



SallingPlast

# ESG Report

Statement overview 2024

SallingPlast Energy / Aqua / Industry





# Table of Contents

Preface	page 3
SallingPlast facts	page 4
Materiality assessment	page 5
Policies, actions and sustainability initiatives	page 6
Action areas and status 2024	page 7
Focus areas 2025	page 8
Goals 2025	page 9
Accounting principles	page 10
Calculation methods	page 11
ESG key figures 2024	page 12
SallingPlast's commitment to UN SDGs	page 16
Contact info	page 17





# Preface

**SallingPlast Energy / Aqua / Industry**

This ESG report has been prepared according to the Basic Module of the voluntary SME Standard. As recommended in the standard, the focus is on Scope 1 and 2.

For SallingPlast, the purpose of ESG reporting is the identification of relevant potential and concrete optimization efforts.

The overall benefits are climate considerations and more sustainable operations, which will contribute to enhancing competitiveness, growth, and workforce attraction and retention.





# Facts about SallingPlast Energy / Aqua / Industry

<b>Sector</b>	Plastics industry, NACE code C22.25.00 Locations: Idraetsvej 22, DK-9681 Ranum. Geolocation: 56.895843, 9.219170 Erhvervsvej 9, DK-7760 Hurup Thy. Geolocation: 56.749550, 8.437587
<b>Products/services</b>	Development, construction, and production of insulated and non-insulated PE products and fittings for the Energy, Industry and Aqua sectors. The product portfolio contains customer-specific special solutions and standard products.
<b>Markets</b>	B2B
<b>Headcount (interval)</b>	< 100
<b>Statement period</b>	2024



# Materiality assessment

SallingPlast’s materiality assessment has been initiated based on the current insight and knowledge of the selected ESG factors.

The materiality assessment serves as a tool to help identify significant areas of importance for sustainability, climate considerations, and governance.

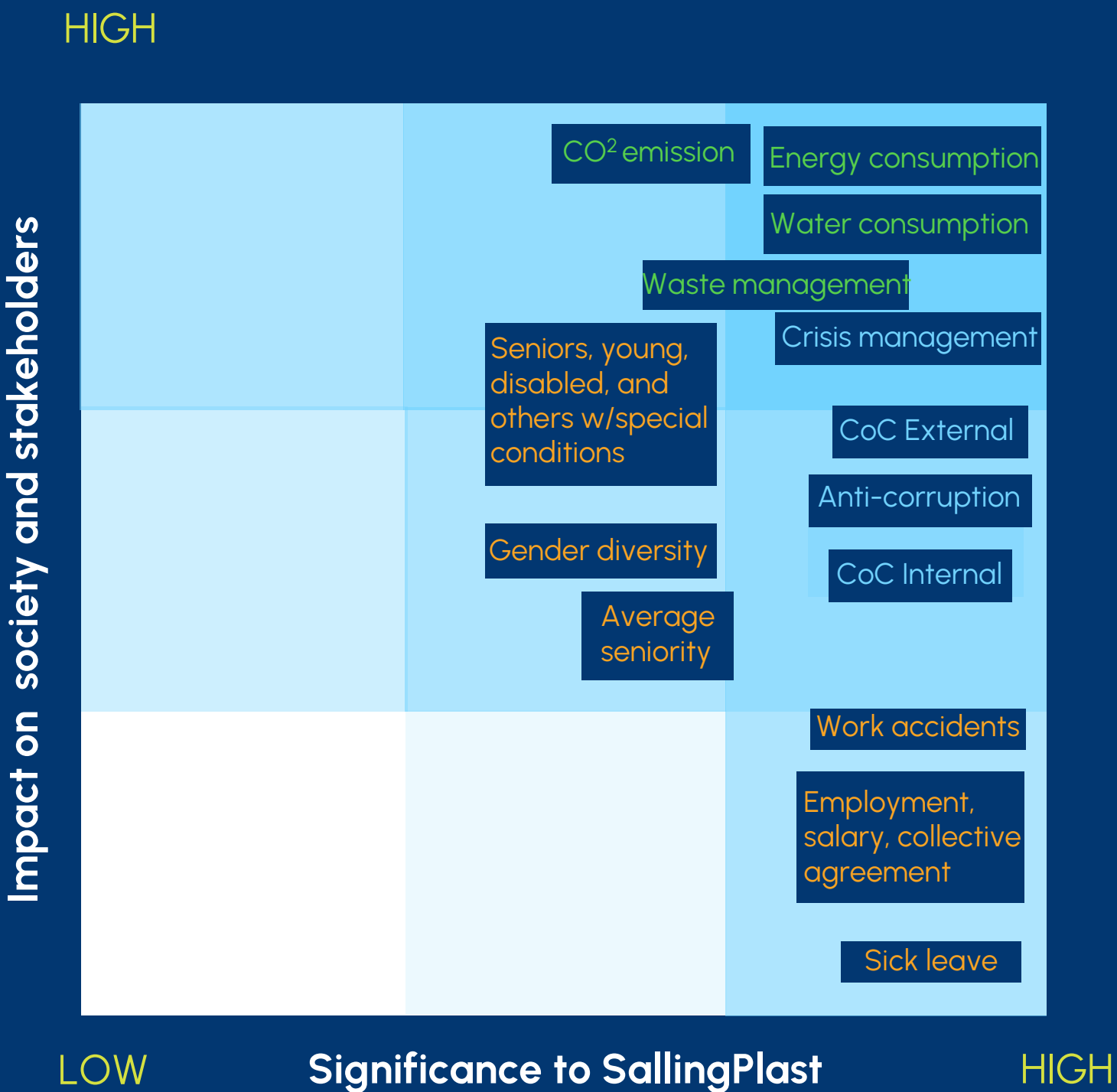
The ESG factors in the materiality assessment are incorporated into SallingPlast’s Risk and Stakeholder Assessment, which is a management tool in ISO 9001/14001/45001. Thus, SallingPlast has chosen to conduct the assessment according to the same principles.

