

2023

*Sustainability
Report*

Overview 2023



634 M€

Revenue in 2023



4496

Employees



6

Countries



10

Production Units



3

Customer Service Centers



466 M

Sold Parts

2922

Suppliers

7%

Turnover rate

- 35%** *Committed to GHG Emission Reduction*
- 12%** *Energy Consumption*
- 29%** *Water Consumption*
- +4%** *Waste Circularity by reuse and recycling*





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Message from CEO

Domingos Pinto, CEO



Simoldes as key global player on Automotive Industry with strong convictions for sustainable, Social, Economic and Environment development, seeks and cultivates a diversity of talents, deploying a strategy aligned with automotive requirements and trends with focus on developing innovative solutions. We have a responsibility as an organization to make a positive contribution to society, creating social and economic wealth.

Sustainability is anchored in the foundation of our Mission and Values. They form the basis of our work; they guide our organization, and they will drive us into the future. Simoldes Plastics is convinced that sustainable and responsible business increases our ability to innovate and meet the future expectations— adding value to the company. It allows us to identify risks and opportunities early on and initiates the necessary transformation processes.

This is why sustainability is firmly integrated in our corporate strategy and is a key driver of innovation. In a systematic process that includes market analyses, customer discussions and a stakeholder survey, a framework that was defined in 2021.

At the heart of this is Simoldes Plastics sustainability ambition, which is regularly reviewed by corporate management (Strategic Plan). It describes the objectives we have set for ourselves. **It also explains**

our eight fundamental sustainability goals:

- 1. Quality**, we implement the necessary plans to achieve the quality targets defined by our customers and the society, working on a continuous improvement process being a benchmark in quality by ensuring safe and sustainable products.
- 2. Good Working Conditions**, we provide inspiring, healthy, and fair working conditions.
- 3. Green & Safe Factories**, we operate our business in a safe and responsible manner based on systematic management and protecting people and the environment.
- 4. Innovations and Digitalization**, we continuously push innovations, new business models and a responsible.
- 5. Long-term Value Creation**. we focus on sustainable short-, medium- and long-term value creation for our stakeholders and a responsible distribution of the value created.
- 6. Sustainable Management Practice**, we implement effective management processes, fair business practices and responsible corporate governance with a balanced view of different perspectives.

[Continuation of the message on the next page >](#)



7. Corporate Citizenship, as an active member of the communities we live and operate in, we are committed to make a positive impact on society beyond our business activities.

8. Confidentiality and Non-retaliation, we properly protect business customer and personal information and intellectual property rights in accordance with applicable laws, regulations, and prevailing industry practices.

Our vision to create a better life has been one of the company's guiding principles since its inception, on board through superior automotive interior and exterior solutions. We work hard so that the success and development of our business will bring a better life to everyone that is connected. Employees are encouraged to raise any concern regarding this Policy by speaking to their supervisor, Human Resources, by using the e-mail (Integrity Helpdesk).

We are continually striving to make our business successful and sustainable. In doing this, we recognize the importance of the relationship with our customers, employees, suppliers, shareholders, and communities. The following principles enable us to achieve the sustainability of our businesses. Although these principles are not new to us, they are critical for us to stand for as a responsible corporate organization:

- **Labor Requirements**

- **Health and Safety**

- **Environmental**

- **Bribery and Corruption:** Corruption in any form, includes extortion and embezzlement, bribery, or other means of obtaining undue or improper advantage is strongly prohibited.

Under no circumstances we will tolerate the giving or receiving of money, gifts, favours, or anything of value to improperly influence the behaviour of any other individual, organization, government officials or authority in furtherance of commercial or personal advantage.

We will strive to ensure fair business, advertising, and competition.

- **Confidentiality and Non-retaliation:** We properly protect business, customer and personal information and intellectual property rights in accordance with applicable laws, regulations and prevailing industry practices. We properly protect third party and employee whistleblower confidentiality and prohibit retaliation against any report made in good faith.

- **Social Responsibility:** We are committed to the Company's Corporate Social Responsibility activities and encourage employees to participate in such activities and give back to society.

We encourage our employees to participate in environmental stewardship, social service, and education projects in their local communities.

About this Sustainability Report

The 2023 Simoldes Plastics Sustainability Report is the fourth of its kind. The methodology used in this report is based on internationally recognized frameworks and standards, such as the Global Reporting Initiative (GRI) in its latest version (2021), the AA1000 Stakeholder Engagement Standard, and the principles of Double Materiality, as well as Sustainability ratings.

The company’s sustainability journey, stemming from its strategy and action plan, is presented in this report through an ESG (Environmental, Social, and Governance) approach, detailing its activities in this area throughout 2023.

This report pertains to activities conducted during the year 2023 (from January 1 to December 31) in alignment with the company’s Annual Financial Report.

It focuses on the disclosure of information on the following sites:

- | | |
|--|---|
| Simoldes Plásticos, S.A. | Simoldes Plásticos Polska, SP Zoo |
| Inplás – Indústria de Plásticos, S.A. | Simoldes Plásticos Polska Zory |
| Plastaze – Plásticos de Azeméis, S.A. | Simoldes Plásticos Czech SRO |
| Simoldes Plásticos France, SARL | Simoldes Plásticos Maroc Kenitra |
| Simoldes Plásticos France Engineering | Simoldes Plásticos Industria (Curitiba) |
| Simoldes Plásticos Deutschland Engineering | Simoldes Plásticos Industria (S.J. Pinhais) |
| Simoldes Plásticos Espanha, S.L. | |

Aligned with the UN Sustainable Development Goals, Simoldes Plastics reinforces its commitment to this global agenda.



The Sustainability Report is published in digital format on the company’s website at: simoldes.com/plastics
 For any inquiries, please contact: Alexandre Batista, Total Quality Manager | alexandre.batista@simoldes.com



What's next?

Decarbonizing



Purchasing 100% green energy



Installation of photovoltaic panels in all factories





1. *Company*



“Sustainability has become an essential pillar in business strategies, driving significant changes in internal processes.”

*Hugo Andrade
HQ Development and Project Management
Manager*



Our clients are increasingly concerned and are reflecting this in their tenders, specifications, and technical requirements with the aim of reducing environmental impact, adopting practices such as circular economy and carbon emission reduction. These changes are not only a response to government regulations but also to the new demands of end consumers, who are becoming more aware and demanding of the environmental responsibility of the brands they consume.

Throughout 2023, we observed growing demands regarding the use of recycled materials. The use of recycled plastics presents a set of new challenges, including product design and the processing of these materials, which have significant impacts on production processes and the technical specification of plastics.

Integrating sustainability criteria into the value chain is crucial, requiring suppliers and partners to also adopt sustainable practices. These changes not only meet client expectations but also strengthen the reputation and competitiveness of companies in the global market.



1.1 Simoldes Group

From the plant floor to every management position, they are the reason we are Simoldes

Since 1959, the Simoldes Group has made its mark on the automotive and non-automotive industries by developing the most competitive, innovative, and sustainable solutions for its clients.

Our focus on growth, through the right synergies and innovation, has led us to have over 7,000 employees today, working across 36 companies located in 12 countries in Europe and the Americas.

Synergies

- Global vision of upstream and downstream customer needs
- Time to market
- Comprehensive coverage of the entire value chain
- Working towards Sustainable Mobility and Cities
- Cost-driven design (cost optimization)
- Part development (B-surface)
- Expertise

Simoldes Plastics

Organizational Culture

Mission

To be the preferred choice of our customers, employees and suppliers, contributing to a sustainable growth and satisfying our stakeholders.

Values

Deliver our commitments. Trust each other.



Relevant and complementary information about Simoldes Group is available at Simoldes website (simoldes.com).



“We believe that the quality of our product is directly related to research and development (...) in accordance with sustainability and social responsibility.”

*Manuel Alegria
HQ Thermoplastic Engineering
Solutions Manager*



SIMOLDES PLÁSTICOS recognizes the importance and responsibility associated with Environmental, Social, and Corporate Governance (ESG) issues as a true source of value creation and wealth. Its main pillars are: Sustainability, Customer at the center of the business, Human capital, Passion and Competence, and Continuous improvement through Innovation.

The focus should be on proposing and supporting solutions for Clients that serve as anchors for their businesses, based on innovation and the entire value chain of their products. We believe that the quality of our products is directly related to research and development, in continuous collaboration with our clients, in accordance with regulations and standards that ensure commitments to sustainability and social responsibility. Waste reduction and process efficiency allow us to effectively contribute to a sustainable economy and society, while simultaneously promoting value creation in products as a strategic priority.

1.2 Simoldes Plastics at a Glance

Simoldes Plastics was established in 1980 as a separate division within the Simoldes Group. Over time, we have become a key supplier in the automotive industry’s supply chain, specializing in the injection of plastic parts.

We are a privately owned company headquartered in Oliveira de Azeméis, Portugal. Our operations span ten facilities across eight countries: six in Europe—Portugal, Spain, France, Poland, the Czech Republic, and Germany—and two outside Europe, in Brazil and Morocco.

Simoldes Plastics operations extend across multiple sites, including customer service centers and just-in-time warehouses. These key components are supported by a highly skilled team of engineers, designers, innovators, technical experts, managers, and dedicated employees.

