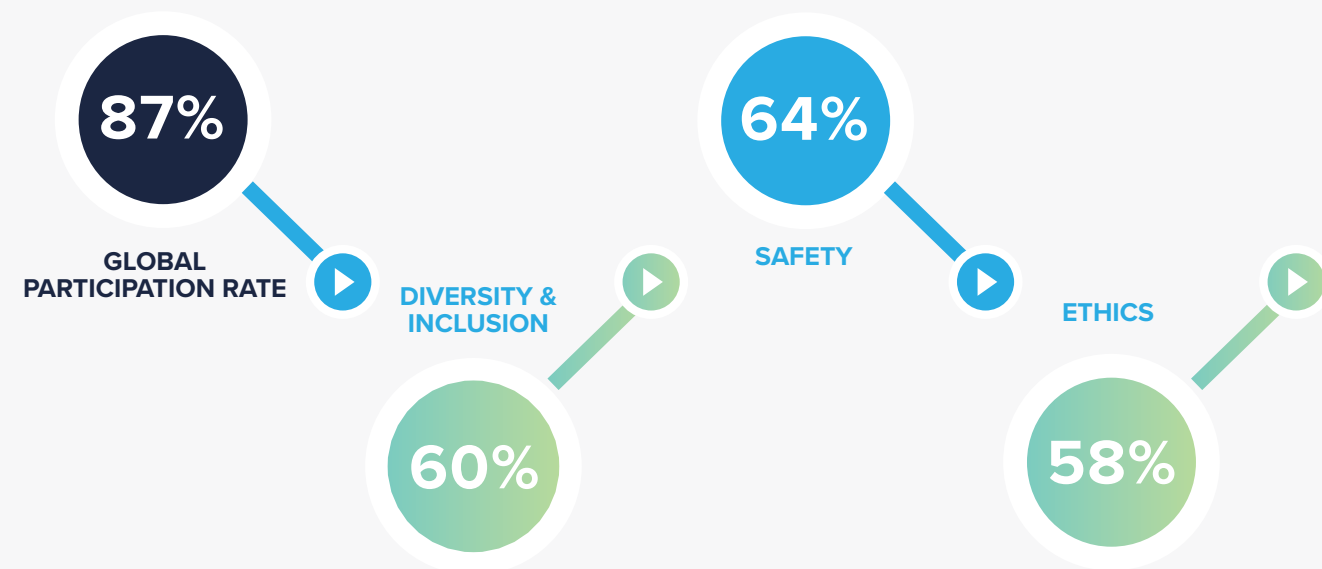
- As of August 2023, there are EU-REACH demands that those who work in an environment and handle diisocyanates must refresh or re-train their knowledge to be allowed to continue working with them. Therefore, the maintenance and paint staff at all European sites participated in and completed this training.



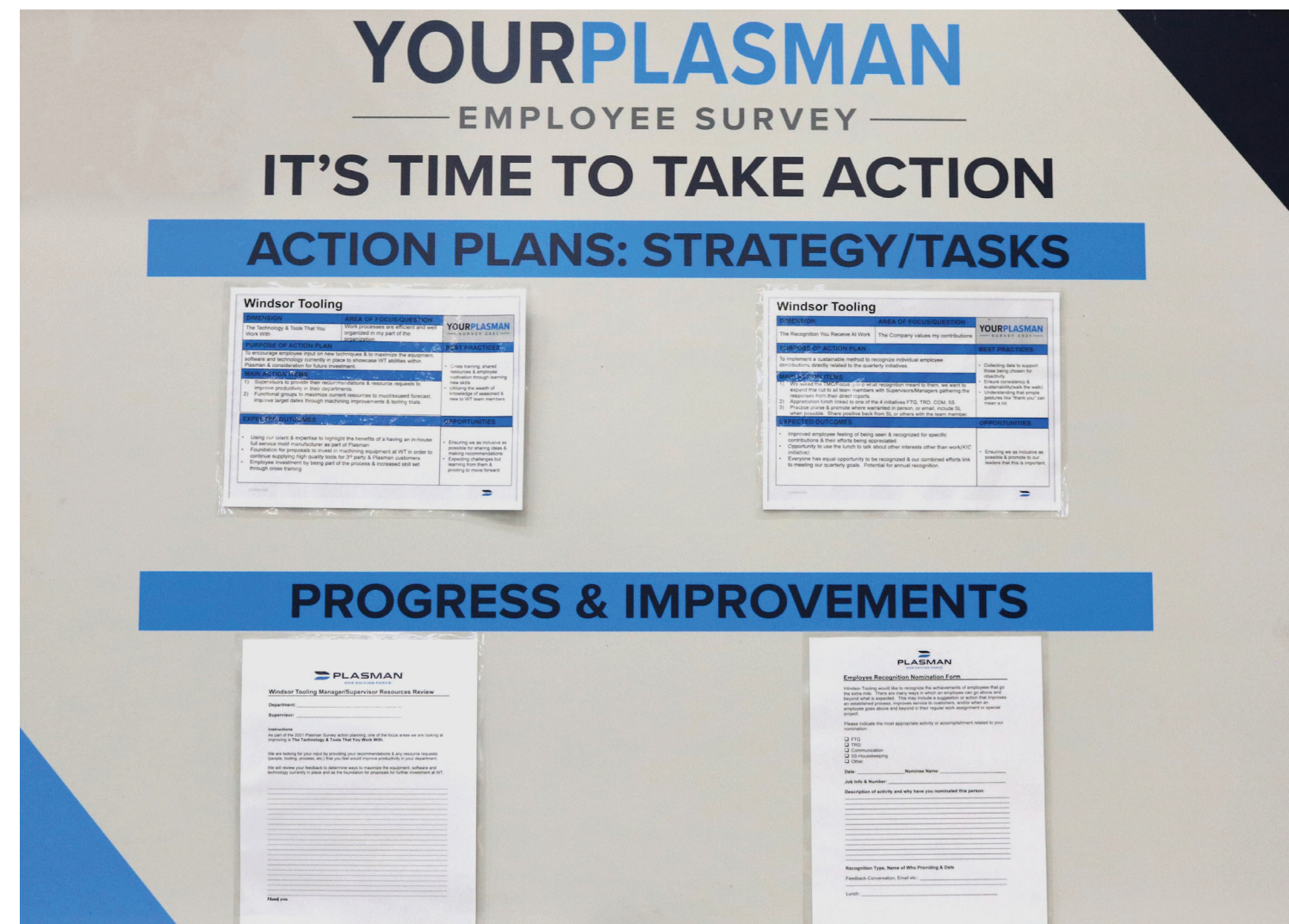
During 2023, our bi-annual employee engagement survey was presented to all team members globally to measure their engagement and solicit their opinions. Branded as “YourPlasman” to communicate the importance of team members using the survey, it served as an opportunity for employees to voice their opinions on what we can do together to make our company an even better place to work.



