



Sustainability Report

2024



WE BRING PLASTICS TO LIFE

TALENT PLASTICS

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Introduction

Talent Plastics in short.

	1 owner	O.F Ahlmarks & Co Eftr. AB, Karlstad, Sweden
	243 Employees	56% Female, 44% Male of total headcount.
	5 Sites	Talent Plastics is situated in Sweden (Gislaved, Bredaryd, Laxå) Estonia (Tallinn, Tartu)
	124 IM Machines	Invested in 3 machines during 2024, one of them fully electric.
	2678 ton	Raw material that was used to produce all products in 2024.
	>500 Customers	Talent Plastics is supplier to a mix of segments including Automotive, General Industry, Electronics, Consumer and Medical.
	GHG Emissions	Our first CO ₂ calculations are presented in this report.

CEO's Message:

As this is written another year has passed and we find ourselves in a world that rapidly changes, and questions are arising of the urgency and need for proactive work on sustainability. For me and Talent Plastics it is clear. We made up our mind and will keep up the pace in order to be our customers' and employees' option when looking for a sustainable partner. Since last year's report we have taken big steps on our way to become more sustainable and to support our customers in their sustainability work.

We strongly believe that there is no going back and during 2025 we will continue to push forward.

With this said, what has been done during the year? With external support we are making energy mappings to better understand our energy consumption.

We are pushing the question of energy reduction by updating the equipment for production, changing to more efficient lighting and ventilation.

However, in plastic injection molding the biggest impact on GHG is caused by the material we use for our customer's products. We have added resources in procurement and in that changing focus to become a supplier who can support our customers in choosing less environment impacting materials. Our sales team is continuously looking for opportunities in helping our customers to go from metals to polymer materials and from currently used polymer materials to a more sustainable alternative.

Most importantly to drive a change, during 2024 I have been happy to see that the mindset of our staff is changing. We have a management that has a belief in that sustainability matters to us, our customers and employees. Our supportive and cooperative attitude is what I bring with me into 2025.

With our staff - our believers - we can make a change.

- Mattias Hogane, CEO

Highlights for 2024

Throughout 2024, we have taken important steps to enhance sustainability across our operations. Our efforts have been categorized into three main areas: Energy, Material Efficiency, and Reporting.

Energy Efficiency

In all of our sites we have continued the quest to reduce our energy consumption. By following the planned actions, we have not only continued the implementation of LED lighting to reduce energy consumption and improve workplace efficiency but also optimized use of energy in production processes to lower overall power demand.

Additionally, we have continued to replace outdated machinery with more energy-efficient alternatives, leading to reductions in energy use. Through continuous improvements, we have also refined operational layouts to streamline workflows and enhance energy efficiency.

Material Efficiency

We have continued our efforts to integrate circular economy principles into our operations. By focusing on smarter production scrap segregation, we have successfully contributed to second-life material usage through structured selling of production residues.



Further, we have improved material efficiency by regranulating production scrap and cutting oversized sprues for reuse. These refinements reduce waste, optimize resource use, and contribute to both environmental and economic benefits. In addition, we have strengthened our collaboration with customers to support their sustainability goals. By working closely with them to optimize material usage, material choices and recycling opportunities, we contribute to a more sustainable value chain.