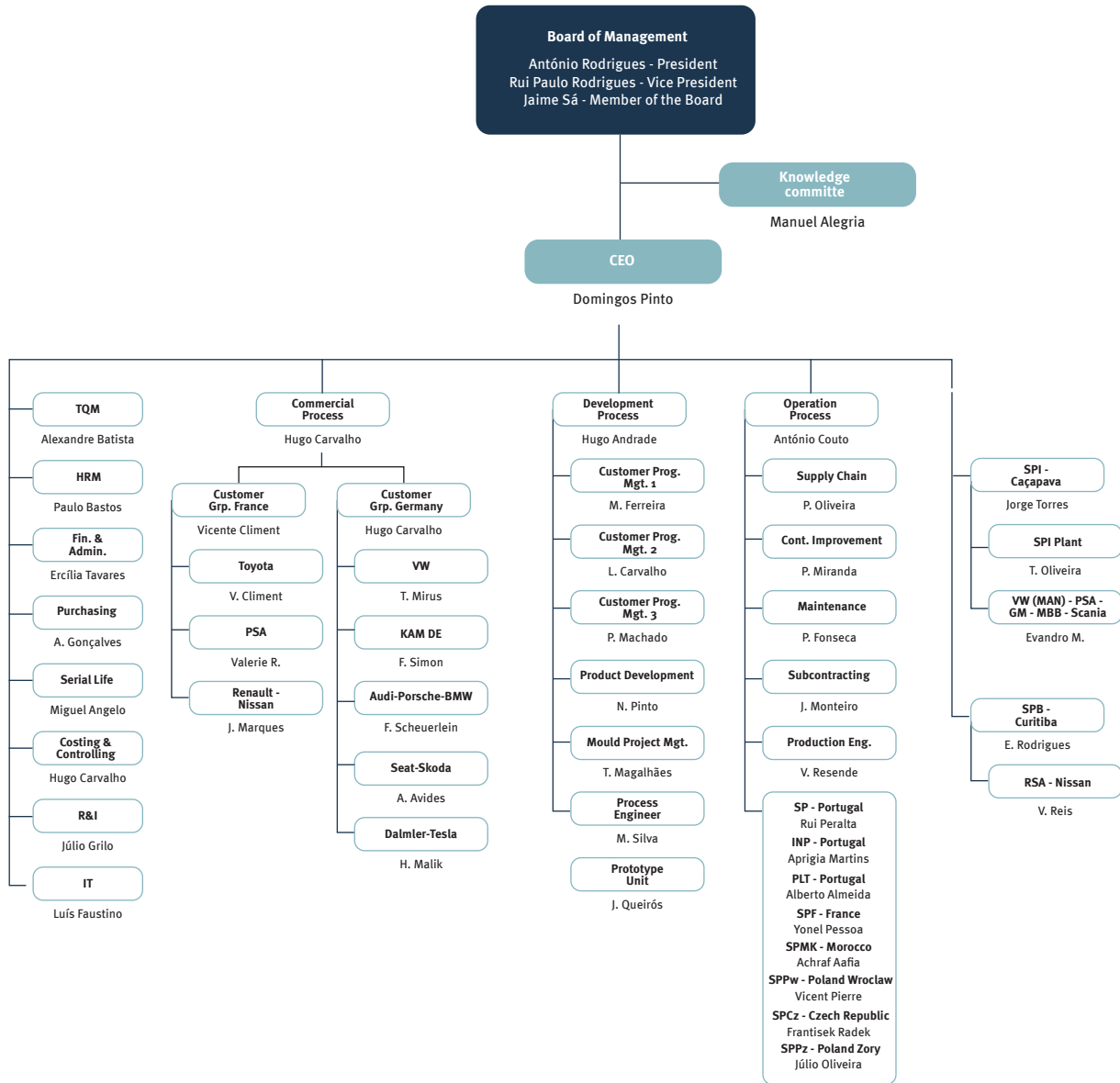
Together, they collaborate to deliver essential support services, enabling the implementation of cutting-edge solutions.



With a global presence, its activities are strategically distributed to ensure prompt and efficient service for all our clients.



1.3 Company Organization



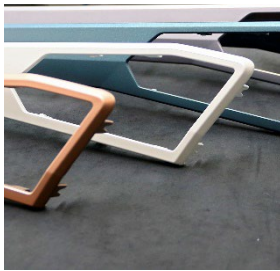
Our organizational structure includes a Board with a president, a vice-president, and one additional member, from which the CEO is appointed. The CEO is responsible for implementing the strategies and decisions approved by the Board and overseeing the daily operations of the organization, with all departments reporting directly to the CEO. Departments are categorized into: support functions—comprising TQM, HRM, Financial, Purchasing, Serial Life, Costing & Controlling, R&I, IT, and Business Development—along with Commercial Process, Development Process, and Operations Process.



1.4 Portfolio

Production over 400 k products each year for a variety of OEMs in the automobile sector

We are a leading supplier in the automotive industry supply chain, specializing in the injection of plastic parts. For many years, we have been a preferred choice for our customers.



We have manufactured a wide range of products for the automotive industry, creating an extensive portfolio of components and supplying various brands.

INTERIOR TRIMS

Trunk/Boot Door

- Rear window embellisher
- Rear upper/lower trims
- Rear lower panel trim
- Trunk components
- Boot door trims
- Handles

Trims

- Upper trims
- Lower trims

Roof

- Headliner
- Roof components
- Cover Mirror
- Storage

Doors

- Door panels
- Components
- Strimpings

Seats

- Plastic trim of front seatback
- Embellishers of seat cushion
- Handles

Cockpit

- Dashboard components
- Glove box
- Embellishers of column
- Floor console
- Gear lever, pedal

EXTERIOR TRIMS

Back Side

- Rear bumper components
- Rear door panel
- Boot lid strut
- Rear deflectors

Lateral Side

- Side protector
- Front and rear inner fenders
- Roof bar supports
- Strimping door sash

Engine

- Engine cover
- Covergent
- Cable guide

Front Side

- Front bumper components
- Technical front face
- Shock absorber
- Cowl vent grille
- Front pillar trim



INTERIOR PARTS

- Door panels
- Consoles
- Interior Trims (Upper Lower and trunk)
- Element of instrument panels
- Gear levers
- Roof consoles

EXTERIOR PARTS

- Front end carrier
- Wheel arch liners
- Exterior Trims
- Cowl Grilles

Other highly technical products

Child seats | Helmets | Gas Bottle protections | Beverage Crates

1.4 Portfolio

Number of products sold by country

Our production is distributed across various locations around the world, with a significant presence in several countries. The majority of production takes place in Portugal, where we reached around 186 thousand products sold, positioning this country as our main production hub. Next in line is the Czech Republic, which also plays an important role in the overall volume of products manufactured.

Regarding product distribution, approximately 50% of our global production is focused on Interiors, while around 30% corresponds to Door Panels. Morocco reaffirms this statement, with 100% of its production dedicated to interiors. This division reflects our core areas of expertise, which vary according to the production facilities in each country.

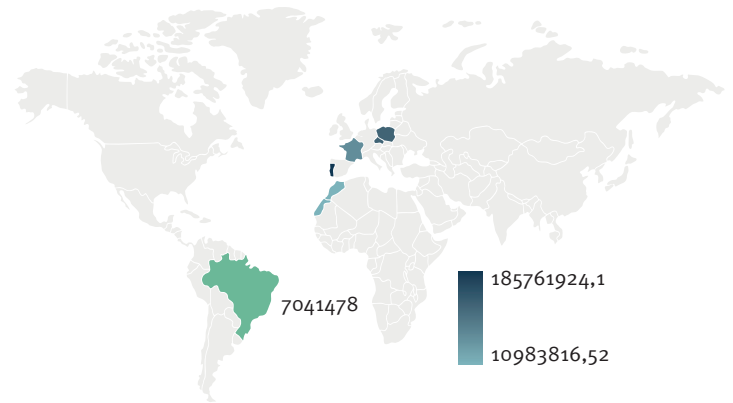


Fig.1 - Number of products sold by country

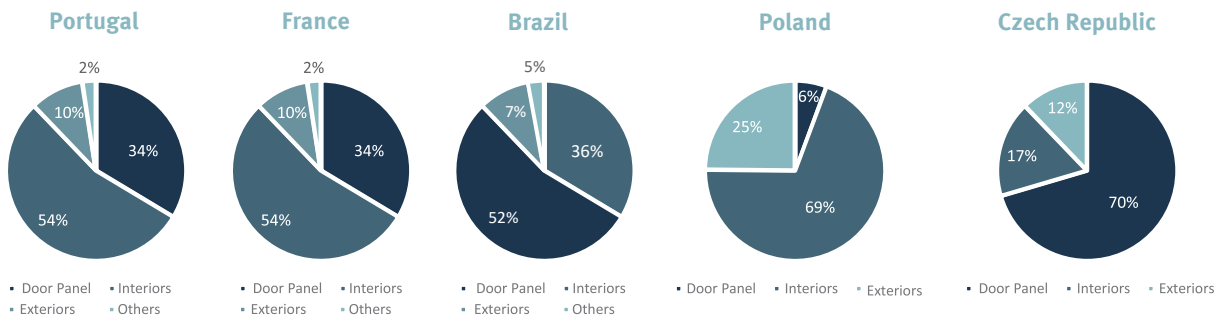


Fig. 2 – Number of product types sold by country

In terms of plants by country, the units located in Portugal, Poland, and Morocco are primarily dedicated to Interiors production. On the other hand, the Czech Republic stands out by focusing predominantly on the production of Door Panels, contributing significantly to this segment of our offerings.

This global production structure allows us to meet market demands, ensuring efficiency and quality at all stages of the production process.

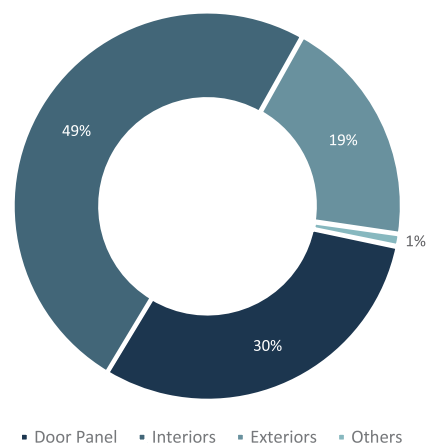


Fig. 3 – Number of product types sold in Simoldes Plastics in Europe and Morocco

1.4 Portfolio

We consistently command a robust portfolio of top-tier automotive clients, including industry leaders, delivering innovative plastic injection solutions that define the standard for excellence in vehicle manufacturing.

In Europe and Morocco, we have primarily worked with two major groups: Stellantis Group and Volkswagen Group, which includes Audi, SEAT, Skoda, and Volkswagen, and we have maintained the same trend through 2022 and 2023. The Volkswagen Group is our largest client, accounting for 42% of our sales, followed closely by Stellantis with 39%. Although we have a broader client portfolio, the Toyota Group represents a smaller share of our business.

In Brazil, in 2023, the automotive market is largely dominated by two major groups: the Volkswagen Group, leading with approximately 42% market share, and Renault, in second place with 34%. Other brands hold a significantly smaller presence, representing a much-reduced portion of the market, highlighting the concentration around these two main players.