FAVORABLE RESPONSE RATES



In 2024, each Plasman location will conduct focus groups to collaborate and develop specific action plans committed to addressing the feedback received in the survey. To help gauge progression and commitment, we will conduct a follow-up survey in 2024 to measure the feedback and improvements related to action planning. Additionally, Plasman is excited to build on its commitments with a focus on areas such as diversity, health and safety, ethics, and communication, driving improvements together as one global team.



COMPLIANCE & TRANSPARENCY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Plasman is committed to conducting our business in compliance with all applicable laws, rules, and regulations and to the highest standards of ethical conduct. In addition, we pledge to openly communicate our sustainability program information and ensure accountable, transparent, and inclusive governance.

Senior management recognized early on the importance of sustainability to Plasman's future growth and standing in the industry. To this end, Plasman established a Sustainability Department in mid-2021, and then further developed it into its current three positions.



To assess and follow up on the environmental performance of our products, Plasman was committed to implementing a full LCA for a front and rear bumper, which the customer required. The LCA was carried out in 2023 for a front bumper in the scope of cradle to gate and shared with the customer.

In collaboration with the Polestar 0 Project, Plasman implemented a comprehensive life cycle mapping at a production site at the end of 2022. It identified all potential carbon emissions throughout the product's life cycle, from gate to gate. Plasman has remained actively engaged

in meetings with the Polestar team to explore alternative methods for achieving zero carbon emissions in production. These meetings will be ongoing throughout 2024.

The legislative landscape in all areas of sustainability is fast-moving. As a global company, Plasman strives to follow the highest standards in all our locations.

BUSINESS ETHICS

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Plasman is implementing policies, procedures, and systems to support ethical business conduct. Examples include fraud prevention, data protection and privacy, anti-trust and competition, anti-corruption and anti-bribery, anti-boycott and trade compliance, financial responsibility, and anti-retaliation.

We are dedicated to conducting our business with honesty, integrity, and the highest possible ethical standards and in compliance with laws and regulations.

The continued evolution and integration of computer systems, as well as reliance on technology within automotive manufacturing, have introduced new information security issues for both OEMs and their suppliers. This change has resulted in enhanced security posture requirements for most manufacturers, as disruptions can be costly.

There are many key systems that Plasman IT supports to minimize the risk of cybersecurity events and resulting business interruptions. In addition, these systems are essential to meet Plasman's TPISR, TISAX, and other standards requirements.

At the beginning of 2023, we started preparations for obtaining the TISAX label for our locations in Lüdenscheid, Germany; Ghent, Belgium; Carregado, Portugal; Strakonice, Czech Republic; and Simrishamn, Sweden. Our goal is to achieve the labeling by June 2024.



COMPETENCE DEVELOPMENT

4 QUALITY
EDUCATION



8 DECENT WORK AND
ECONOMIC GROWTH



Our greatest asset is a competent, skilled workforce. To this end, Plasman enthusiastically promotes our development as a learning organization. We are working with strategic competence management systems, and support education and learning through access to internal programs, development opportunities, and community partnerships.

Plasman has continued to invest in Leadership Trainings and Programs with the purpose to build leaders that can:

- Drive our Plasman Strategy and Business Agenda,
- Attract, develop, and grow our people,
- Create an inclusive company culture, and
- Foster an environment that engages our current and potential future employees.

During 2023, sustainability education and training to all employees took a hiatus while our sustainability team focused on the upcoming ESG regulations and policies coming down the pipeline. Our internal Sustainability Team all received their GRI Certification.

In 2024, we have begun building sustainability training presentations for all employees to include in their onboarding.



RESPONSIBLE SUPPLY CHAIN

3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



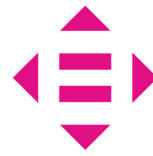
5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



Working with our supplier partners, ensuring responsible sourcing of raw materials, providing transparency on their origins, and working toward eliminating conflict minerals are at the top of Plasman's agenda. By considering the economic, environmental, and social aspects of our shared logistics systems, we mitigate any adverse effects of procuring and transporting raw materials and finished products. Plasman continually works toward reducing risks in our supply chain, considering global concerns such as cybersecurity, data privacy, and risks to stakeholders.