The materiality assessment of the selected ESG factors is shown in the illustration.

Environment

Social

Governance





# Policies, actions and sustainability initiatives

Policies and Management System	Actions	Sustainability Initiatives
<p>SallingPlast wants to be one of the market leaders in our area of expertise.</p> <p>In order to achieve the desired position, we are committed to continuous sustainability improvements of the management system, and consequently complying with current requirements, both internal and external.</p> <p>We want to be a company focusing on environment, health and safety, with high standards achieved through constructive cooperation with our employees, surroundings, other stakeholders and relevant authorities.</p> <p>With the ISO certifications 9001/14001/45001, SallingPlast is classified as attractive to our markets, where sustainability and a climate-conscious profile are increasingly important, and thus our certifications facilitate sales and growth.</p> <p>For us, the certifications ensure focus on the framework and conditions for sustainable production, a qualified workforce and a management system that covers quality, environment and working environment.</p> <p><b>UN SD Goal 8</b></p>	<p>We produce according to the DS EN253/448 requirements providing SallingPlast a strong product profile.</p> <p>We produce with strong focus on environmental considerations and safety, security, and well-being in the working environment, which enables SallingPlast to be an attractive supplier and workplace. Maintaining this standard is ensured through continuous annual efforts.</p> <p>Our Occupational Health &amp; Safety organization, QHSE, and management collaborate and continuously evaluate to ensure that future initiatives are based on customer requirements, technology, employee composition, and society development, as well as considering the UN Sustainable Development Goals.</p> <p>Efforts and development mapped through the annual Management Review and ESG reporting include initiatives to continuously improve well-being in the working environment, the occupational health and safety management system, and prevent work-related injuries and health impairments, and protect the environment and climate, including pollution prevention.</p> <p>Targeted actions aim at increasing the anchoring of the ESG sustainability principles.</p> <p><b>UN SD Goal 12</b></p>	<p>Data collection and monitoring via the ESG report strengthens SallingPlast's focus on climate and sustainability initiatives, employee well-being and governance structure.</p> <p>SallingPlast can meet a broad customer portfolio with controlled, certified products and climate-conscious processes. The possibility of product certificates enhances SallingPlast's growth potential, as customer requirements for documentation can be met to ensure approval of large-scale projects such as water systems designed for expanded infrastructure, and thereby support implementation of innovative and sustainable project development.</p> <p>We take a long-term responsibility for the environment by offering a 'Product Waste Handling' guide, which outlines environmentally sound maintenance, repair, and end-of-life waste management of our products at the end user.</p> <p>Our suppliers must be approved and adhere to the SallingPlast Code of Conduct as part of a sustainable process behavior and compliance with ISO requirement elements, as well as preparation for scope 3 in the long term.</p> <p><b>UN SD Goal 9</b></p>