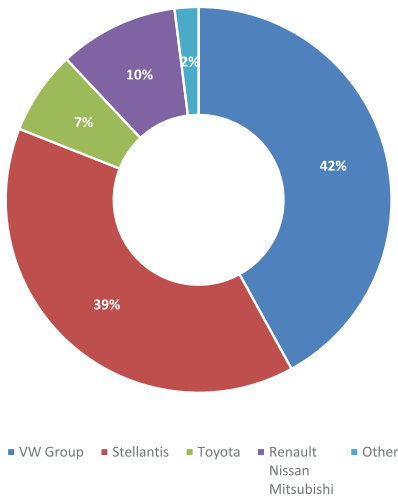


Fig. 4 - Turnover by customer (%), average 2023, in Europe and Morocco

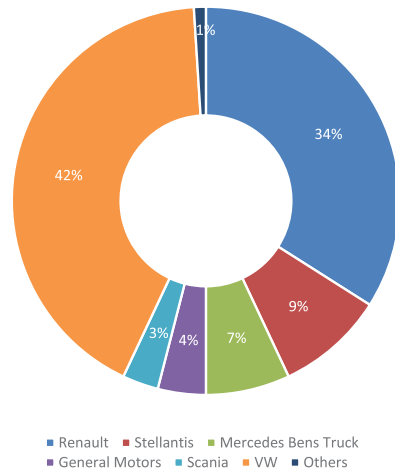


Fig. 5 - Turnover by customer (%), average 2023, in SP Indústria

Our relationships with these key clients have been long-standing, focusing on high-quality injection molding solutions for vehicle interiors and exteriors. Despite the fluctuations in the market, we expect this client distribution to remain steady moving forward.



Fig. 6 – Main customer group by turnover



“Our operations are global but locally focused, always seeking to optimize our industrial footprint in alignment with our clients’ needs (...)”

Miguel Ângelo
HQ Serial Life Manager



As the HQ Serial Life Manager, I am proud to share our commitment to sustainability. In the automotive sector, sustainability is a growing concern and a critical challenge that demands constant adaptation and innovation. Our department is dedicated to ensuring that our products comply with customer specifications and current regulations, while remaining keenly aware of global sustainability trends. We closely monitor technological advances and innovative practices that enable sustainable production, reaffirming our commitment not only to environmental issues but also to financial and economic sustainability.

We invest significant efforts in reengineering products, production processes, and logistics to ensure that we offer high-quality products at fair and competitive costs. Our operations are global but locally focused, always seeking to optimize our industrial footprint in alignment with our clients’ needs. In this context, we leverage cost reduction opportunities through economies of scale, by producing in lower-cost countries and delivering to multiple production lines. We implement “carry-over” and “carry-across” strategies for parts across various vehicle models, maximizing the return on investment in tooling and contributing to a more sustainable future. This approach not only reduces costs but also maximizes the value we offer to our clients.

In a world where sustainability is a priority, we are committed to leading with responsibility and innovation, ensuring that every step of our production process reflects our values and our commitment to a better future.



2. Sustainability



“Commitment to Sustainability: Our Journey in 2023”

Alexandre Batista
HQ TQM Manager

In 2023, we reinforced our commitment to sustainability by integrating the ESG pillars (Environmental, Social, Governance) as the foundation of our strategy. This focus has become crucial in addressing current global challenges and generating sustainable value while effectively responding to the growing expectations of our stakeholders.

In the environmental pillar, we made significant strides in reducing our carbon footprint. We successfully reduced emissions in three of our companies and progressed with the evaluation of scopes 1, 2, and 3, aiming at the implementation of our carbon neutrality plan across the group. This progress was made possible by adopting more efficient technologies and substantially increasing the use of renewable energy. Additionally, we continued to evolve in our circular economy strategy, seeking recycled materials.

In the social sphere, we strengthened our diversity and inclusion policies, promoting greater representation of women and minorities in leadership positions. Alongside this, we intensified our community engagement through social responsibility programs that had a positive impact

both on local communities and the well-being of our employees.

In terms of governance, we enhanced our structure, ensuring compliance with the highest standards of ethics and transparency. Risk management was improved, and we provided continuous training to leadership on ESG practices, ensuring sustainable and long-term strategic decisions. This effort ensures that sustainability is not just a goal but an integral part of our governance.

The development of annual sustainability reports has become a key pillar of our communication. These reports not only promote transparency and facilitate dialogue with stakeholders but also help identify risks and opportunities for improvement. A robust report strengthens our market position, enhancing trust and the reputation of our brand.

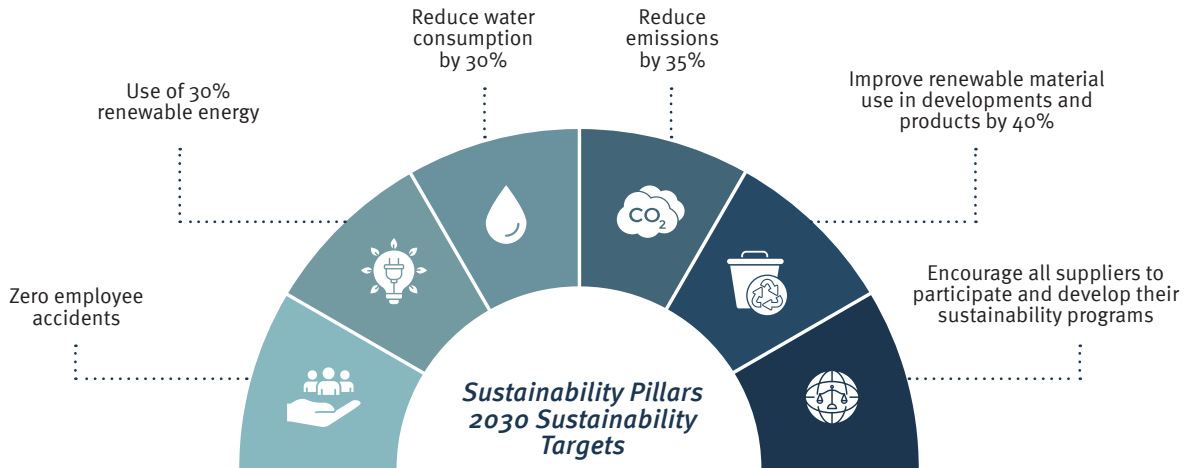
Currently, we observe three major global trends in the ESG landscape: accelerated decarbonization, the growth of the circular economy, and the increasing relevance of ESG reporting. Europe continues to lead efforts toward an efficient transition to a low-carbon economy, with the goal of achieving carbon neutrality by 2050.

In summary, 2023 was a year of consolidation for Simoldes Plastics, where sustainability definitively established itself as a strategic pillar. The progress we achieved reflects our ongoing commitment to creating sustainable value, preparing the organization to face future challenges with responsibility and vision.



2.1 Sustainability Approach

Our sustainability journey began in 2017 with the monitoring and reporting of our organization’s environmental impacts. Two years later, we recognized the critical need to fully integrate sustainability into our business model, setting ambitious targets to be achieved by 2023.



The 2030 Sustainability Targets embody our priorities and align with global challenges and evolving conditions, guiding the way toward a sustainable future. Our targets are intricately aligned with three internal pillars that, in turn, are connected to our materiality and stakeholders needs.

Sustainability Pillars



Economic and Social Performance



Environmental Footprint



Supply Chain Sustainability

While 2030 may still be on the horizon, we share some of our notable sustainability achievements in line with our Sustainability Targets.

<p>Progressing towards zero employee accidents, only x% of work-related accidents in all plants</p>	<p>x% of Renewable Energy* consumption in Portuguese sites x% of Renewable Energy* consumption Warsaw site</p>	<p>Renewable energy increase and GHG emission evaluation by GHG Protocol</p>
<p>-x% since 2019</p>	<p>X% of waste diverted from disposable</p>	<p>Quality and Sustainability supplier evaluation Code of Ethics an Conduct</p>

2.2 Stakeholder Mapping

We recognize the importance of engaging these stakeholders in a transparent and continuous manner to ensure that their expectations and concerns are considered in our company’s sustainability strategy. This engagement is crucial for identifying risks and opportunities, as well as for creating long-term value.

We based this assessment on the AA1000 Stakeholder Engagement Standards, as well as the principles of double materiality, which are present in the European Sustainability Reporting Standards. This ensures the transparency and reliability of the stakeholder mapping and engagement process.

Based on this methodology, stakeholders were prioritized according to their influence and dependency on a scale from 1 to 10. Stakeholders are considered affected by Simoldes Plastics if their scores are higher than 5 in both variables.

Employees and other workers, suppliers, customers, social and business partners, and investors are the most affected stakeholders. Their interests may be positively or negatively impacted by Simoldes Plastics activities and its direct and indirect business relationships throughout its value chain.

Investors, insurance companies, public authorities, credit institutions, and governments are the primary users of sustainability statements, as they are the main users of general-purpose financial reporting.





2.3 Stakeholder Engagement

Building trust and ensuring alignment

We recognize the importance of ensuring and strengthening engagement with our affected stakeholders and has therefore established engagement mechanisms to ensure clear and transparent communication. Table 1 provides an overview of the planned engagement mechanisms and their respective affected stakeholders.