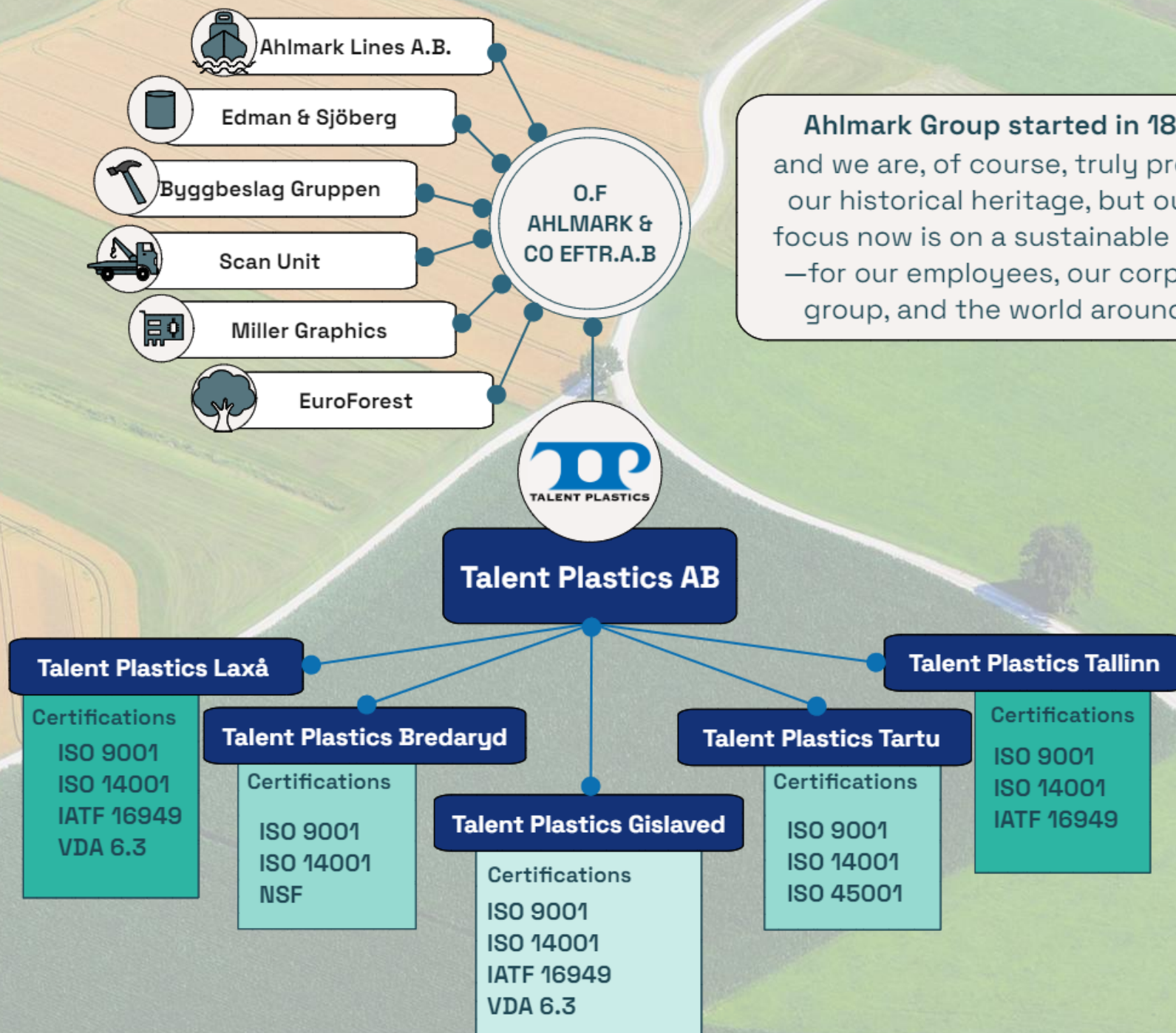
Improved Reporting & Transparency

Our focus on improved reporting has led to significant advancements in how we track and analyze sustainability efforts. We have strengthened our data collection processes to enhance transparency and accountability, ensuring that sustainability metrics are more accurate and actionable.

Four of our five companies has registered in Ecovadis during 2024 and two has registered in CDP. Our goal is to register all companies in both systems by the end of 2025.

To align with industry's best practices, we have implemented refined reporting structures and introduced new digital tools that provide real-time insights into key sustainability indicators. These advancements support data-driven decision-making and further embed sustainability into our operational framework.

These improvements align with our long-term commitment to responsible resource use and environmental stewardship.



Ahlmark Group started in 1847...
and we are, of course, truly proud of our historical heritage, but our full focus now is on a sustainable future —for our employees, our corporate group, and the world around us.

Our Commitment to CSRD Compliance

Talent Plastics is committed to aligning our sustainability reporting with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

This report has been developed in accordance with ESRS 1 (General Requirements) and relevant thematic standards, ensuring transparency, accountability, and compliance with EU regulations.



Strategy and Governance

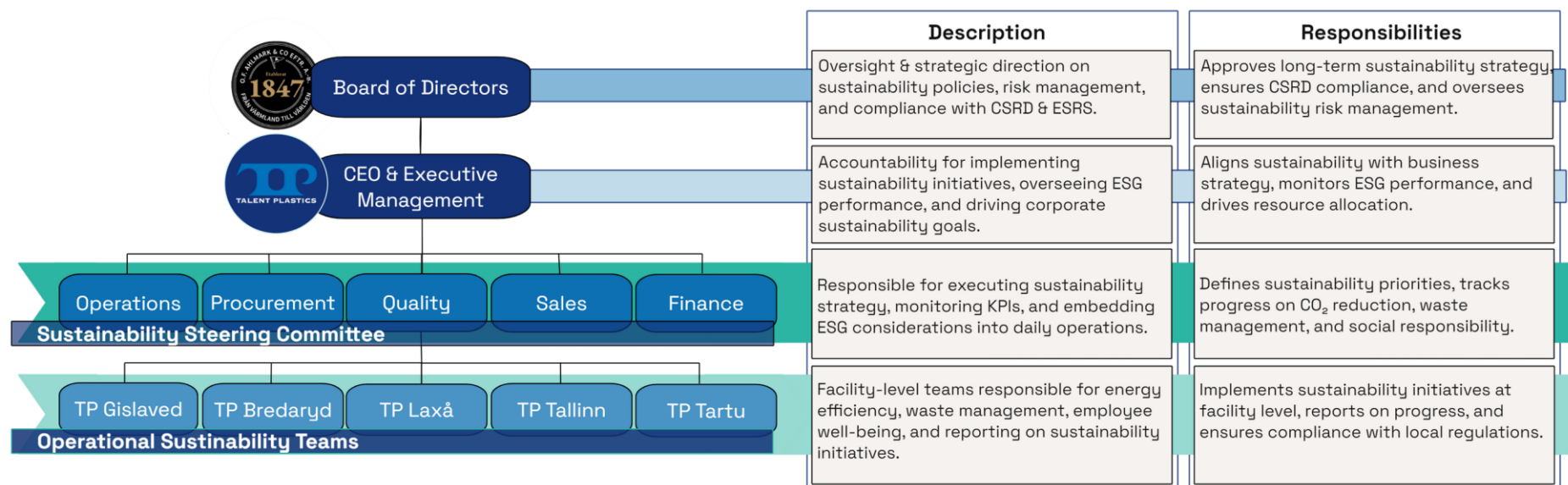
Key Compliance Areas

Our report addresses the following ESRS requirements:

ESRS Standard		How We Comply
ESRS E1 (Climate Change)		Full disclosure of Scope 1 & 2 emissions, with ongoing work on Scope 3 reporting. Target to reduce CO ₂ footprint by 50% by 2030 (Scope 1 & 2)
ESRS E2 (Pollution)		Chemical management improvements, tracking hazardous substance usage across sites.
ESRS E5 (Resource Use & Circular Economy)		Increased recycling, waste reduction efforts, and supplier collaboration on material efficiency.
ESRS S1 (Own Workforce)		Employee well-being initiatives, training programs, and diversity tracking (to be expanded with more structured data).
ESRS G1 (Governance & Business Conduct)		Transparent governance processes, sustainability risk assessments, and responsible sourcing measures.

Sustainability Governance Structure

Talent Plastics integrates sustainability governance at all levels of the organization, ensuring accountability and strategic alignment with business objectives. The following image represents Talent Plastics' Sustainability Governance Structure, outlining how sustainability efforts are managed and executed across different levels of the organization.