# Action areas and status 2024 – How did it go?

ACTIONS	STATUS
<ul style="list-style-type: none"><li>○ To reduce CO<sub>2</sub> emissions in scopes 1 and 2, energy and water consumption is mapped by Scanenergi, and relevant improvement measures are identified.</li><li>○ ESG data, results, and targets are maintained as a fixed topic on the Management Review Agenda for annual review.</li><li>○ The requirements of ISO 14001 and ISO 45001 are implemented into everyday practice based on systematic GAP analysis and ongoing documentation.</li><li>○ SMV Digital IT project for cyber security has been initiated.</li><li>○ Discussion of resources and relevant improvements and action plans at the annual Management Review meeting.</li><li>○ ‘Product Waste Handling’ document for customers is created to describe proper recycling and/or disposal at the end user.</li><li>○ The first ESG report for 2023 shed light on sickness absence and well-being, and as a remedial measure, the Howdy Care well-being tool has been implemented for monitoring well-being and managing prevention and treatment.</li><li>○ Establishing and retaining organizational knowledge, and through resource development, providing innovative processes and solutions, including implementation of the Code of Conduct.</li></ul>	<ul style="list-style-type: none"><li>○ Optimization of total CO<sub>2</sub> emission has been sought through mapped energy and water consumption. Scanenergi's report contained suggestions for energy optimization. Already implemented is improvement on heat. Efforts will continue in 2025.</li><li>○ ESG objectives for 2024 have been decided based on the Management Review and relevant initiatives have been discussed and mapped.</li><li>○ Through optimized documentation and organizational training, compliance with ISO14001 and ISO 45001 has been achieved. Certification in ISO 14001 and 45001 has been achieved and environmental and occupational health and safety policies and ESG initiatives have been implemented.</li><li>○ Funds for IT project for cyber security have been raised, and the project commenced the first uncovering tasks.</li><li>○ Training sessions in plastic welding and PUR foam work started to ensure a higher degree of professional flexibility.</li><li>○ The ‘Product Waste Handling’ document was created based on customer requirements and adapted to SallingPlast's products. Contains a description of safety in repair situations and guide for end user on recycling/disposal at end of use.</li><li>○ Howdy Care for well-being monitoring and preventive efforts was implemented in November 2024 and the first statistical results can be seen. A longer monitoring period is required to be able to clarify trends, yields and focus areas. The initiative will continue in 2025, where it will be followed up with ongoing statistics for employee briefing.</li><li>○ Scheduled information meetings have been set up for organizational knowledge of and dialogue about innovative continuous improvements. The Internal Code of Conduct has been implemented, and the External Code of Conduct has been shared with suppliers for insight and basis for action.</li><li>○ Actions based on the ESG objectives in our first report have uncovered, enlightened and along the way created learning in climate and sustainability awareness.</li><li>○ With the 2024 report, there is a basis for comparison of ESG key figures, which is elaborated in this report and new targets have been set for optimization and improvement in 2025 in the ESG area.</li></ul> <p>With the goals met, progress is created on new goals for sustainability, climate awareness and governance.</p>