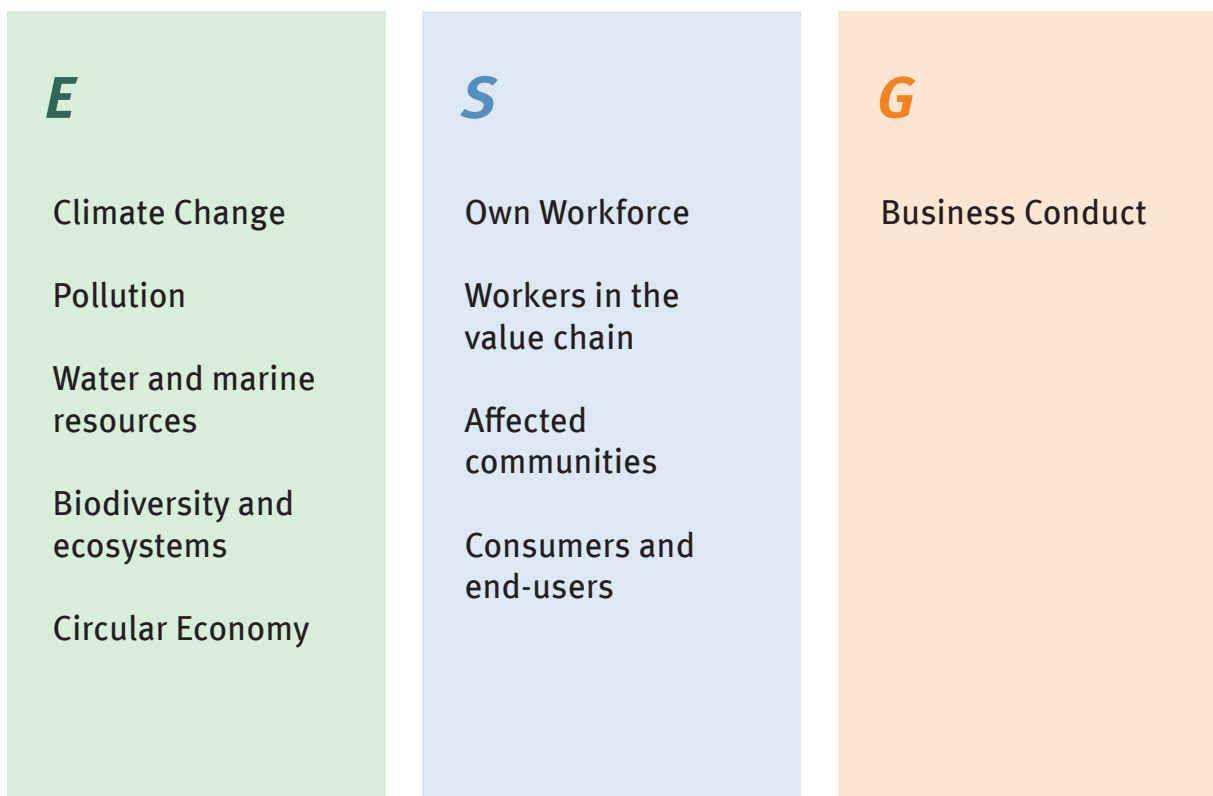
	Employees and other workers	Suppliers	Customers	Business partners	Investors	Social partners
Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Website	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ERP	<input checked="" type="checkbox"/>					
Employee survey	<input checked="" type="checkbox"/>					
Meetings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Online tool			<input checked="" type="checkbox"/>			
Newsletter	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	
Events	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Social Media	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Email	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



2.4 Risk Management

Risk management involves identifying, assessing, and prioritizing risks followed by coordinated efforts to minimize, monitor, and control the probability or impact of unfortunate events. Effective risk management ensures that an organization can achieve its objectives while safeguarding its assets and stakeholders.

First, we identified the financial impacts, risks, and opportunities in these eleven key areas of sustainability.



After identifying the impacts, financial risks, and opportunities, we classified them using the following variables: severity and probability. Severity is composed of scale, scope, and irreversibility, while probability refers to the likelihood that an issue will occur. This methodology encompasses various departments of the company. The classification allowed us to identify our material impacts, risks, and opportunities, which serve as the foundation for determining our material topics.



2.5 Materiality Disclosure

Materiality is central to our strategic planning at Simoldes Plastics, guiding us in identifying key areas for improvement in the coming years. This was the first year we disclosed based on the Double Materiality principle, using the official EFRAG support guide as our methodology.

Our materiality analysis was initiated with a benchmarking of industry ESG needs and stems from the analysis of financial impacts, risks, and opportunities identified and evaluated by the multidisciplinary team at Simoldes Plastics. This process resulted in the material topics shown on the right.

To make a meaningful impact and contribute positively, we evaluate all relevant Sustainable Development Goals (SDGs) and associated targets within our key focus areas.

This approach enables us to address gaps in human needs through our business activities.

E

Materiality Topics

Climate Change Adaptation
Climate Change Mitigation
Energy
Circular Economy

SDG

S

Materiality Topics

Secure Employment
Working Time
Adequate wages
Work-life Balance
Health and safety

SDG

G

Materiality Topics

Economic Performance
Corporate Culture
Protection of whistleblowers
Management of relationships with suppliers

SDG

Materiality Matrix

Impact Materiality			
Financial Materiality	<p>Environmental</p> <ul style="list-style-type: none"> Energy Management Climate Change Pollution Prevention Water Management Biodiversity Management Circular Economy and waste 	<p>Social</p> <ul style="list-style-type: none"> Working Conditions Diversity Human and Labor rights in the value chain Work-life balance Training and skills development Affected communities 	<p>Governance</p> <ul style="list-style-type: none"> Business Conduct Economic Performance Political Engagement Innovation



2.6 Certifications & Sustainability Standards

Certifications such as ISO 14001, ISO 9001, ISO 45001, IATF 16949, and TISAX are fundamental in ensuring excellence and sustainability across its operations. ISO 14001 reinforces the company’s commitment to environmental management, while ISO 9001 ensures the maintenance of high-quality standards. ISO 45001 is crucial for promoting a safe and healthy work environment, protecting the health and safety of employees.

IATF 16949 is an automotive-specific standard that builds on ISO 9001 with additional requirements tailored to the automotive industry. TISAX ensures the protection and integrity of information within the automotive sector. As the demand for compliance and efficiency grows, we have been expanding its adherence to these certifications each year, strengthening its competitiveness and demonstrating our commitment to continuous improvement and operational excellence.

	IATF 16949:2016	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018	TISAX
	☑	☑	☑	☑	☑
	☑	☑	☑	☑	
	☑	☑	☑	☑	
	☑	☑	☑	**	
	☑	☑	☑	☑	
	☑	☑	☑	☑	☑
	☑	☑	*	*	
	☑	☑	*	*	
	☑	☑	☑	2025	

*1st Certification November 2024 (environmental management system+occupational health and safety system)
**1st Certification May 2024

Excellence in environmental and social responsibility, promoting a more sustainable and ethical future for all.

The EcoVadis sustainability badge is a significant recognition for us, underscoring our commitment to sustainable practices and corporate responsibility. EcoVadis evaluates performance in areas such as the environment, human rights, ethics, and sustainable procurement practices, offering a rating that reflects the effectiveness and impact of our policies and actions. By earning this badge, we not only showcase our dedication to sustainability but also reinforce our position as a responsible leader in the industry, aligning with the expectations of our customers, partners, and other stakeholders.





The NQC Supplier Assurance platform, through the SAQ 5.0 survey, is essential for evaluations by Original Equipment Manufacturer (OEM), serving as a foundation to assess the compliance and performance of suppliers. By using this tool, Simoldes Plastics ensures that its processes and practices align with the quality and responsibility requirements of OEMs. With a B Rating, Simoldes Plastics demonstrates that it meets the required standards satisfactorily, reflecting overall good performance, though there are still opportunities to improve certain aspects of its management and operations.

Trusted by global brands



The CDP – Carbon Disclosure Project is an essential tool for companies looking to reduce their carbon emissions and embrace more sustainable practices. We have initiated the integration of this platform and are currently in the process of developing our rating. This progress reflects our continued commitment to transparency and minimizing our environmental impact, enabling us to identify areas for improvement, set more ambitious goals, and effectively monitor our progress in decarbonizing operations.



3. Economic Profile



“ (...) the journey towards financial sustainability in our industry involves a lot of internal work (...)”

Ercília Tavares
HQ Financial & Administration Manager



A company that invests in sustainability is setting the foundations for good financial performance in the long term. At Simoldes we must be able to direct our actions and investments towards energy efficiency, the consumption of green energy, the reduction of carbon dioxide emissions, the circular economy and efficient resource management practices that allow us to protect the environment and generate significant savings that bring operational efficiency, without which no organization is profitable. At the same time, the company must provide an inclusive working environment, guaranteeing equal opportunities and good working conditions for all its employees, an essential asset that must be valued. No less important is its social function, in which it participates strongly in projects that benefit the community in general.

Simoldes has been working on these areas and has already implemented some practices that allow us to see that the results are being achieved, although it must continue to pursue its objectives. Adopting these sustainability practices and measuring them can also have a direct financial impact, allowing the company to benefit from reductions in the cost of its debt capital. There is thus a direct link between operational/ social sustainability objectives and financial performance. The financial sector is increasingly sensitive to this type of activity and its correlation with the granting of financing.

I believe that the journey towards financial sustainability in our industry involves a lot of internal work, but also through strong partnerships with our customers, who must be aware that this is a two-way street.

3. Economic Profile

2023 EVG 634M	2023 EVD 609M	2023 EVR 25M
▲ 13% Increase 2022	▲ 11% Increase 2022	▲ 100% Increase 2022

In 2023, Simoldes Plastics consolidated its position in a highly competitive sector, benefiting from a 13% growth in economic value generated, reaching approximately 634 million euros. The plastics sector, particularly the automotive market where Simoldes Plastics is heavily involved, faces constant pressure to adapt to new sustainability and technological innovation demands, requiring a strategic approach to remain competitive. The automotive industry, Simoldes Plastics main focus, is undergoing a rapid transformation driven by the shift to electric vehicles, weight reduction, and new environmental regulations. These changes have created opportunities for plastic component manufacturers, especially those focused on lightweight solutions and recyclable materials that help improve vehicle energy efficiency.

The growth in Simoldes Plastics units such as Inplas, Simoldes Plásticos Polska, and Simoldes Plásticos Industria reflects the company’s response to these market trends, with increased production and sales aligned with the growing demand for innovative components. The company’s ability to expand its production and improve retained economic value indicates a strong adaptation to market dynamics and a robust position in the international plastics scene for the automotive industry. This progress in the market reflects not only the increase in production but also Simoldes Plastics commitment to investing in new technologies and processes, aiming to meet the needs of global automotive manufacturers and stand out in an increasingly demanding sector.