We actively engage our suppliers in our sustainability journey by communicating our Supplier Code of Conduct and conducting annual sustainability assessments. These assessments address topics including, but not limited to, human rights and working conditions, business ethics, non-discrimination, anti-corruption measures, forced labor, freedom of association, health and safety, environmental stewardship, and responsible sourcing.



In 2022, Global Headquarters communicated to all North American suppliers that our new Supplier Assessment Questionnaire would be launching in 2024. During 2023, our Sustainability and Supplier Quality team revised the Supplier Assessment Questionnaire to ensure that we assess our suppliers' key performance elements while implementing a sustainability score. This launched from late 2023 to early 2024 in North America. Our goal in scoring our suppliers in sustainability will be to understand the scope of our global supply chain when it comes to ESG concerns such as environment, health and safety, child labor, and more.

In Europe, our Purchasing team has initiated the process of identifying key suppliers to whom we will distribute the latest Supplier Code of Conduct. Following this, we will proceed to evaluate suppliers based on their sustainability performance, a crucial step in assessing our supply chain's alignment with ESG concerns.

ENVIRONMENTAL COMMITMENT

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Plasman continues our commitment to environmental sustainability by developing a long-term environmental strategy, maintaining and expanding our certified environmental systems, including ISO 14001, and implementing and maintaining energy management systems at each of our manufacturing locations.

As part of Plasman's mission to create a better tomorrow as One Driving Force, we are committed to building a better, more sustainable, and inclusive future for our employees, customers, and communities. We are driving toward a climate neutral future by changing the way we work with the ambition to transition all global operations to climate neutral energy sources. In celebration of Plasman's upcoming 50th Anniversary, our goal is to be 100% climate neutral by 2028.

As of 2023, **47%** of Plasman's global energy was from climate neutral energy sources, including wind, solar, biomass, geothermal, hydropower, and nuclear. For more detailed information about the energy usage at our different sites, see the Sustainability Scorecard on page 52.

Starting in 2023, we agreed with our district heating supplier in Simrishamn, Sweden, to supply 100% renewable energy. We are evaluating our various energy sources globally and starting to migrate towards climate neutral alternatives. We are using a step-by-step approach that considers availability, pricing, and other factors to reach our Climate Neutral Energy Ambition in all of our markets. The next step is to make plans to shift the natural gas to a climate neutral alternative.

A roadmap for the shifts from current to climate neutral energy sources with all countries where we have operations is the focus for coming years. In the near and medium terms, adopting climate neutral energy sources may initially increase our energy costs, but we are working to offset the impact of such increases through energy use reductions and renewable energy self-generation at some of our facilities.

In Gothenburg, Sweden, we did an energy mapping according to Swedish law (2014:266), with a certified energy consultant to identify what energy investments/reductions could be made. The report was presented and followed up on at the beginning of February 2024.

In addition, we are working continuously on energy efficiency initiatives.

At our Raufoss, Norway, site, the heat recovery in the new VOC abatement system is expected to start running in 2025. Based on current production hours, it recovers approximately 810,000 kW/year for an approximate savings of 891,000-NOK. In 2023, we started measuring emissions via our new VOC system for the first time. The results are impressive: 12, 12, and 20 mg C/m³ for catalyst, south discharge (fan south), and north discharge (fan north). Compared to 2022, where we had 67, 180, and 120 for the same factors, this is a big improvement. Our emissions are well below the new limit of 75 mg C/m³ per point, showing our dedication to the environment.

In addition, lots of behavioral and managerial initiatives have started to reduce energy consumption at sites. For example, Raufoss has installed timers and a light sensor on the lights in storage areas so we can turn them off when not working on the weekends. The rest of the outside lights at the plant, as well as the ventilation, are controlled by the main control system. To ensure ventilation is run only when necessary, a review of working hours is part of the weekly production meeting so the lights and ventilation can be changed manually. Thermal imaging has been done on all doors and windows in the plant, leading to isolating the areas that leak the most energy. The paint shop shuts down part by part at closing hour and not the whole area at once.

Both Raufoss and Carregado Manufacturing have changed all their traditional lighting to LED. At Strakonice, we started replacing old light bulbs (discharge lighting with an energy consumption of one luminaire 450 W) with new lighting sources (LED TrueForce E40 with an energy consumption of one luminaire 95 W). 158 old light bulbs were replaced, and 10 new light bulbs have been installed. In Gothenburg, Sweden, we have started a discussion with the building owner about replacing the general lighting with LED and implementing solar panels. This discussion will be ongoing in 2024.

In our continued efforts to transition our facilities to being more energy efficient, Lawrenceburg, USA; Tilbury, Canada; and Tecumseh, Canada, sites implemented changes in 2023.

Tilbury begun replacing their high bay light fixtures with LED fixtures by splitting the project into five phases. As of 2023, phases one through four are complete.

Tilbury has taken advantage of the IESO SaveOnEnergy retrofit program, which has reimbursed about \$13K of their \$26K investment.