Verification & Data Assurance: We are working towards integrating third-party verification for our sustainability data and aligning reporting methodologies with the GHG Protocol, GRI Standards, and EU Taxonomy requirements. In 2025, we will further enhance our Scope 3 disclosures, workforce data accuracy, and external verification processes to strengthen CSRD compliance.

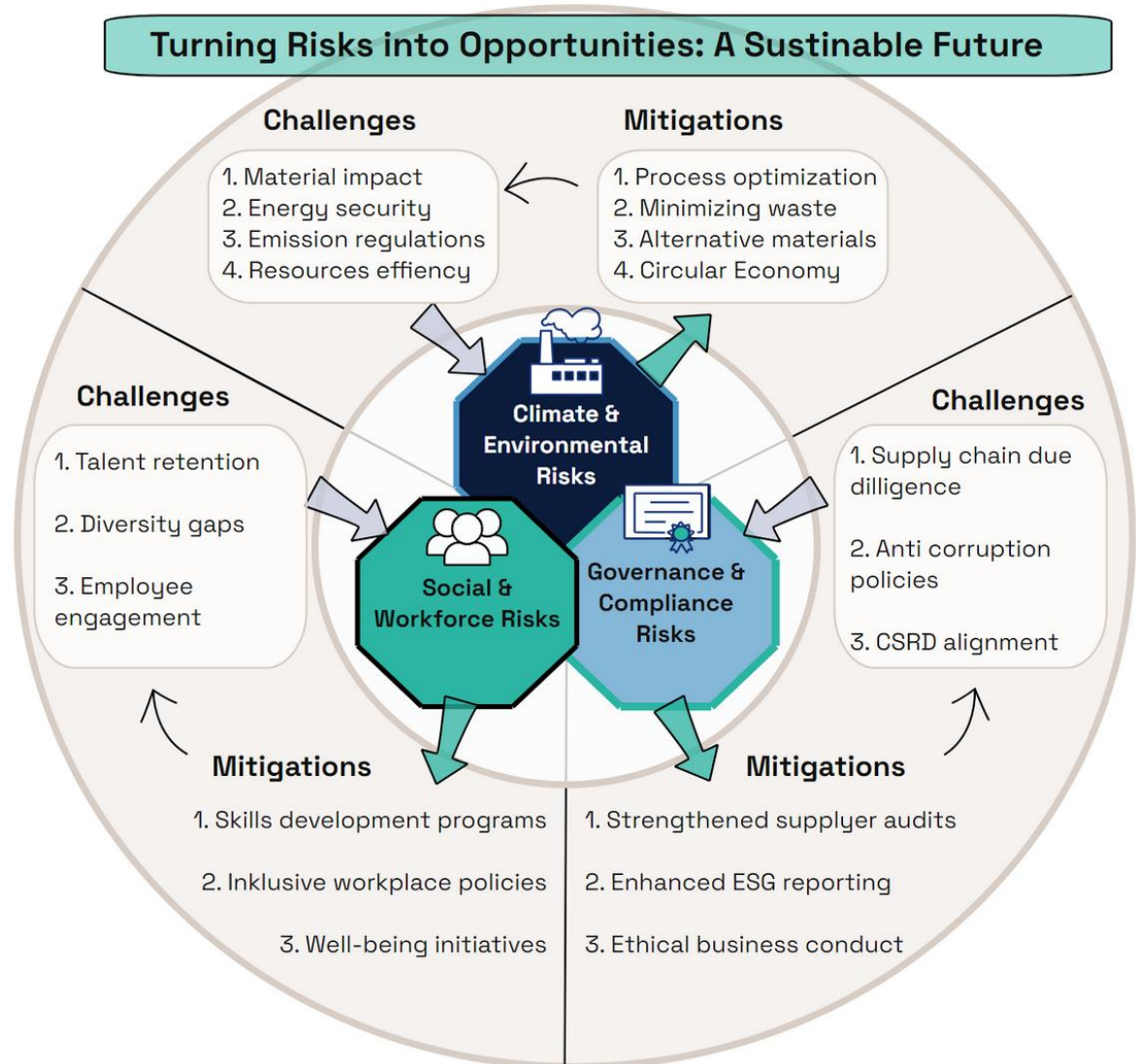
Risk Management & Compliance

Effective risk management is central to Talent Plastics' business strategy. We proactively assess and mitigate risks across environmental, social, and governance dimensions, embedding sustainability into our Enterprise Risk Management (ERM) framework. Our risk assessment, conducted as part of the Group Business Plan, ensures resilience and long-term value creation.

Integrating Sustainability into Risk Management






To address these risks systematically, we have embedded sustainability into governance processes, aligning with UN Sustainable Development Goals (SDGs) and regulatory frameworks. Our approach includes:

1. Governance Framework – Policies ensuring compliance and ethical standards.
2. Impact Assessment – Evaluating effects on biodiversity, climate, and water usage.
3. Value Chain Risk Mitigation – Identifying risks and mitigation strategies across all business processes.