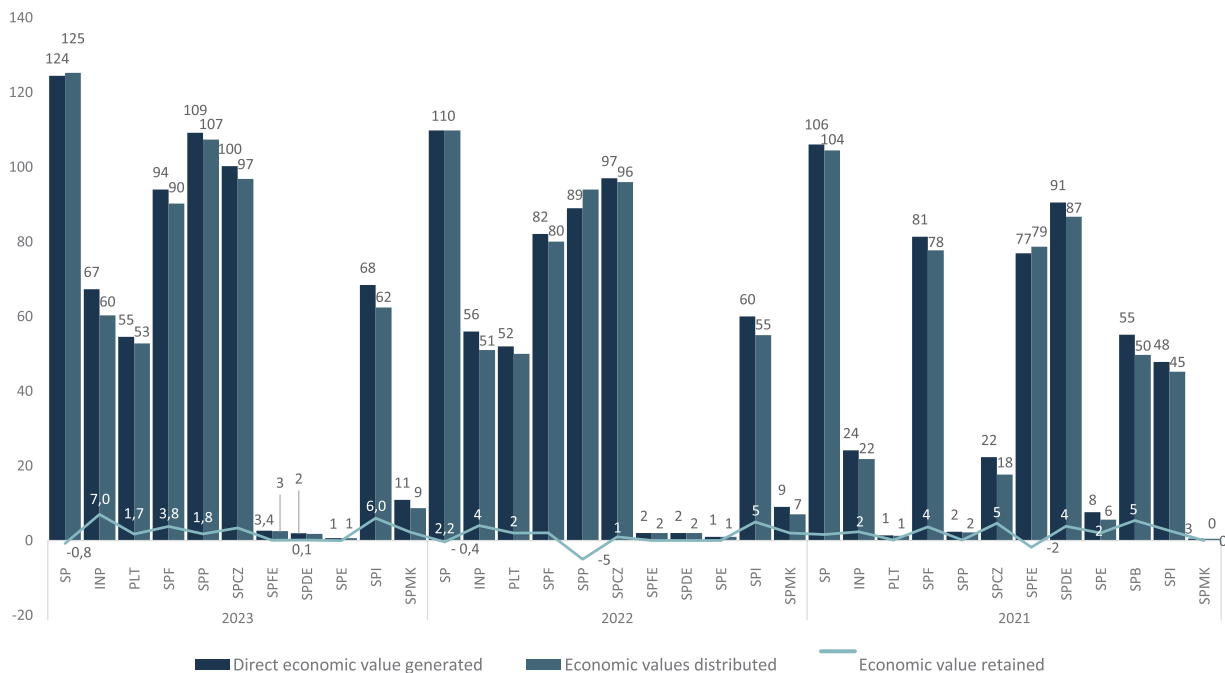


Fig. 7 – Economic Performance (M€) per plant in 2021-2023

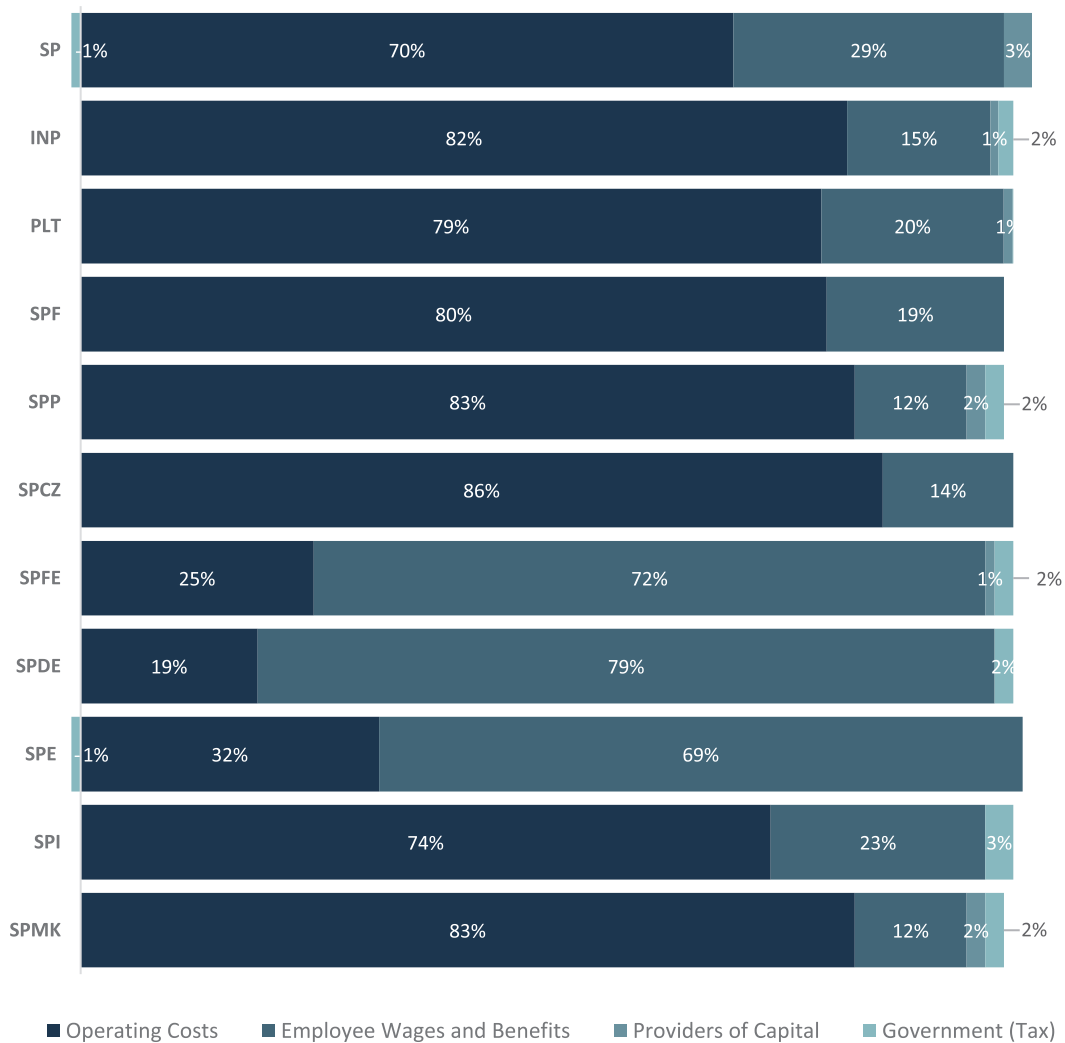
3. Economic Profile

Recently, there has been a significant increase in the economic value distributed by Simoldes Plastics, particularly in operational costs and employee wages and benefits. When analyzing the various units of the group, we observe that at Simoldes Plásticos, Inplas, Simoldes Plásticos France, Simoldes Plásticos Czech, Simoldes Plásticos Industria, and Simoldes Plásticos Maroc, operational costs represent the largest share of the distributed economic value.

These units place a strong emphasis on expenses related to operation and production, which are essential for maintaining the group’s competitiveness and innovation levels.

On the other hand, in the non-industrial units, the largest portion of the economic value distributed is allocated to employee wages and benefits, as operational costs are lower due to the absence of the complexity and infrastructure found in plants.

This increase in the distribution of economic value demonstrates the group’s continuous growth, both in terms of operations and in caring for its employees, positively reflecting Simoldes Plásticos financial performance.





“Transparency and accountability are also important aspects of our approach.”

*Hugo de Carvalho
HQ Business Controlling & Costing Manager*

We know that businesses have a significant impact on the environment and society overall, and we believe it is our responsibility to take action to mitigate that impact. Therefore promoting an environmental sustainability, social responsibility, and good governance practices is critical for Simoldes.

One way we are reducing our environmental impact is by focusing on reducing our carbon footprint. Namely by bringing innovative solutions, implementing sustainable practices, such as reducing waste and energy consumption and looking for “greener” alternatives, to minimize our impact on the planet. Additionally, we prioritize ethical labour practices and employee safety to ensure our employees are treated with respect and dignity. Transparency and accountability are also important aspects of our approach. We believe that by being transparent about our actions and accountable for its impact, is in line with our Company values and builds trust with our customers and stakeholders.

We recognize that embracing ESG principles is not just the right thing to do but it is also critical for our business’s future growth. By investing in sustainable practices and prioritizing social responsibility, we believe we can make a positive impact on the world while at the same time drive continuous business success



4. Governance



4.1 Diversity in the Management Team

We believe in diversity as a disseminator of talents, skills, and knowledge, and we are committed to diversity in all positions. In the management team, there is a clear predominance of the male gender, which is a result of seniority and skills, as well as meritocracy criteria that mark the excellence of Simoldes Plastics.

Given that these are positions of significant responsibility, there is a natural tendency towards seniority, which is reflected in their age. However, diversity and equality are a continuous journey.

We continually reassess our processes, policies, and practices to ensure they reflect our commitment to diversity and equality.

Executive Governance Bodies

Non-Executive Governance Bodies

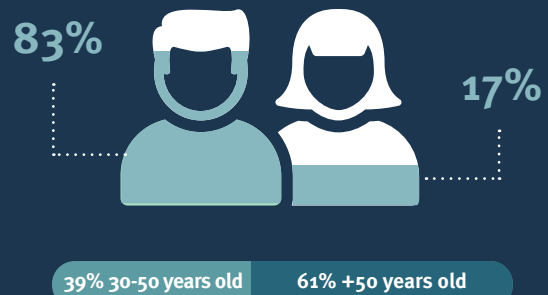


Fig. 8 – Gender and age distribution (%) of executive and non-executive governance bodies.





4.2 Responsible Business

We recognize the impact of our operations and the importance of the value chain in our business model. Sustainability is a key concept in our management, with the value chain playing a relevant role in the ecosystem. We are committed to integrating sustainable actions into our operations, collaborating with suppliers to ensure that raw materials are sourced responsibly. Additionally, we strive to provide sustainable solutions to our clients, creating a responsible cycle that benefits everyone.

UPSTREAM



Raw Material Supply

Simoldes Plastics depends on suppliers of plastic materials, such as thermoplastic resins, polymers, and recycled compounds, which are essential for the injection molding of parts.



Suppliers of Technology and Equipment

The company partners with suppliers of injection molding machines and advanced technologies, ensuring efficiency, precision, and quality in production.