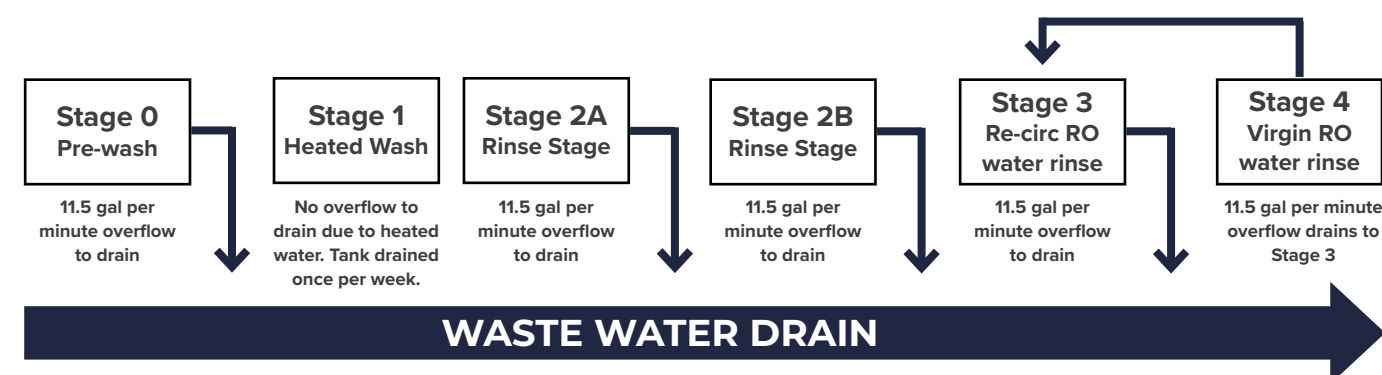
Lawrenceburg implemented motion sensor lights to turn off after a period of not motion. In 2023, we've calculated \$25k in savings. We expect to see more energy savings in 2024.



At our North American paint facilities, water is used to wash the parts we paint in a five-stage wash system. Stages have an overflow to remove debris that is washed from the parts. The stages are as follows:

- Stage 0: City water rinse
- Stage 1: Soap wash
- Stage 2: Rinse
- Stage 3: Recirculated reverse osmosis water with rinse aid
- Stage 4: Virgin reverse osmosis water with rinse aid

Old process: 4 tanks draining 11.5 gallons per minute (46 gallons per minute) to wastewater drain and 34.5 gallons of fresh water being used each minute to replenish wastewater.



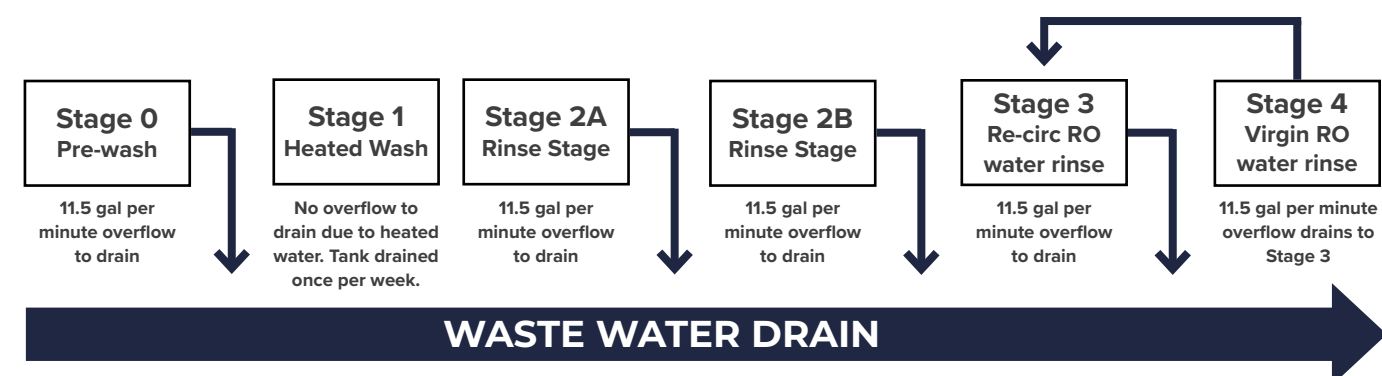
In 2023, Tilbury saw an opportunity to reduce water consumption in our paint process by adjusting the number of stages with city water feeds and recycling the city water throughout the other stages. Each of the sites reduced 3.34 million gallons of water at 11.5 production hours per day. This improvement also saved each of the plants \$32k annually.





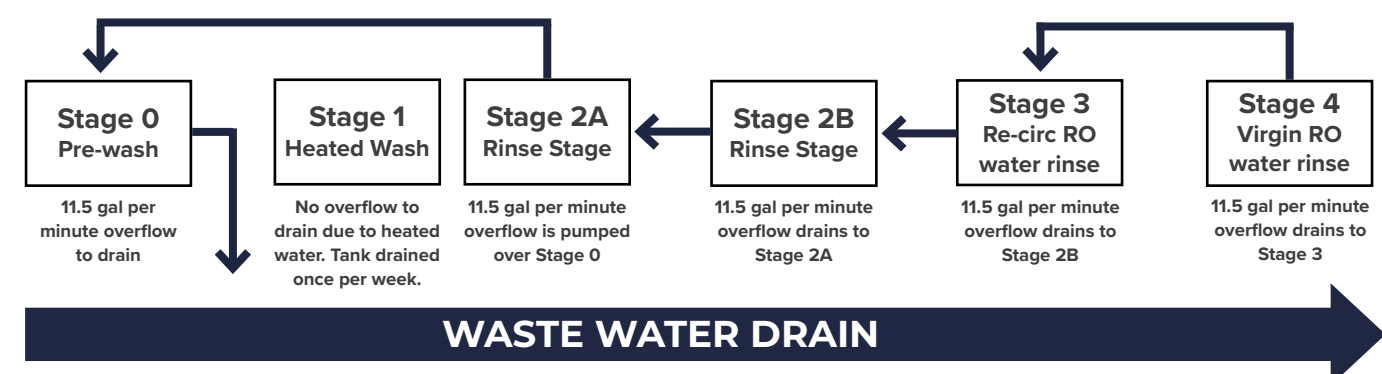
■ Tecumseh integrated a Water Savings Project similar to Tilbury, eliminating the city water feeds by redirecting and utilizing wastewater. Tecumseh changed ‘A’ line and ‘B’ line power washes to use the waste overflow water from each tank to feed into the previous tank. This eliminated the city water feeds used to maintain water levels in each tank. The old process required 11.5 gallons per minute of city water to four tanks (46 gallons per minute).