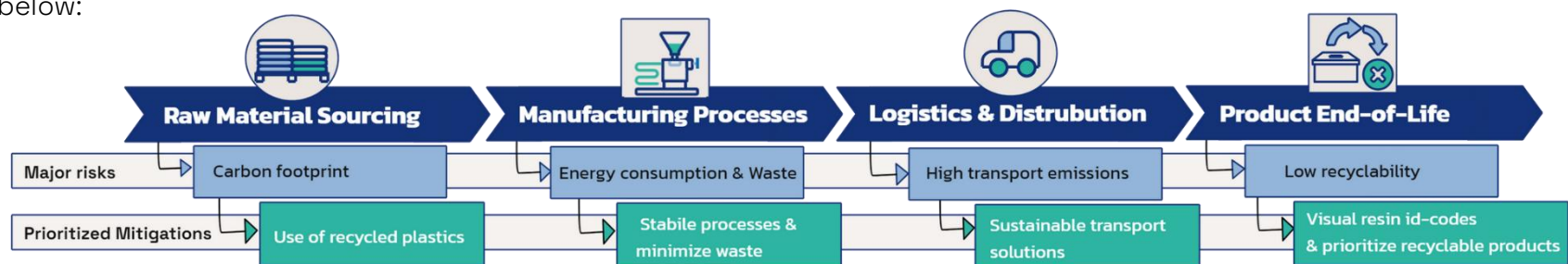


Strategic Alignment with Sustainability Goals

Sustainability is not a standalone initiative—it directly supports our business objectives. Our Board oversees sustainability efforts, ensuring integration into strategic decision-making.

Material Topic		Relevant STGs	Actions Taken	KPIs to Track	
Emissions Reduction		SDG 7 (Clean Energy)	Reduction of CO2 emissions by process optimization	Reduction in CO2e emissions (% of previous year)	The diagram illustrates how key sustainability areas align with SDGs, reinforcing our long-term commitments.
Employee Well-being		SDG 8 (Decent Work)	Improved Workplace Health	Sickleave (% of previous year)	
Supply Chain Responsibility		SDG 9 (Industry, Innovation)	Sustainability Audits of Suppliers	Suppliers compliant with ESG standards (% of total)	
Circular Economy		SDG 12 (Responsible Consumption)	Increased recycling & material efficiency	Recycled materials (% of total use of material)	
Emissions Reduction		SDG 13 (Climate Action)	Minimizing waste and increased knowledge of alternative materials	Reduction in CO2e emissions from purchased materials (% of previous year)	

Additionally, the risk assessment conducted in our business plan outlines process-specific risks and mitigations, as illustrated below:



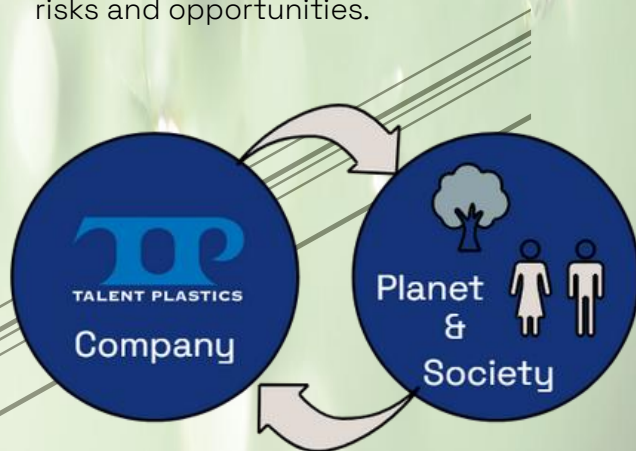
This structured approach ensures that Talent Plastics not only identifies risks but also actively mitigates them, fostering long-term business resilience and sustainable growth.

Description of the Process

The double materiality analysis was conducted through a structured workshop with key internal stakeholders from different business areas. The session was designed to assess both:

1. Impact materiality (how our company affects people and the environment)
2. Financial materiality (how sustainability factors affect our business).

Participants were asked a series of targeted questions to evaluate our sustainability risks and opportunities.