# Focus areas 2025 – The new plan

AMBITIONS	ACTIONS	STATUS
<p>SallingPlast's ambitions for climate optimisation are made clear by this report's key figures, which seek optimisation of energy and water consumption and thereby improvement of total CO<sub>2</sub> emissions.</p> <p>The ESG report and ISO 14001 and 45001 certifications will strengthen SallingPlast's profile in the long term. From this, increased competitiveness and attraction of labour will create opportunities for growth.</p> <p>It is a goal to increase professional diversity and peer-to-peer training in the workforce, as knowledge and flexibility may be lost in the long term due to an increasing senior segment.</p>	<ul style="list-style-type: none"><li>○ To reduce CO<sub>2</sub> emissions in scope 1 and 2, further optimizations of energy and water consumption are initiated based on the completed energy analysis.</li><li>○ ESG data, performance, and targets are maintained through regular annual reviews and ongoing activities.</li><li>○ The IT security project has mapped optimization areas through GAP analysis. Derived efforts are initiated after prioritizing the importance of cyber security.</li><li>○ Anchoring of climate awareness and sustainability principles is improved through collaboration with university students.</li><li>○ The requirements of ISO 14001 and ISO 45001 are further implemented in everyday practice based on systematic audits and flow with re-training at the process level.</li><li>○ Discussions of resources and relevant improvements are on the agenda at the annual Management Review Meeting, and relevant actions are derived of this.</li><li>○ Clarification of packaging responsibility in accordance with the Packaging Ac to map any requirements for registration and/or optimization.</li></ul>	<p>This ESG report for 2024 is the second of its kind in SallingPlast's history. The key figures for 2024 now constitute a basis for comparison on the baseline established in 2023.</p> <p>According to this year's ESG report, SallingPlast will focus on reducing process heat consumption, promoting a safe working environment and resource development.</p> <p>In the coming year, new defined goals and decided measures will be initiated, providing data for the preparation of the ESG report for 2025.</p>





# SallingPlast **Goals 2025**

- In-depth training in sustainability and climate awareness, and ESG goals via e.g. the Employees' Climate Summit organized by Vesthimmerland municipality and derived activities from this.
- Collaboration with university students (AAU) for climate knowledge, implementation and anchoring of sustainability principles.
- Energy optimisation by means of VLD control on extraction systems (an optimisation proposal from Scanenergi).
- Increased cyber security through initiatives from SME digital project.
- Further reduction of water consumption via recycling loop.
- Increased share of waste for recycling.







## Description of accounting principles

### The following activities are included in the calculation of scope 1 and 2

- Production, sales and administration – this is consumption of electricity, gas (space heating and process), district heating, water consumption, internal transport, external transport (cars), handling of residual waste (both recycling and incineration).

### Collection of data to calculate key indicators for E, S, and G

- Data collected from actual statements from suppliers.
- Accounting method follows the external advisor's instructions (see link below).

### Data uncertainty

- Possible shortage of data for the electricity purchase for the operation of cars.
- Heat consumption from wood chip furnace in Ranum is not known as it has no flow meter – it is calculated with emissions of 0 in CO<sub>2</sub> based on information from the supplier ("emissions from wood chips must be included as 0").
- To the best of our knowledge, there are no significant uncertainties in the data collection, but this cannot be guaranteed.





# Calculation methods

ESG indicator	Calculation method
Environment	
CO <sub>2</sub> e emissions in scope 1	activities of the enterprise (A) * emission factors (B)
CO <sub>2</sub> e emissions in scope 2	activities of the enterprise (A) * emission factors (B)
Total CO <sub>2</sub> e emissions (scope 1 and 2)	scope 1 + Scope 2
Electricity consumption	the sum of all consumption in kWh, gross
Heat consumption (district heating)	the sum of all consumption in kWh, gross
Total energy consumption	$\Sigma$ (fuel type used (t) * energy factor per type of fuel) per fuel type + (electricity used (including renewables) (MWh) *3.6) + (used district heating (GJ))
Water consumption	the sum of all consumption in m <sup>3</sup> , gross
Waste	the sum of the quantity to the waste collector
Share of waste for recycling	(quantity for recycling purchaser / quantity for waste collector) * 100
Social	
Sick leave	(sick hours / number of hours worked (incl. overtime)) * 100
Occupational accident frequency	(number of registered accidents at work in the reporting year / number of working hours in total for the reporting year) * 200000
Gender diversity in the organization	(female FTEs + female temporary workers) / full-time workforce) * 100
Seniors, young people, disabled people, and others on special conditions	(seniors, youngsters, disabled, and others on special conditions / head count) * 100
Average seniority	total seniority / head count
Governance	
CoC Internal	yes/no
CoC External	yes/no
Employment and salary conditions by collective agreement	(employees employed under collective agreement / head count except registered directors) * 100
Average number of training hours per employee	estimated number of training hours / head count except registered directors
Anti-corruption measures	yes/no