Development of Strategic Partnerships

Simoldes Plastics collaborates with specialized suppliers to guarantee innovation and the quality of inputs, contributing to the development of competitive products in the automotive market.

OPERATIONS



Development and Production of Plastic Components

The company specializes in manufacturing plastic components for the interior and exterior of automobiles, such as panels, bumpers, and electronic system components.



Innovation and Technology

Utilizing cutting-edge technologies, including high-precision injection molding and automated processes, which ensure efficiency and quality in the manufactured products.



Engineering and Design

The company provides design and product development services, collaborating with clients to create innovative and optimized solutions.

DOWNSTREAM



Distribution and Logistics

Simoldes Plastics implements efficient logistics strategies for the distribution of its plastic parts, ensuring timely delivery to customers, especially in the automotive industry, where deadlines are critical.



Customer Relationship Management

Simoldes Plastics establishes long-term partnerships with its clients, aiming to understand their needs and adapt its offerings, which contributes to customer loyalty and business expansion.



4.3 Business conduct



At Simoldes Plastics, our business conduct guides all our actions, ensuring trust and accountability in every operation.

Simoldes Plastics is committed to the highest standards of ethics, transparency, and integrity in all its business activities. We believe that the trust of our partners, customers, and employees is built on responsible practices that ensure an ethical and transparent business environment. The company strictly adheres to all applicable laws and regulations in the regions where it operates, ensuring that each operation complies with local and international standards. This commitment is reflected in our compliance policy, which is reinforced by continuous training programs, ensuring that all employees understand and apply ethical principles in their daily work.

Additionally, Simoldes Plastics rigorously follows national and international legislation and is currently in the process of implementing the Corporate Sustainability Reporting Directive (CSRD), aligning itself with the European Union’s guidelines and other global regulations related to business conduct and sustainability.

Our approach goes beyond minimum compliance, promoting a culture of integrity that permeates all areas of operation, from the management of our production processes to stakeholder relationships.

The corporate governance of Simoldes Plastics is guided by principles of responsibility and transparency. The company’s leadership ensures that all strategic and operational decisions are made responsibly, promoting sustainability and balancing social, environmental, and economic performance. Our governance structure includes robust control and oversight mechanisms that ensure the identification and mitigation of risks, as well as the creation of long-term value for all stakeholders, as outlined in our code of ethics and conduct, and the Regulatory Compliance Program.



4.3 Business conduct

Act taking care of the present and future



Business Ethics is one of the main pillars of Simoldes Plastics, which is guided by the Code of Ethics and Conduct. This framework establishes the values that guide the organization and, specifically, the conduct of its employees in their work and in the relationships, they establish with other stakeholders.

The principles established in this framework aim to set a standard of behavior towards stakeholders and the market, clients, competitors, and employees, based on the 10 principles of the Global Compact.

It also aims to promote and encourage the adoption of the performance principles and conduct rules established in this Code, the relationships between employees, between employees and Simoldes Plastics, shareholders, clients, suppliers, and public authorities, and to strengthen the institutional image of Simoldes Plastics, which represents responsibility and discipline.



The values that have been established guide the conduct of Simoldes Plastics and its employees in the internal environment, establishing ethics and trust, cooperation, quality and flexibility, and placing people at the center of our success. It also aims to guide work conduct through efficiency, ambition, and innovation. In this way, it establishes a foundation that allows for the development of good relationships with the organization’s stakeholders.



4.3 Business conduct

Success of one is the success of everyone

Our code of ethics defines the principles of conduct that guide the attitudes of our employees, establishing clear expectations regarding work ethics and professional responsibilities. It emphasizes the importance of integrity in all actions.

Furthermore, the code provides guidelines for interpersonal relationships with colleagues, suppliers, partners, and other stakeholders, addressing aspects such as offers, confidentiality, and compliance with GDPR. It also highlights each employee's commitment to the organization, fostering an environment of respect and transparency.

Simoldes Plastics, recognizes that the individual conduct of each employee plays a fundamental role in building the collective, directly influencing the organizational culture. Each action, whether in the performance of daily tasks or in interactions with colleagues and partners, contributes to strengthening values such as respect, collaboration, and integrity.

This collective awareness is essential for fostering a positive and innovative work environment where everyone feels valued and motivated to contribute to the success of the company.

- ✓ Professionalism
- ✓ Responsibilities
- ✓ Integrity and Conflict of interests
- ✓ Interpersonal relationship
- ✓ Independence
- ✓ Confidentiality and use of privileged information
- ✓ Gifts and comercial offers
- ✓ GDPR
- ✓ Loyalty and compromise
- ✓ Legality
- ✓ Protection and use of Simoldes resources
- ✓ Reporting data breach and security incidents
- ✓ Whistleblower protection and reporting channels
- ✓ Prevention of corruption and related offenses



4.4 Compliance Office

To ensure the highest levels of good business practices, the Simoldes Plastics, administrative council created a Compliance Office to protect and oversee the implementation of this Code. This office is also responsible for updating the Code whenever necessary, following consultation and validation by the administrative board. The Compliance Office is tasked with clarifying any doubts related to the existing Code, as well as investigating all reported complaints. It has the responsibility to initiate and supervise the investigation of alleged irregularities and to ensure that all necessary disciplinary measures are taken.

Relevant and complementary information to our Code of Ethics and Conduct is available at Code of Ethics and Conduct.

0 Significant Non-Compliance With laws and regulations In 2023

During this reporting period, no significant non-compliance with laws and regulations was identified, reflecting the effectiveness of the implemented ethics and conduct mechanisms. These mechanisms guide the actions of all employees, regardless of their role or hierarchical position, ensuring compliance with standards and promoting an organizational culture based on integrity and responsibility.





“(...) developing new materials not only oriented toward the automotive sector but also aimed at being a more sustainable option.”

Júlio Grilo
HQ Research and Innovation Manager



The Innovation area of Simoldes Plásticos has been increasingly focused, in recent years, on developing new materials not only oriented toward the automotive sector but also aimed at being a more sustainable option with a lower carbon footprint and economic viability in the market, making them accessible to both our clients and end-users. The families of materials we are working with are not limited to rigid polymers but also include flexible materials such as textiles, PVC artificial leathers, TPOs, TPU, and finally, cork films.

The development of new polymeric materials with a lower carbon footprint is guided by a framework of characteristics that values the incorporation of both natural organic and inorganic materials. The advantage of using natural organic materials, which are sourced from nature and primarily derived from plant sources, is that they contribute to the absorption of carbon dioxide during their lifespan. Additionally, a key aspect of this framework is that these materials are often waste products from other industries with low economic value, thus preventing them from ending up in landfills and allowing them to re-enter the economic life cycle.

However, technically, when producing these composite materials with fossil-derived substances and the incorporation of natural organic, inorganic, and recycled materials—regardless of their sources—we face numerous variables that present significant technical challenges. We have been working to find solutions, particularly concerning aspects such as appearance, odor, UV resistance of organic fibers, and variable mechanical properties depending on the type of fillers, which can sometimes degrade physical properties, such as impact resistance.



4.5 Innovation & Sustainable Solutions for product design

The automotive sector is characterized by immense competitiveness, where innovation, combined with flexibility and the ability to adapt to environmental concerns and a focus on quality, serves as a crucial strategic foundation for companies to remain competitive. Innovation is key to promoting and driving Simoldes Plastics, competitiveness:



Introduction of new technologies, techniques, methods.

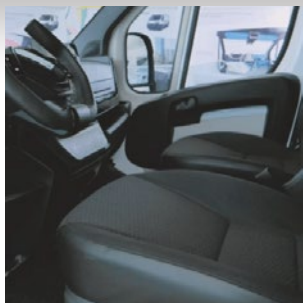


Increased productivity, reduced production costs, and improved final product quality.

Our R&D areas



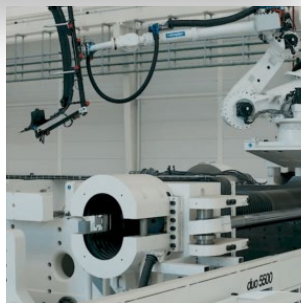
Automotive digital interior



Automotive Interior Quality



Automotive interior design

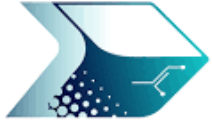


Advanced Technologies and Materials

Our Partnerships



4.6 Product



FUTURE DOOR PANEL

FDPanel: Future Door Panel

The project focused on developing cutting-edge solutions for door panel architecture (UX/UI design), decoration (IMD or IML), comfort (coatings with thermal management properties), lighting, visual information/alert interfaces for connectivity (V2X), and sound systems (MEMS speakers).



Additive Manufacturing for Smart Plastics

AM4SP: Additive Manufacturing for Smart Plastics

Development of a door panel with integrated custom and disruptive components using additive manufacturing technologies, and its integration into a non-customized injected part.



Lighting and Heating system for automotive

LH4Auto: Lighting and Heating Systems for Automotive

This project developed prototypes of door panel components with integrated lighting using electroluminescence (EL) technology, as well as printed heating systems.



LEIMSA: Lightweight Electronics by Injection Molding in Seamless Architecture

The LEIMSA project aimed to develop disruptive components for the interior of the car of the future, with a focus on the center console. Decorative elements and distinctive functionalities were integrated into the products with minimal operations, using the integrated application of emerging in-mold and lightweight technologies such as In-Mould Decoration (IMD), In-Mould Labeling (IML), High Pressure Forming (HPF), and In-Mould Electronics (IME).



i-Tool: Efficient, Intelligent, and Optimized Molds for the Industry

The i-Tool project focused on: studying collaborative plastics and the role of artificial intelligence in supporting mold development to enhance efficiency; creating experimental frameworks that facilitate the integration of various plastics and software used in analyzing different phenomena, thus reducing the time spent on the iterative optimization process; and developing more efficient mold solutions by integrating additive manufacturing and advanced sensor systems.



PAC - Portugal AutoCluster for the Future

In the ongoing evolution of the automobile from a “product” to a “service,” the relationship with the user will increasingly be shaped by the experience associated with the vehicle’s digitalization based on the service. The PAC project’s overarching goal was to develop, test, and demonstrate a new generation of technologies—both products and processes—that enable a new positioning of the national automotive cluster within the global value chains of the car of the future.