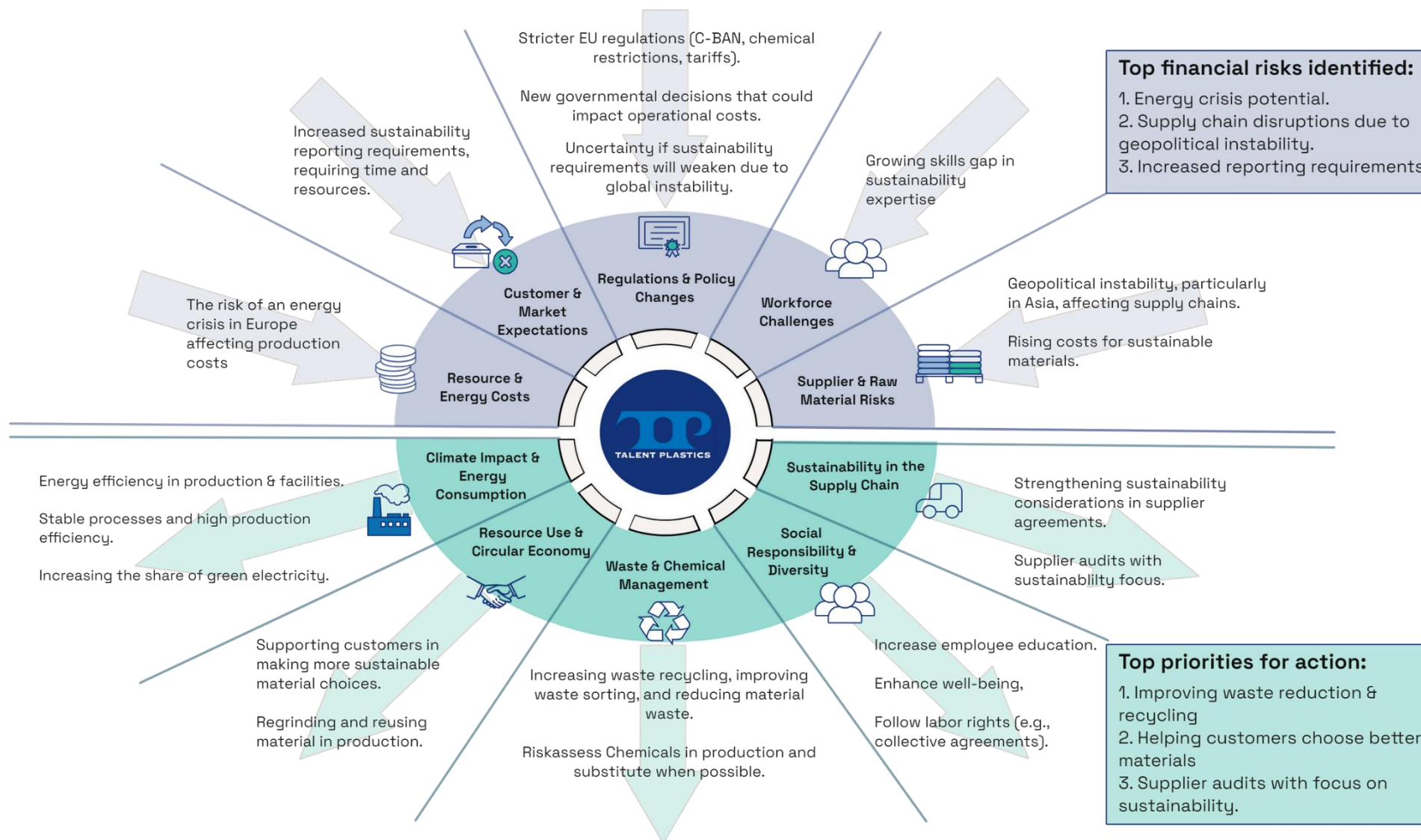
Materiality Topics

Double Materiality Analysis

Conducting a double materiality analysis helps us identify both the sustainability areas where we have the most impact and the external risks and opportunities that affect our business. This structured approach ensures that our sustainability efforts are aligned with stakeholder expectations, regulatory demands, and long-term business resilience.



Key Sustainability Risks That Could Impact Financial Performance



CSRD Alignment Table:

Category	Focus Area	Key Insights & Actions	Relevant CSRD Requirement
Strengths	Leadership & Governance	Sustainability is owner-driven, with strong leadership support.	Governance (ESRS 2, ESRS G1) – Sustainability governance, policies, and leadership commitment.
	Social Responsibility	Strong social responsibility practices, including collective agreements, fair wages, and safe working conditions.	Social (ESRS S1) – Employee working conditions, fair pay, and social policies.
	Resource Availability	Clean water access is a secured resource in Sweden.	Environmental (ESRS E3) – Water & marine resources management.
Areas for Improvement	Communication	Enhance internal & external sustainability communication to ensure clarity and engagement.	Governance (ESRS G1) – Stakeholder engagement & sustainability reporting transparency.
	HSE Training	Strengthen Health, Safety, and Environment (HSE) education to maintain high safety standards.	Social (ESRS S1) – Workforce health & safety, training, and well-being.
	CO ₂ Measurement	Develop a structured CO ₂ calculation methodology for better emissions tracking and reporting.	Environmental (ESRS E1) – Climate-related disclosures, emissions tracking & methodologies.
Opportunities	Waste Reduction & Efficiency	Reducing waste and improving material efficiency could lower costs and increase competitiveness.	Environmental (ESRS E5) – Resource use & circular economy, waste reduction.
	Sustainability Communication	Strengthen transparency and dialogue to build trust with customers and investors.	Governance (ESRS G1) – Transparency, stakeholder engagement, and sustainability integration.
	Sustainable Materials	Developing expertise in sustainable materials could position the company as an industry leader and attract new business.	Environmental (ESRS E5) – Circular economy & resource efficiency.

Conclusions from Dubbel Materiality Analysis and Next Steps

Major Sustainability Impact:

1. Recycling and reducing waste were identified as a top priority due to its measurable impact on CO₂ reduction.
2. Improved communication was also highlighted as crucial, as it can drive broader behavioral change and increase stakeholder engagement.

Financial Impact:

1. The most significant financial risks are related to energy supply and geopolitical instability affecting our supply chain.

These insights will be integrated into our sustainability strategy, with a commitment to revisiting the double materiality analysis regularly to track progress and adjust priorities as needed.



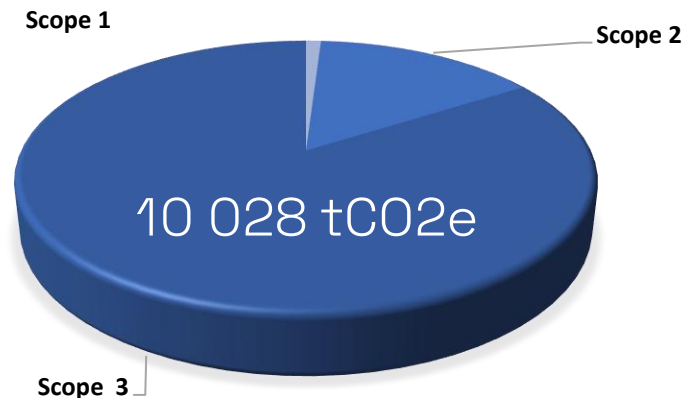
Environmental Sustainability

Our Commitment to a Low-Carbon Future

Reducing our carbon footprint is central to our sustainability strategy. In 2024, Talent Plastics took significant steps toward optimizing energy use, reducing material waste, and improving reporting on greenhouse gas (GHG) emissions.

Our first calculations of emissions provide us with a total of 10 MCO₂e tons, Scope 1, 2 and 3, for all five factories. Our calculations are based on assumptions to a certain degree.

GHG EMISSIONS BREAKDOWN



→ Note: Scope 1, 2 & 3 emissions will be developed to better reporting coverage and supplier engagement.

→ Note: Scope 2 emissions are impacted by one factory that is locked into an energy contract until 2026.

We categorize our emissions according to the Greenhouse Gas Protocol:

Scope 1: Direct emissions from owned/controlled sources (e.g., fuel use in company vehicles).

Scope 2: Indirect emissions from purchased electricity and heating.

Scope 3: All other indirect emissions, including supply chain and product lifecycle impact.