# ESG key figures for SallingPlast

ESG indicator	Unit	Target (absolute)	2024	2023 (baseline)
<b>Environment</b>				
CO <sub>2</sub> e emissions in scope 1	ton		183.56	258.20
CO <sub>2</sub> e emissions in scope 2	ton		42.37	82.65
Total CO <sub>2</sub> e emissions (scope 1 and 2)	ton	2030: 215.75 (36.7% reduction)	228.93 (32.8% reduction)	340.85
Electricity consumption	kWh		748,060 (89.79% renewable)	778,343
Heat consumption (district heating)	kWh		372,400	345,506
Total energy consumption	mWh	share of total emissions	1,900.21 (48.60% renewable)	2,412.36
Water consumption	m <sup>3</sup>	share of total emissions	3,863	4,857
Waste	ton		83.23	125.41
Share of waste for recycling	%	2025: 65	57.92	79.27
<b>Social</b>				
Sick leave	%	6.0	8.2	10.8
Occupational accident frequency	frequency	5.0	6.5	6.3
Gender diversity in the organization	%	being monitored	M: 79 % F: 21 %	M: 71 % F: 29 %
Seniors, young people, disabled people, and others on special conditions	%	being monitored	7.55 %	8.16 %
Average seniority	year	being monitored	7.22	7.85
<b>Governance</b>				
CoC Internal	yes/no	yes	yes	no
CoC External	yes/no	yes	yes	no
Employment and salary conditions by collective agreement	%	100	100	100
Average number of training hours per employee	hours	11	10	<i>not calculated</i>
Anti-corruption measures	yes/no	yes	yes	no





# In depth with **E-key figures**

## CO<sub>2</sub>e emissions

- Total emissions have decreased by 32% since the 2023 report. This may partly be due to lower production output in the second half of 2024. A goal is set for a total reduction of CO<sub>2</sub>e emissions of 36.7% by 2030 according to the Paris Agreement. Mainly scope 1 requires optimization, as process heat is the absolute highest part of the emissions.
- Fuel for internal transport is being monitored, as electric trucks are considered to reduce fossil fuels and emissions.

## Water consumption

- Reduced consumption is due to a corresponding decrease in output from production. There is a goal of optimizing water consumption by creating a recycling loop, which will improve the total discharge.

## Energy consumption

- The total energy consumption has decreased from 2023 to 2024, partly due to optimization of heating based on Scanenergi proposals. Find key figures on page 12.

## Waste management

- Based on circular principles, a recycling guide has been prepared for all products, which creates the opportunity for material separation and remanufacturing.
- SallingPlast strives to reduce waste through process improvements, minimizing waste and incorporating reuse of pallets and packaging, recycling of PE waste, foil, cardboard, metal and wood whenever it is possible to separate and remanufacture.
- Circular products are EPS plugs that are sent for crushing and returned as the same product. Hardplastic pipe plugs are recycled in a loop, which also goes for wooden pallets.
- Essential materials in SallingPlast are PE pipes and sheets, which are recyclable materials.



**Environment**



# In depth with **S-key figures**

## Sick leave and well-being

- Implementation of the well-being tool Howdy Care for an overview of well-being and the possibility of preventive and remedial measures. The key figures show a decrease in sick leave, but Howdy Care is hardly the only influencing element as it was introduced at the end of 2024. The development is monitored closely and Howdy Care is considered useful in the overall well-being picture.