“A keystone of our sustainability strategy is the recyclability and circularity of our products.”

Tony Dias
BeNeutral Program Manager

SIMOLDES PLASTICS has been at the forefront of innovation in the development and production of plastic components for the automotive industry. Over the past four decades, we have committed ourselves to environmental, social, and governance (ESG) principles “To be the preferred choice of our customers, employees, and suppliers, contributing to sustainable growth and satisfying our shareholders.”

Thermoplastics play an important role in the automotive industry, and their application aligns perfectly with sustainability goals. They account for more than 40% of a car’s volume but contribute less than 15% to its Carbon footprint. These materials are lightweight yet durable, often requiring no maintenance throughout their lifetime.

This contributes significantly to fuel and energy efficiency and the reduction of greenhouse gas (GHG) emissions. By integrating high-performance thermoplastics and clean technologies into automotive design and manufacturing, SIMOLDES PLASTICS not only improves the environmental performance of vehicles but also enhances safety and cost-effectiveness. This integration supports our strong commitment to ESG principles by minimizing waste, optimizing resource usage, and improving energy efficiency.

A keystone of our sustainability strategy is the recyclability and circularity of our products. Thermoplastics can be fully recycled, and SIMOLDES PLASTICS has been using fully or partially recycled materials in the production of new products for many years. Even so, designing for circularity is crucial to ensure the recyclability of our products at the end of their life. This is not a solitary task that’s why SIMOLDES PLASTICS has strong collaborative partnerships and innovation projects with Suppliers, Customers and Universities, promoting a collective effort towards sustainability.

A prime example of our commitment to these principles is the BeNeutral program, through which we develop thermoplastic products with a low Carbon footprint, reduced weight, and high potential for recyclability. BeNeutral exemplifies our dedication to circularity by incorporating recycled materials from post-consumer waste, including end-of-life vehicles, thereby contributing to circularity in the automotive sector and anticipating regulatory requirements. This approach not only preserves resources but also addresses a critical need within the automotive industry. Additionally, BeNeutral employs new injection moulding technologies designed to reduce material diversity and the number of components, thereby enhancing recyclability.

These sustainable practices are not just ethical imperatives; they are the foundation of our present and future competitiveness. By embedding sustainability into our core strategies and Governance, we ensure the long-term viability and success of SIMOLDES PLASTICS, providing significant contributions to our stakeholders.

Our dedication to ESG principles, recyclability, circularity, and technological innovation guarantees that we remain a trusted partner for the present and future.



4.7 R&I Projects | Sustainable Solutions



RN21: Innovation in the Natural Resin Sector to Strengthen the National Bioeconomy

Pine natural resin (RN) is a “bio” and renewable raw material. In this project, various composites incorporating pine resin were developed with a focus on the automotive industry. These composites have been injected and are currently in the testing phase.



PVAB: PhotoVoltaic Automotive Body

The PVAB project developed the integration of photovoltaic modules into the roof and rear window of the vehicle, where solar incidence is strong. The energy produced reduces CO2 emissions in vehicles with internal combustion engines and extends the range of hybrid or electric vehicles.



BluEnergy: Design and Development of Low-Cost, Long-Life Redox Flow Batteries and Their Production Process

Vanadium-based redox flow batteries (VRFB) represent an emerging technology specifically designed and developed for the storage of large amounts of energy (> 100 kWh) in stationary applications. This study focused on the development and characterization of electrodes with an innovative matrix using materials that have not yet been explored.



Agenda GreenAuto: New concepts for automotive interior

The new concepts involve the development of vehicle interior modules incorporating innovative features: (i) components with a nanosuction system to secure objects; (ii) a thermal bubble concept, combining various technologies to minimize energy consumption by the climate control system; (iii) enhanced integration between physical and digital components, as well as the use of green and recycled materials in the modules.



Ocean battery: Battery Value Chain in Portugal

Among post-lithium-ion cells, sodium-ion batteries (SIBs) exhibit greater technological maturity and offer the potential for creating cheaper, safer, and more sustainable batteries, along with a more resilient supply chain. Simoldes is working towards establishing the first SIB research technology center in Portugal and developing a commercially scalable sodium-ion cell, aiming to contribute to the energy transition.



BE Neutral: Mobility Agenda for Carbon Neutrality in Cities

The Be Neutral Agenda aims to position Portuguese cities and industry at the forefront of future mobility through a new generation of products and services focused on carbon neutrality. The research focuses on emerging technologies to be integrated into new generations of the BEN car (low TRL), where Simoldes and TMG intend to lead R&D efforts, ensuring upgrades from 2025 onwards, specifically in structures, interiors (printed and transparent electronics), and exteriors, in collaboration with R&D partners.



“Simoldes is committed to building a sustainable and transparent supply chain”

*Paulo Fonseca
Non-Product Related Purchase Manager*



A robust governance aligned with ESG objectives is essential to ensure that Simoldes purchasing practices are sustainable and meet stakeholder expectations. This includes:

- Establishing clear and concise policies for sustainable procurement.
- Implementing a supplier selection process that considers ESG criteria.
- Engaging with suppliers to promote improvements in their ESG performance.
- Transparent reporting on the company’s sustainable purchasing practices.
- By adopting a sustainable purchasing approach focused on governance, Simoldes can:
 - Reduce its environmental and social impact.
 - Enhance its reputation and image.
 - Increase customer and stakeholder loyalty.
 - Mitigate risks and ensure business continuity.
 - Build a more sustainable future for the company and future generations.

Simoldes is committed to building a sustainable and transparent supply chain, recognizing that responsible purchasing is essential for the company’s long-term success and for creating a fairer and greener future.



4.8 Value Chain

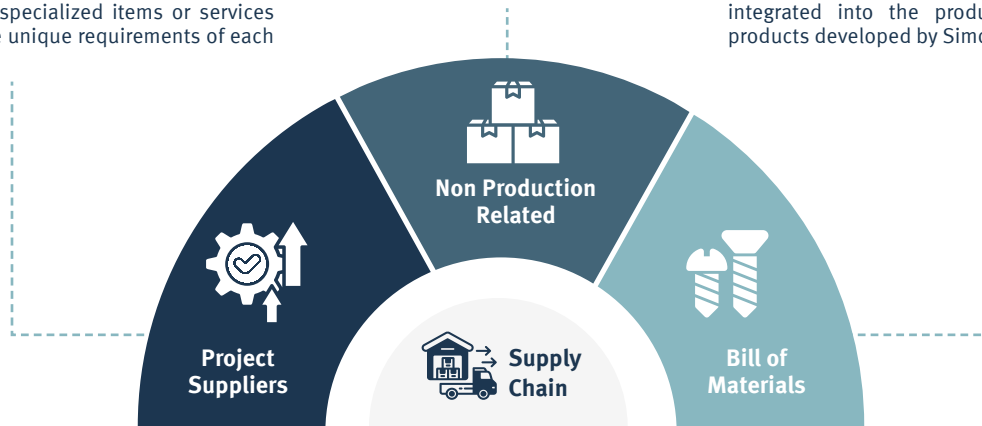
Simoldes Plastics has an extensive network of suppliers with whom we maintain long-term business relationships to ensure a consistent supply of products and services necessary to meet market needs. Our organizational culture prioritizes the preservation and assurance of product quality from the moment it enters our facilities until it reaches the end customer. At the heart of our attention and dedication is the guarantee of high quality throughout the entire process.

Our suppliers are divided into three categories based on the type of material they provide: Bill of Materials, Non-Production Related, and Project Suppliers.

Project Suppliers play a key role in specific development projects, especially when there is a need for customized materials, components, or services that go beyond regular production operations. These suppliers are typically involved in the early stages of new projects and contribute specialized items or services to meet the unique requirements of each project.

Non-Production Related (NPR) include all materials and services necessary for the operation of the business that are not directly associated with the finished goods produced by the company, referring to all items and services that are not part of the bill of material (BoM).

A **Bill of Materials (BOM)** is a detailed document that includes all the parts, components, materials, and sub-assemblies required to produce a final product or a specific sub-assembly. Therefore, BOM suppliers are those who provide the components that are integrated into the products or sub-products developed by Simoldes.



To sustain an ethical, quality-focused, and sustainable supply chain, we have anchored our approach in these main documents: **Supplier Quality Manual and Purchasing Purchasing Condition**. The above-mentioned documents are essential documents for the evaluation of supplier performance.

The Supplier Quality Manual of Simoldes Plastics provides detailed guidelines for maintaining product quality and ensuring smooth cooperation between Simoldes Plastics and its suppliers. Key elements of the manual include:

Quality Standards

Suppliers are required to ensure that products meet all specifications and standards provided by Simoldes Plastics including adherence to technical drawings, validations, and approved samples.

Handling of Defects

In case of defects, Simoldes Plastics can request immediate repair or replacement, and suppliers must take full responsibility for costs associated with quality control measures and corrective actions.

Audits and Inspections

Simoldes Plastics reserves the right to perform audits on the supplier's production processes and inspect products before they are delivered to ensure compliance with quality requirements.

Delivery and Packaging

Strict guidelines are set for product delivery timelines, packaging, and labeling to ensure safe and timely deliveries.

Environmental and Social Responsibility

Simoldes Plastics expects its suppliers to adopt sustainable practices, aiming for minimal environmental impact and adherence to social responsibility principles, such as respecting labor rights and gender equality.



“(...) is key for purchasing to adopt sustainable procurement policies to identify and reduce ESG impact ”

*António Gonçalves
HQ Purchase Manager*

ESG (Environmental, Social and Governance) is a key factor for procurement process due to significant impact purchasing decisions can have on sustainability in our organization and the environment; once it involves the selection, acquisition and management of goods and services from suppliers. Therefore, purchasing can impact sustainability by selecting products and services that are energy-efficient, recyclable or made from sustainable materials for example.