Key Achievements in 2024

1. Improved emissions data (Scope 1, 2 & 3) by using available tools to enhance relevance and consistency.
2. 12% increase in production recycling, reducing material waste. (Including productionsites handled by Stena Recycling)
3. Material Transition & Waste Reduction Enabled customers to shift towards lower-carbon materials, contributing to a measurable reduction in polymer-related emissions and improving circularity.

Energy Efficiency Initiatives

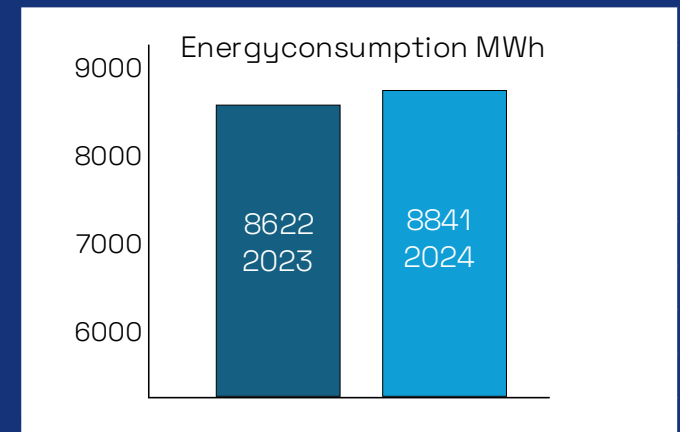
As part of our commitment to a low-carbon footprint, we continued our efforts to improve energy efficiency. However, in 2024, our total energy consumption increased by 2.8%, while turnover decreased by 1.7%. Our total energy consumption was 8841 MWh. This indicates that although some initiatives had an effect, overall energy use rose — prompting us to further investigate and address the underlying causes. We believe transparency is key to long-term improvement. The rise in energy use may reflect shifts in production mix, increased demand for heating, or inefficiencies yet to be resolved. We are actively analyzing these drivers and adjusting our plans accordingly.

Key Initiatives in 2024:

- Optimized production processes to minimize energy waste and improve machine efficiency.
- Investment in energy-efficient equipment, replacing outdated machinery with modern, lower-energy models, or simply scrapping inefficient equipment and machinery.
- Continued transition to LED lighting in all facilities, reducing overall electricity demand.

Focus Areas 2025:

Enhancing energy efficiency further by refining machine utilization, cycle time optimization, and process automation to reduce overall consumption.



Material Efficiency & Circular Economy

In 2024, raw material consumption remained almost unchanged (-0.3%), while waste was reduced by 10.12%, and recycling increased by 11.45%. These figures suggest that while our material input stayed stable, we made meaningful improvements in how we handle and recover materials — resulting in less waste and more circular use.

This reflects not only internal process improvements but also stronger collaboration with customers to make better material choices and recover more value from production scrap.

Key achievements 2024:

- Waste volumes decreased by 10%, a clear result of improved scrap handling and internal efficiency.
- Recycled waste increased by 11%, through efforts such as smart scrap segregation and regranulation.
- Customer collaboration helped optimize material use and improve recyclability.

While raw material input remained steady, our ability to reduce waste and increase reuse points to better use of materials within our processes. This is a solid foundation for further circular initiatives.

Focus Areas 2025:

- Expanding recycling and closed-loop solutions.
- Investigating material substitution opportunities.
- Renewed focus on material efficiency per unit produced.

Closing the Loop: Smarter Packaging Use

In 2024, we strengthened our commitment to sustainability by establishing a closed-loop system with a key customer. By collecting and reusing packaging materials, we're reducing waste and minimizing the need for new resources. This initiative enhances material efficiency and moves us closer to a more circular supply chain.



Metric	2023	2024	% Change
Total raw material used (tons)	2 686	2 678	-0,3%
Recycled or bio-based materials (tons)	8,9%	9,3%	4,6%
Waste generated (tons)	358	325	-10,1%
Waste recycled (tons)	98	111	11,4%

Chemical & Pollution Reporting

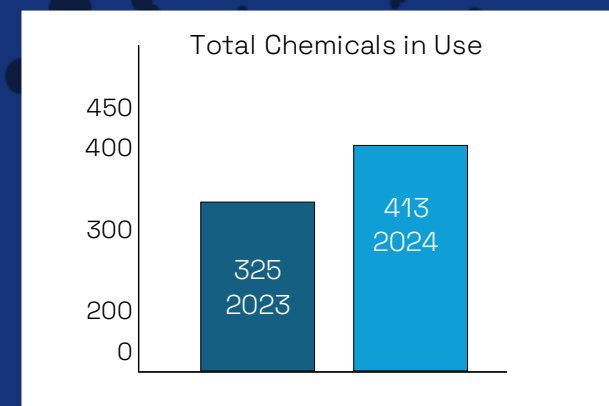
In 2024, we continued to develop our approach to chemical management, moving from facility-specific reporting to a more aggregated overview across operations. This change supports improved transparency and internal comparability but also introduces limitations. Data accuracy and consistency are still developing as we refine our methods, and some assumptions are necessary due to incomplete or inconsistent inputs from different sites.

Key Findings 2024:

The number of chemicals reported increased in 2024, largely due to expanded reporting from additional facilities. This also led to a rise in risk-assessed substances, although evaluations for newly reported chemicals are still ongoing. At the same time, the number of completed chemical substitutions declined, as some planned phase-outs were finalized during the year.

Focus Areas 2025:

We currently do not believe that other forms of pollution—such as noise, odors, or process-related discharges—from our operations have a material impact on climate. However, we acknowledge the importance of maintaining a broader perspective on environmental impact and will continue to monitor relevant areas as our reporting practices mature.