## Occupational accidents

- Despite the efforts on improving the working environment, safety rounds and the implementation of ISO 45001, SallingPlast has had three notifiable working environment incidents during the reporting period. There has been a strong focus on accidents, including retraining and implementation of new flows among other measures. We work with the awareness of the individual duty to handle observed dangerous situations and we strive to make it a matter of course that we take care of each other and ourselves.

## Gender diversity

- There has been a change in the gender distribution, which is a consequence of natural flow. Since it does not derive from active actions or deliberate disadvantage, it does not give rise to action.

## Seniors, youngsters, disabled people, and others on special conditions

- At SallingPlast we have room, openness and opportunities for young students, seniors and pensioners who need reduced hours, disabled people and employees on special conditions who want to be part of the organisation. On the wish list we have more youngsters as apprentices or in office positions and it is a future goal to grow in that direction..

## Seniority

- The average seniority is shown in the key figures and the result supports the goal of continuous improvement of well-being and working environment to create the best possible workplace with a high degree of retention and attraction.



# S

## Social





**Governance**

# In depth with **G-key figures**

## **Employment and salary conditions, collective agreement**

- All employees are covered by current collective agreements and this is to be maintained without change.

## **Code of Conduct Internally**

- The created internal CoC is implemented and signed by already employed salaried employees and will be signed for new hires. An overview is maintained through annual audits. Work is also underway on a CoC announcement signed by the management team to confirm internally and externally that an active position has been taken on important issues that form the basis of SallingPlast's set of values.

## **Anti-corruption** (kickbacks, gifts etc.)

- The internal CoC includes an anti-corruption section with a detailed description of unacceptable areas and consequences for violations. Compliance with the policy is ensured, among other things, through the internal CoC.

## **Code of Conduct Externally**

- All important (i.e. A) suppliers receive SallingPlast's external CoC for signature when entering into the contract. Existing suppliers have received an external CoC for verification. There is an annual follow-up where a development is underway. In case the External CoC cannot be confirmed, the purchaser will assess the consequence and/or alternative supplier.

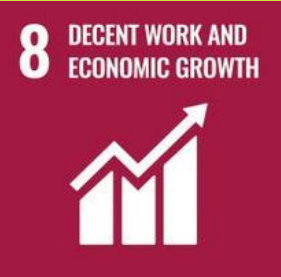
## **Average training hours** per employee

- The statement for 2024 shows 10 hours of training per employee and is based on an estimate. However, the figure is not calculated in 2023 for comparison.
- SallingPlast sees resource development as a matter of course in the strive towards the greatest possible production flexibility and general improvement.



# SallingPlast's commitment to UN SDGs

## Milestones 8.2, 8.3, 8.3.1



SallingPlast works with SDG 8 by virtue of our journey towards increased growth through strategic improvements and specialization. Creating new jobs through increased growth.

The goal is sustainability in terms of environment and climate as well as the social and economic front, in order to create an environmentally conscious image and company foundation, where focus is centered on information, commitment and mental well-being and health in safe and flexible working conditions. From this, divergent labour is retained and attracted.

## Milestones 9.3, 9.3.1, 9.4, 9.4.1



SallingPlast interacts with SDG 9 by contributing to infrastructure as a supplier of pipe networks for green global solutions, e.g. heat and water distribution and other Aqua solutions. In our production, there is a focus on responsible waste handling with the aim of converting as much waste as possible for recycling. On our website you can find the 'Product Waste Handling' guide, which describes the safe recycling or disposal of our products at the end of their useful life

As a small enterprise, we recognize our climate and sustainability responsibility and have chosen a transparent and accessible ESG report with annual reduction targets.

## Milestones 12.3, 12.5, 12.8



SallingPlast works with SDG 12 through monitored and sustainable consumption of chemicals (REACH-approved) and PFAS-free products.

We have optimized by replacing fossil fuel company cars with electric ones, improving and recycling old machines instead of buying new ones, and focusing on energy consumption in general.

Continuous training of new and existing workforce in environmental, occupational health & safety policies, and ESG reporting ensures the anchoring of environmental awareness.



## Thank you for your attention

SallingPlast Energy ApS

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