Old process: four tanks draining 11.5 gallons per minute (46 gallons per minute) to wastewater drain and 34.5 gallons of fresh water being used each minute to replenish wastewater.



Tecumseh’s new process now has one tank draining 11.5 gallons per minute of wastewater and has eliminated 34.5 gallons per minute of fresh water due to the overflow water being utilized to feed the next tank.

New process: one tank draining 11.5 gallons per minute to wastewater drain and elimination of fresh water (34.5 gallons per minute) due to overflow water being utilized to feed next tank.



‘A’ line has saved 35,190 gallons in a 17-hour production day, while ‘B’ line has saved 37,740 gallons in a 17-hour production day, resulting in 72,930 gallons of water saved in a single day.

“Water is the driving force of all nature.”

– Leonardo da Vinci

RESPONSIBLE RESOURCE MANAGEMENT

6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



Not only is responsible resource management good for the environment, but it is also good for our overall efficiency. We have developed a long-term climate-neutral energy strategy that will reduce our global use of non-renewable and climate-adverse energy sources. This resource management extends to raw materials and water use as well.

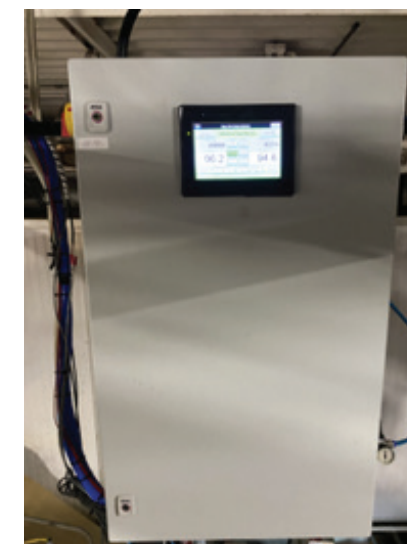
A new interactive and intelligent ventilation system was installed in Gothenburg, Sweden. These units have a rotating heat exchanger and adequate capacity to accommodate Sweden's four seasons. When combined with the waste heat generated from the injection molding process, this system can keep the temperature at a set point and intelligently regulate the fresh air and exhaust air flows.

Gothenburg installed a tank in the paint line to reuse process water in 2022. During 2023, this function stopped working. Therefore, instead of reusing our process water we had to send it away as hazardous waste, which increased our hazardous waste production in 2023. We have established a plan to fix this problem and expected actions are to be taken during February 2024.



At Tilbury Manufacturing, increasing efficiency in the paint system has proven to save energy and money. In 2023, Tilbury invested \$25K to install a new mini-paint system to feed all base coat robots. Loading access paint from the base flash allows low-volume colors to be presented closer to the robots, resulting in a reduction in paint waste from the color change process. This initiative provided an estimated annual savings of \$64K, plus a reduction in waste.

Additionally, Tilbury Manufacturing integrated a newer, more efficient Programmable Logic Controller (PLC). This industrial computer control system continuously monitors the state of input devices and makes decisions based on a custom program to control the state of output devices. This new controller allows us to reduce the gap in the paint line during a single color change from 32 to 27 inches and 56 to 45 inches for double color changes, resulting in an annual savings of \$78,453.



At our Cleveland, USA, site, where we specialize in chroming, major changes were made to our 'A' and 'B' chroming lines. We canceled and removed the 'A' line, which was deemed inefficient. We expect to see a reduction in chemical usage and utility consumption in 2024. With the cancellation of the 'A' line and shutdown of the 'B' line, we decommissioned the original boilers. These units were extremely old, inefficient, and costly to operate. By making these changes, we expect to see significant improvements in our efficiency and energy consumption.

'A' line canceled and removed





'A' line canceled and removed.



'B' line idle

Old 'B' line boiler that was replaced



By making these changes at Cleveland, we also increased rack density to optimize production efficiency with our chroming line. This has allowed us to run fewer racks through the chrome system (from 32-48 pieces per rack to 160-240 pieces per rack), creating less production uptime. This is expected to produce a reduction in energy and water consumption.