Next Steps & Priorities for Environmental Sustainability

Timeframe	Action Area	Key Actions
Short-term (0-12 Months)	Process Optimization	Optimize machine settings and cycle times to reduce unnecessary energy consumption.
	Waste reduction	Increase material regrinding and internal reuse to minimize production waste.
	Standardized Chemical Reporting	Harmonize chemical classification and reporting process across all facilities to ensure consistency.
Mid-Term (1-3 years)	100% renewable and Fossil-Free Energy	Shift energy sourcing to ensure fully renewable and fossil-free energy-mix across all facilities by 2026.
	Circular Material Sourcing	Strengthen supplier collaboration to source high-quality recycled and bio-based materials.
	Cross-Facility Chemical Matching	Introduce unique chemical identifiers (CAS numbers) to eliminate double counting and improve data accuracy.
Long-term (3+ years)	Smart Energy Management	Implement smart energy monitoring systems to identify efficiency improvements in production.
	Closed-Loop Production	Develop closed-loop production strategies, enabling full recyclability and material recovery.
	Improved Risk Assessment Integration	Ensure all chemicals undergo full risk assessment before inclusion in sustainability reporting.



Social Sustainability

Our Workforce: Well-being, Equality, and Engagement

At Talent Plastics, we recognize that a motivated, diverse, and healthy workforce is essential for long-term success. Our commitment to employee well-being, gender equality, and professional growth continue to shape our workplace culture.

Well-being and Workplace Culture

In line with our commitment to social sustainability, we have maintained our focus on employee well-being. This year, we continued to follow collective agreements and introduced enhanced wellness benefits to further support our employees' physical and mental health. While our main goal is to reduce the risk of illness and sickleave, we also strive to create an environment where employees thrive and contribute to their full potential.

Recognizing that well-being extends beyond physical health, we take a holistic approach—ensuring that employees feel valued, engaged, and supported in their roles.

A key question guiding our efforts is:

→ *How do we harness the strengths of our people to their fullest potential?*

When employees feel recognized and empowered, they become more engaged, strengthening both loyalty and innovation, two crucial drivers of business resilience.

Workforce Composition & Diversity

As of 2024, our workforce consists of:

- Total Workforce: 56% Female, 44% Male
- Leadership Positions: 30% Female, 70% Male

To further strengthen diversity in leadership, we are launching a mentorship and career development program, ensuring equal opportunities for all employees to grow and advance.

We remain committed to equal pay for equal work, conducting regular pay gap analyses to ensure fairness across all roles. Additionally, our zero-tolerance policy on discrimination is reinforced by an Whistleblowing system, allowing employees to voice concerns freely and safely.

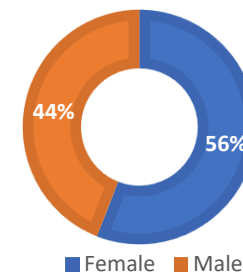
Training and Career Development

We believe in fostering a culture of continuous learning to support both personal and professional growth. In 2025, we will begin systematically tracking participation in training programs, and this data will be included in next year's report.

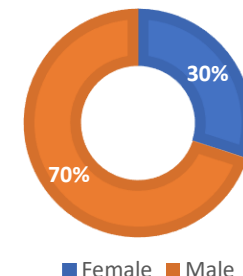
Our key training initiatives include:

- Leadership and skills development programs to support career progression.
- Collaboration with training providers and vocational schools to offer practical and job-relevant learning opportunities.
- Expanded sustainability training, ensuring employees understand how their work contributes to broader environmental and social goals

**GENDER DIVERSITY
TOTAL**



**GENDER DIVERSITY
LEADING POSITION**



By investing in learning and development, we aim to equip our workforce with the skills needed for the future while strengthening our long-term business resilience.

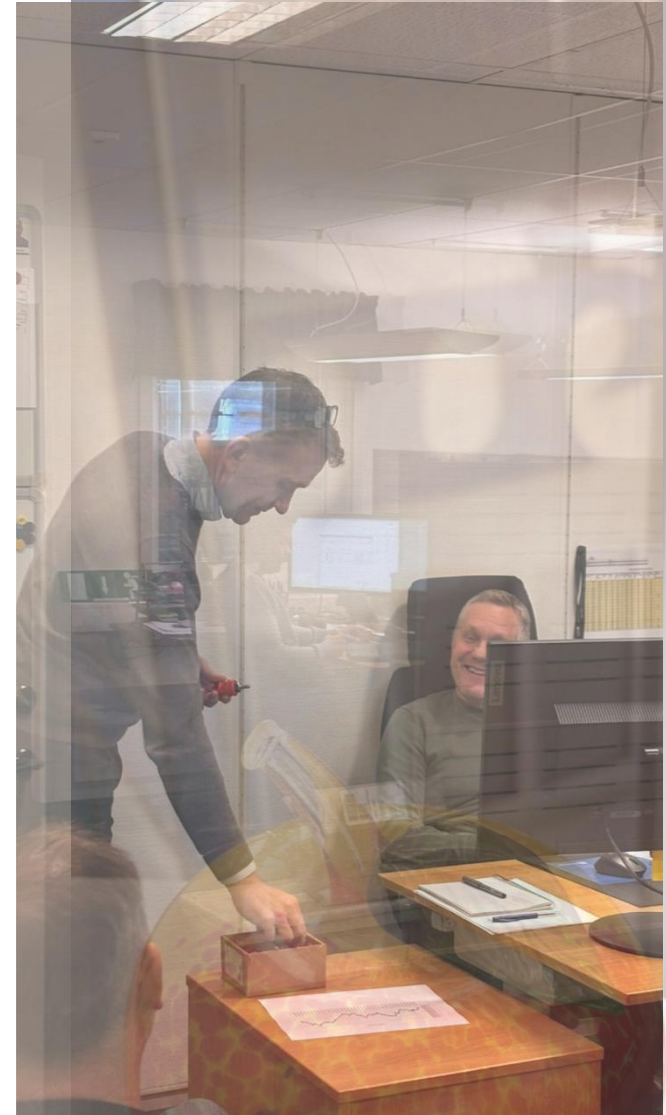
Workforce in value chain

At Talent Plastics, we are committed to upholding high ethical standards throughout our supply chain. Our Code of Conduct ensures that all suppliers align with our principles on fair labor, safe working conditions, and human rights.

To strengthen our oversight, we plan to enhance supplier assessments in 2025, with a particular focus on sustainability-related criteria. This will include a dedicated supplier audit to evaluate compliance with environmental and social standards. While we currently lack comprehensive workforce data from our suppliers, we aim to improve transparency and accountability through closer collaboration.

Additionally, as part of our efforts to improve Scope 3 emissions transparency, we recognize the need for better data sharing and engagement with our supply chain. By fostering stronger collaboration with suppliers, we aim to enhance reporting on environmental impact and work together towards more sustainable sourcing and production practices.

By reinforcing our sustainability expectations across the value chain, we take an important step toward building more responsible and resilient supplier partnerships.



Next Steps & Priorities for Social Sustainability

Timeframe	Action Area	Key Actions
Short-term (0-12 months)	Employee Feedback Enhancement	Enhance employee feedback loops to refine well-being initiatives.
	Explore Gender Diversity Actions	Explore initiatives to improve gender diversity in technical and leading roles.
	Supplier Sustainability Audit	Conduct a supplier audit focusing on environmental and social sustainability criteria.
Mid-Term (1-3 years)	Leadership Training	Implement structured leadership training with a focus on diversity.
	Workforce Data Improvement	Improve workforce data collection & reporting for transparency.
	Supply Chain Collaboration	Strengthening collaboration with suppliers to improve transparency on workforce conditions and Scope 3 emissions.
Long-term (3+ years)	Sustainability Training Programs	Develop employee sustainability training programs.
	Gender Balance Achievement	Achieve greater gender balance across all workforce levels.
	Supplier Reporting & Compliance	Establish a structured approach for collection and reporting workforce data from key suppliers to enhance accountability.

Business Conduct:

1. Integrity
2. Responsibility
3. Continuous Improvement

At Talent Plastics, we are committed to conducting business with integrity, transparency, and accountability. Ethical business practices are the foundation of our success, ensuring that we build trust with customers, employees, and stakeholders.

Our Code of Conduct guides us in maintaining the highest standards of professionalism, fair competition, and compliance with regulations.

Economic Sustainability and Governance

Ethical Governance and Risk Management

Talent Plastics adheres to a zero-tolerance policy on corruption, bribery, and unethical business practices. We expect all employees, suppliers, and partners to uphold our ethical guidelines, which include:

- Compliance with all applicable laws and regulations
- A commitment to fair competition and transparent pricing
- Protection of confidential information and intellectual property
- Prevention of conflicts of interest
- Ensuring fair and respectful treatment of employees across all levels

To mitigate risks, we conduct internal compliance reviews and will introduce supplier sustainability assessments in 2025. Additionally, we maintain a confidential whistleblowing channel, allowing employees and stakeholders to report ethical concerns without fear of retaliation.



Goals and Future Visions

Talent Plastics is committed to embedding sustainability at the core of our operations and value chain. Our long-term vision is to become a leader in sustainable manufacturing by reducing our environmental impact, strengthening circular economic initiatives, and fostering responsible business practices.

By 2030, we aim to:

1. Reduce our carbon footprint through improved energy efficiency, material transitions, and circular economy principles.
2. Enhance transparency in sustainability reporting, ensuring full alignment with CSRD and ESRS requirements.
3. Strengthen supplier collaboration to promote sustainable sourcing and minimize Scope 3 emissions.
4. Invest in our workforce, fostering diversity, inclusion, and continuous learning to drive innovation and long-term success.
5. Advance our risk management framework to proactively address sustainability-related challenges.

These commitments will guide our strategic direction as we work toward a more sustainable and resilient future.

Next Steps & Priorities for Economic Sustainability & Governance

Timeframe	Action Area	Key Actions
Short-term (0-12 months)	Governance Structure & Compliance	Strengthen internal governance structure by improving internal controls and aligning policies with CSRD and ESRS requirements.
	Stakeholder Engagement	Implement structured stakeholder feedback loops to enhance transparency and engagement in sustainability reporting. For instance, EcoVadis and CPD.
	Risk & Compliance Management	Conduct a comprehensive governance risk assessment to identify potential compliance gaps and areas for improvement.
Mid-Term (1-3 years)	Third-Party Verification & Assurance	Integrate third-party verification for sustainability data to ensure accuracy and credibility in reporting.
	Transparency & Reporting Alignment	Align sustainability disclosures with GRI, EU Taxonomy, and CSRD to improve clarity and comparability.
	Supplier Governance & Ethical Business	Strengthen supplier governance by implementing a structured supplier assessment program focusing on ethical and sustainable practices.
Long-term (3+ years)	Digitalization & Data Management	Develop and implement digital tools to automate sustainability data tracking, ensuring compliance with regulatory requirements.
	Governance Culture & Leadership	Establish governance training programs for leadership and key employees to reinforce compliance awareness and ethical decision-making.

Conclusion and Contact

As we close this report, we reflect on the progress made and the challenges that lie ahead. 2024 marked a year of measurable advancements in energy efficiency, material optimization, and sustainability governance. While we have made significant strides, we recognize that sustainability is a continuous journey—one that requires collaboration, innovation, and dedication from all stakeholders.

But we cannot do this alone. We believe that real change happens through collective effort. Whether you are a customer looking for sustainable solutions, a supplier with innovative materials, or an industry partner with shared ambitions, we invite you to be part of our journey.

Let's work together to shape a more sustainable future. Reach out to us, share your thoughts, and explore opportunities for collaboration. Contact our sustainability team and let's make a difference—together.

Contact Information:

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