32 pieces

48 pieces



160-240 pieces

POLLUTION REDUCTION

3 GOOD HEALTH
AND WELL-BEING

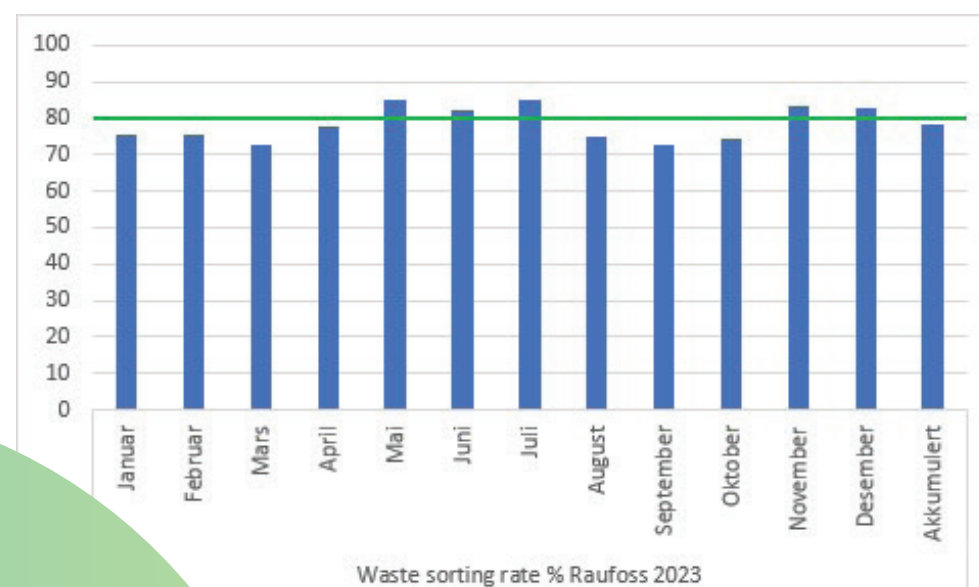


6 CLEAN WATER
AND SANITATION



In addition to rigorously following all regulations and industry standards, our climate neutral strategy contributes to reducing our greenhouse gas footprint in both our internal operations and across our supply chain. Our capital equipment projects take advanced technologies into account to ensure that we continue to reduce harmful impacts on air and water.

In Raufoss, Norway, we have reduced the amount of combustible waste in relation to our environmental obligations. Through waste analysis, separating several factions, labeling containers, and training and raising awareness among employees, we achieved a positive development in the sorting rate for waste.



Raufoss Manufacturing raised the waste sorting target in 2023 to 80%. In 2022, our target was 75% and we achieved 74.9%. At the end of 2023, we achieved 78.4% in waste sorting.



At our paint facilities in Tecumseh and Tilbury, our teams have been working to reduce pollution and hazardous waste within our operations. During the paint process, robotic applicators spray atomized paint onto parts that hang on paint racks. 'Over spray' happens when the paint misses the parts and is captured by the downward airflow in the paint booth. These paint particles are captured within the process water that is pumped below the paint booth. This water is treated in our sludge pit by bonding the paint particles to polymers and floating them to the top of the water. This water is skimmed, and then the paint is captured in sludge bags. Improving the sludge collection process diverted 432,013 kg of sludge from hazardous waste and saved \$6,192 in 2023.

Reducing hazardous waste in our facilities is an ongoing challenge. In 2023, our Querétaro, MEX, site started an initiative to recycle solvents pivoted 18,000 L of hazardous solvent waste to be recycled (75% improvement).



In 2023, Lawrenceburg Manufacturing took the initiative to get a leak detection assessment. From the assessment, we detected various leaks from hoses and threaded coupling in our operations. The report estimates savings of 303 kWh and 113 kg CO₂ emissions by completing improvements on each leak.



“Sustainability, ensuring the future of life on Earth, is an infinite game, the endless expression of generosity on behalf of all.”

— Paul Hawken

CIRCULARITY

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



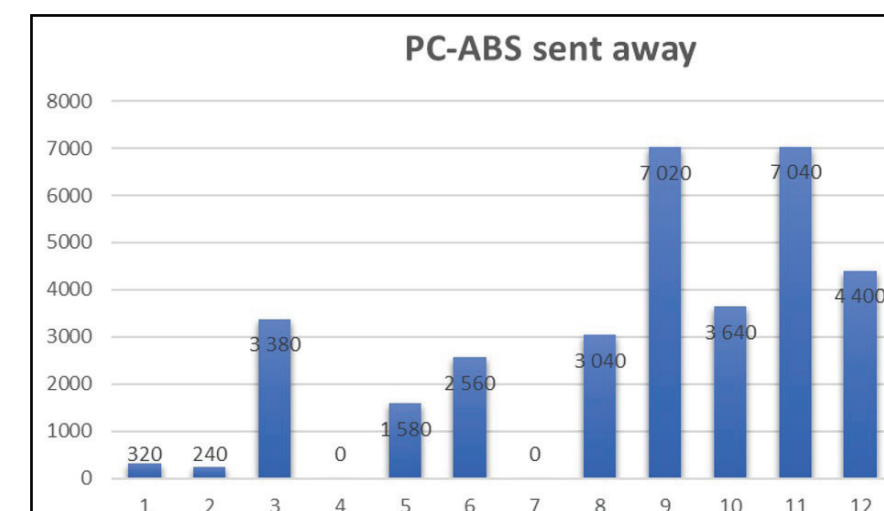
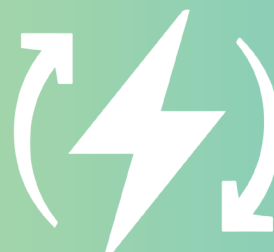
Plasman seeks to understand and optimize the life cycle impact of all our products and processes. We assess and continually improve our end-of-life strategies to reduce waste in all forms and to improve the circularity of our plastic production processes.

By adapting clean and environmentally sound technologies and strategies, we continuously work toward reducing material, water, and energy consumption. This also includes reducing the use of harmful materials wherever possible. The ongoing activities with recycled and bio-based materials are described in the section “Responsible Resource Management.”

Currently, scrap is commonly handled differently at each site. Typically, the unpainted scrap is reground at the site and reused, while painted scrap is sent off-site to an external provider for regrounding. Plasman is looking into different ways of optimizing the flows of scrap to avoid down-cycling of this material.

In 2023, at Strakonice Manufacturing, the separation of waste from plastics production (using the possibility of recycling waste at the expense of disposal by landfill) was investigated and implemented. 3.99 tonnes of PVC (Polyvinyl chloride) waste and 9.144 tonnes of TPE (Thermoplastic elastomers) waste were recycled instead of disposed to the landfill. Part of the waste destined for disposal in landfill in 2022 is now used to produce alternative fuel TAP. The change was introduced in March 2023 and implemented for the whole year. 110 tonnes of waste that would otherwise have ended up in landfill was converted to TAP fuel.

At European Headquarters, the R&D team has developed a validation of the first recycled ABS material that will go into production in 2025.



At Simrishamn Manufacturing, Stena Recycling staff helped evaluate potential ways to reduce the plastic scrap in the waste. Together, we investigated which scrap had the largest impact and which materials there was a potential market for.

The best candidate was the yellow PC-ABS that we use for Scania wind deflectors. The material is not assembled with other materials, and the parts are not painted or primed. There are also no other components, such as clips, seals, or electric components. This, together with the fact the parts are large and heavy, makes it a prime candidate for recycling.

The amount is reduced from combustible waste, where it was previously discarded. This resulted in approximately 5,000 kg of PC-ABS recycled in Q4 2023.

In 2023, our Fort Payne Manufacturing site implemented an on-site solvent recovery system. Fort Payne used supplies the site currently had to store the recovered material and waste from the reclaim process. This procedure reduces overall waste of the plant by 3,629 kg, and is expected to reduce costs by \$7,750 a week in solvent supplies.



At Windsor Tooling the circularity of our steel chips and electrical discharge machine has diverted 123,662 kg of metal scrap to be melted down and recycled into other metal parts.



Plasman is also exploring the increased usage of recycled resins to enhance our environmental performance. Working with our OEMs, we have been experimenting with various recycling strategies to include recycled resins in the finished product, while ensuring the highest quality and required strength. The target for 2023 was to offer our customers a minimum content of 30% PCR in our material portfolio. The goal was achieved and, in 2024, we will introduce PCR materials for our new OEM programs with the right properties and requirements.

We will continue with the work, and our ambition is to build further on the recycled content and offering according to the latest sustainability requirements.

In addition, we are collaborating with RISE (Research Institutes of Sweden) and OEMs on how to design sustainable products. The project started in December 2023 and will go on for two years. RISE leads the project with 15 partners in the automotive industry, component manufactures, dismantlers/workshops, recyclers, suppliers of recycled plastic, and trade associations. In the project, plastic car parts are evaluated for dismantling, re-use, and material recycling respectively. The plastic's quality is analyzed. Design for circular material use is part of the project, as well as cost-income calculations for circular business models and environmental system analyses.

SUSTAINABLE PRODUCTS & SERVICES

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Working cross-functionally within Plasman's various departments, we continue to make advancements in our products and materials that will allow us to improve the sustainability of our entire product portfolio. Some examples include designing for reduced environmental impact, easier end-of-life recycling, and increased safety.

Plasman is also creating a culture of learning and development across our global organization. We encourage our team members to personally work with us to continue developing a responsible, sustainable organization.

Plasman is using Life Cycle Assessments (LCAs) to investigate and understand the environmental impact of our products. The necessity of LCAs is clear and twofold. First, we need to understand in which phase our products have the largest environmental impact to guide our internal efforts. Second, we need to be able to show our customers our environmental impact. This is an ongoing area, and we can clearly see a growing need for LCAs.

INNOVATIVE PRODUCTION

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



By continually assessing and enhancing our Plasman gains, giving Plasman the ability to drive profitable improvements. This allows us to set and achieve financial targets. Advancements in our equipment technologies allow us to improve product offerings, quality, and output. Further investments in innovation and technology capabilities enable development, expansion, increased sustainability, and reduced risk in our supply chain.

In 2023, our manufacturing sites in Gothenburg, Sweden, and Ghent, Belgium, invested in new injection molding machines. The purpose was to replace old equipment and upgrade to a more efficient machine. This upgrade is equipped with IQ weight control, which stabilizes the weight of the parts and automatically compensates the weight of used material, generating raw material usage savings. We have already seen a drastic increase in efficiency of the products from the upgraded machine.

Plasman was a member of the project named "Sustainable Vehicles with Recycled Plastics," which was finalized in 2023. The project aimed to develop innovative solutions to use recycled plastic in visible and advanced components for cars and trucks. Several different vehicle components will be manufactured using recycled plastics within the project. These components will then be tested for long-term characteristics and recyclability. The Swedish Energy Agency assesses that the project has the potential to develop solutions that will contribute to the sustainable use of plastics through the development and testing of new recycled plastics.





Measure. Reduce. Shift. Offset.

Everything we do reflects our relentless passion for sustainability and finding ways to add value for the betterment of all our stakeholders.

Sustainability Scorecard

Global		2021	2022	2023
Consumption				
Electricity consumption	MWh	152,000	180,522	169,207
Percentage climate neutral (renewable)		55% (18%)	69% (44%)	69% (36%)
Energy consumption	MWh	126,800	106,570	109,646
Percentage climate neutral (renewable)		13% (13%)	14% (14%)	14% (14%)
Water consumption	m ³	411,900	454,219	402,371
Waste				
Combustible waste	tonnes	1,480	1,021	1,124
Waste to landfill	tonnes	3,431	1,143	2,775
Hazardous waste	tonnes	2,470	1,663	2,666
CO ₂ Emissions				
CO ₂ Emissions	tonnes	52,800	28,292	27,419
CO ₂ Intensity	kg/monthly sales	0.0869	0.0407	0.0325
Accidents				
Accident Frequency Rate, LTA ⁵		2.7	2	2
Accident Frequency Rate, all ⁶		8.8	8	1.89

Europe		2021	2022	2023
Consumption				
Electricity consumption	MWh	45,600	57,630	61,551
Percentage climate neutral (renewable)		45% (6%)	91% (85%)	90% (53%)
Energy consumption	MWh	22,900	22,052	22,086
Percentage climate neutral (renewable)		73% (73%)	66% (66%)	66% (66%)
Water consumption	m ³	139,000	194,077	157,037
Waste				
Combustible waste	tonnes	1,480	1,021	1,124
Waste to landfill	tonnes	301	174	158
Hazardous waste	tonnes	990	1,003	1,634
CO ₂ Emissions				
CO ₂ Emissions	tonnes	3,200	8,973	8,251
CO ₂ Intensity	kg/monthly sales	0.0130	0.0353	0.0254
Accidents				
Accident Frequency Rate, LTA ⁵		3.4	3	3
Accident Frequency Rate, all ⁶		10.6	5.3	1

North America		2021	2022	2023
Consumption				
Electricity consumption	MWh	106,400	122,892	107,656
Percentage climate neutral (renewable)		59% (23%)	59% (24%)	57% (26%)
Energy consumption	MWh	104,100	84,518	87,560
Percentage climate neutral (renewable)		0% (0%)	0% (0%)	0% (0%)
Water consumption	m³	272,900	260,142	245,334
Waste				
Combustible waste	tonnes	0	0	0
Waste to landfill	tonnes	3,130	969	2,617
Hazardous waste	tonnes	1,480	660	1,032
CO ₂ Emissions				
CO ₂ Emissions	tonnes	49,600	19,319	19,168
CO ₂ Intensity	kg/monthly sales	0.1490	0.0522	0.0462
Accidents				
Accident Frequency Rate, LTA ⁵		2.0	1	0.76
Accident Frequency Rate, all ⁶		7.0	2.6	2.78

1 Calculated as a weighted region average; 2 Calculated as a weighted region average; 3 Based on electricity and energy consumption; 4 Calculated as an average of the sites measured; 5 Calculated as an average of the sites measured. The accident rate is calculated by multiplying the number of recorded incidents by 200,000, and then dividing that number by the number of work hours in the organization; 6 Calculated as an average of the sites measured. The accident rate is calculated by multiplying the number of recorded incidents by 200,000, and then dividing that number by the number of work hours in the organization.

The Sustainability Scorecard was developed with data collected from each of our sites, and covers the 2023 calendar year. During 2023, Plasman parted ways with four sites in North America. This will influence the comparison between the years.

GRI INDEX

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. Plasman reports on an annual basis, and this report covers the period of January 1 - December 31, 2023.

Disclosure		Comment	Page number(s)
Organizational Profile			
102-1	Name of organization		Cover page, all pages
102-2	Activities, brands, products, and services		Page 4
102-3	Location of headquarters		Page 4 & 5
102-4	Location of operations		Page 4 & 5
102-5	Ownership and legal form		Page 4
102-6	Markets served		Page 4
102-10	Significant changes to the organization and its supply chain		Page 54 (parted ways with 4 manufacturing sites in NA)
Strategy			
102-14	Statement from senior decision maker		Page 2
102-16	Values, principles, standards, and norms behavior		Page 14

GRI INDEX

Disclosure	Comment	Page number(s)
Governance		
102-18 Governance structure		Cover page, all pages
102-40 List of stakeholder groups	Engaging stakeholders is a vital part of Plasman's operations and sustainability management. This is described throughout the report.	All pages
102-42 Identifying and selecting stakeholders		Page 6
102-43 Approach to stakeholder engagement		Page 6
102-44 Key topics and concerns raised		Page 6
Reporting Practice		
102-46 Defining report content and topic boundaries		Page 6
102-47 List of material topics		GRI - Index Table
102-48 Restatements of information		Page 52,53, 54
102-49 Changes in reporting		Page 54
102-50 Reporting period		GRI - Index Table
102-51 Date of most recent report	2022	
102-52 Reporting cycle		GRI - Index Table

GRI INDEX

Disclosure	Comment	Page number(s)
102-53 Questions regarding the report	sustainability@plasman.com	
Materials		
103-1-3 Management approach		Page 6
301-2 Recycled input materials used	Not able to report on percentages as the data is not available.	Page 44
Energy		
103-1-3 Management approach		Page 6
302-1 Energy consumption within the organization		Page 52 (scorecard)
Water		
103-1-3 Management approach		Page 6
303-5 Water consumption		Page 52
Emissions		
103-1-3 Management approach		Page 6
305-4 GHG emissions intensity		Page 52 (scorecard)
Waste		
103-1-3 Management approach		Page 6
306-3 Waste generated		Page 52 (scorecard)



**For questions or to learn more, contact us
at sustainability@plasman.com**

Plasman
Sustainability

We Are
Dedicated to Global
Sustainability Actions