At purchasing we seek to impact positively sustainability and ESG aspects with the following actions:

- Increase purchasing staff skills development, awareness and training for sustainable procurement.
- Select and manage suppliers according to our code of ethic and conduct.
- Invite external partners to work with our Innovation team on sustainable projects (e.g., green materials with recycled or bio-based content).
- Challenge our suppliers to propose and integrate sustainable solutions during the design & development of our products and processes (i.e., recycled materials, weight reduction, returnable packaging, use of renewable energy ...)
- Encourage our suppliers to adopt and develop their own sustainable programs.
- Work in partnership with suppliers to achieve and continuously improve our sustainability goals

In summary, is key for purchasing to adopt sustainable procurement policies to identify and reduce Environmental, Social and Governance (ESG) impact through our supply chain with our suppliers.

OVER 2922 suppliers in 2023

In 2023, Simoldes Plastics recorded significant growth in terms of production and sales, reflecting an increase in its business activity and demand for its products. As a result of this growth, the company expanded its supplier base by 2 922 partnerships.

Over the past three years, **NPR** suppliers have emerged as the most representative type, totaling 2 310 suppliers in 2023. This increase in collaboration with NPR suppliers demonstrates the growing need for materials and

services not directly related to production, which are essential for supporting the company’s operations. In contrast, **Project Suppliers** have been the least prominent in this period.

Regarding geographical location, nearly all suppliers for Simoldes Plastics plants in Europe come from the region, maintaining the trend observed in the previous year. This local approach not only strengthens the supply chain but also promotes sustainability and operational efficiency.

Additionally, at the plant in Brazil, **over 90%** of suppliers are sourced from the country itself. This demonstrates a commitment to local economic development and the building of strong partnerships within the Brazilian market.

This growth and expansion of the supplier base reflect Simoldes Plastics strategy to strengthen its operations, improve efficiency, and better meet the needs of its customers, consolidating its position in the global market.

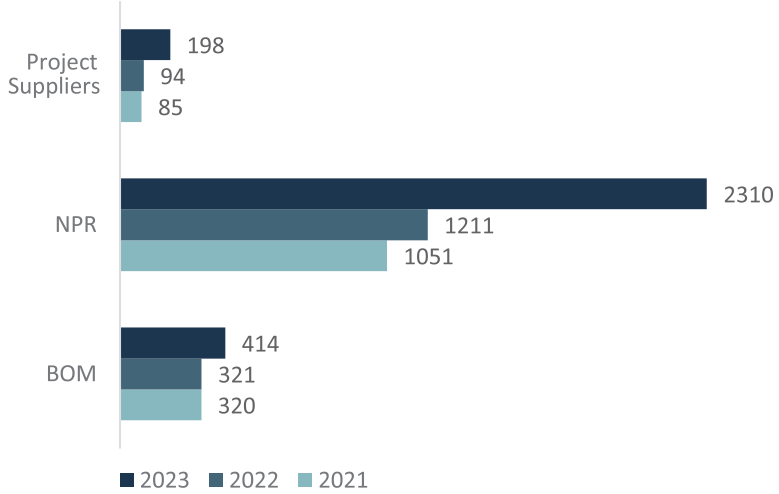


Fig. 9 – Number of suppliers 2021-2023

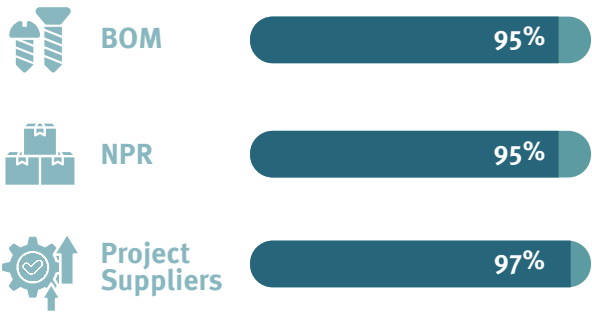


Fig. 10 – Percentage of Simoldes Plásticos suppliers in Europe and Africa (2023)

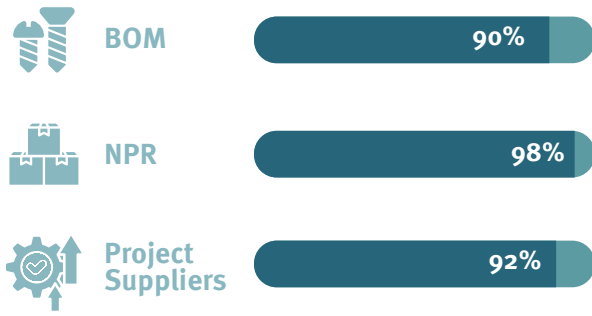


Fig. 11 – Percentage of Simoldes Plásticos suppliers in Brazil (2023)



“Sustainability Statement on Technology and Cybersecurity Challenges”

Luis Faustino
HQ Information Systems Manager



In the rapidly evolving landscape of technology, our commitment to sustainability extends beyond environmental impact to encompass the protection of data and digital assets. Cybersecurity remains a critical challenge for our business and all our stakeholders, as threats become increasingly sophisticated and pervasive. As a leading automotive Tier 1 supplier, we understand the importance of safeguarding our intellectual property, customer data, and supply chain integrity.

To address these challenges, we are dedicated to investing in advanced cybersecurity technologies and continuously enhancing our security protocols. Our approach includes rigorous employee training programs to ensure awareness and readiness, as well as strategic collaborations with industry partners to share best practices and intelligence on emerging threats. We actively monitor our systems and processes to detect and respond to incidents swiftly, minimizing potential impacts. By prioritizing cybersecurity, we aim to build trust, ensure business continuity, and protect the interests of our customers, employees, and shareholders. These efforts are integral to our commitment to a secure, resilient, and sustainable digital future.



4.9 Data Privacy and Cybersecurity

Information Security Program

Simoldes Plastics has established an information security program designed to safeguard data, ensuring its availability, confidentiality, and integrity in accordance with legal and regulatory requirements.

Information is managed based on its significance, value, and sensitivity, enabling Simoldes Plastics to enhance its resilience and maintain the integrity of its stakeholders, reputation, and value-generating activities. The internal information security policy outlines the guidelines for implementing and continually updating this program. It is grounded in Tisax - Trusted Information Security Assessment Exchange, a systematic framework of principles, processes, and standards aligned with global best practices.

Key principles that support this information security program include raising awareness about information security, classifying and protecting information systems, ensuring communication security, controlling access to information systems, monitoring and responding to security incidents, and assessing the security of external services. These guidelines emphasize the importance of managing information security risks.



Cybersecurity Monitoring Service

Simoldes Plastics has made a significant investment in round-the-clock security monitoring by establishing an external Security Operations Center (SOC) and a Threat Intelligence service. This initiative is complemented by ongoing and regular

risk assessments of the information systems that support the business, aimed at preventing, detecting, and mitigating intrusion attempts, illegal activities, and emerging threats.

In 2023, there were no documented security incidents with significant impact, reflecting the effectiveness of the preventive measures and monitoring strategies implemented throughout the year.

To effectively identify, classify, and remediate vulnerabilities, Simoldes Plastics has implemented a vulnerability management process. This process prioritizes the resolution of vulnerabilities based on defined Service Level Agreements (SLAs), which are established according to the risk level. This includes conducting continuous intrusion tests on sites and applications exposed to the Internet, as well as performing monthly vulnerability scans on the internal network.

Cybersecurity Awareness

Simoldes Plastics has implemented a regular information security awareness program aimed at all employees. This program addresses key topics, including fundamental information security policies and the various risks and threats that everyone faces, utilizing real-world examples such as emails, Internet usage, and phishing attacks.

This initiative emphasizes that information security is a shared responsibility among all staff members. To further enhance the organization's information security maturity and build a more robust and secure environment, simulated phishing attacks are conducted to test and educate personnel on recognizing and responding to potential threats.



5. Social Impact



“Sustainability Report: Social Impact”

Paulo Bastos
HQ Human Resources Manager

Sustainability is an increasingly central theme in organizational management. Its relevance to the company, specifically from a human resources management perspective, can be analyzed from various angles, such as talent attraction and retention, employee engagement and motivation, skills development, organizational culture, and employee well-being.

When it comes to social impact—corporate social responsibility—sustainability is one of the fundamental pillars for responsible company development, which can be highlighted in three key areas:

Job security for local communities: This is a fundamental commitment of our company. We believe that job stability not only improves the quality of life for our employees but also strengthens the local economy. Whenever possible, we adopt practices that foster this commitment: local hiring

(valuing people from local communities, thereby helping to reduce unemployment and stimulate the regional economy), stable work contracts (with fair conditions aligned with market practices, avoiding job insecurity), and support during times of crisis (in economic downturns, we strive to maintain as many jobs as possible by adopting measures such as employee retraining and flexible work schedules).

Investment in Occupational Health and Safety (OHS): The health and safety of our employees are a top priority, which is why we have implemented a robust OHS management system that includes continuous training (we regularly provide training on safety, accident prevention, ergonomics, and handling hazardous materials, among other topics), the provision of personal protective equipment (PPE), periodic internal and external audits (to ensure all safety standards are being properly followed and to identify areas for improvement), and the certification of companies under ISO 45001.

Training and development: Investing in employee training and development is essential for the company’s sustainable growth. In this regard, we develop career plans tailored to the needs and aspirations of our employees, allowing them to grow within the organization. We offer an extensive range of training courses in diverse areas (covering technical skills, leadership, management, personal development, foreign languages, and more), and we encourage employees to invest in their academic and professional training through partnerships with educational institutions and financial assistance with associated costs. Our company is committed to sustainable development and the well-being of our employees and local communities. We believe that long-term success can only be achieved through responsible business practices that promote job security, occupational health and safety, and the continuous development of our employees. These initiatives not only improve employees’ quality of life but also contribute to a more productive and motivating work environment, ultimately leading to better outcomes for the company.

From a social and HR perspective, sustainability is a key component of our business strategy. We will continue to invest in the well-being of our employees and local communities, ensuring that our company grows responsibly and sustainably, while maintaining a commitment to continuously reviewing and improving our practices to make a positive impact on people’s lives and the development of our community.

5.1 Working Conditions

Simoldes Plastics employs a diverse workforce consisting of both permanent and temporary full-time workers. This strategic approach enables us to always maintain fast and efficient production. Simoldes Plastics deeply values social responsibility, understanding that an organization’s success is directly linked to the well-being and safety of its team. For this reason, it adopts a responsible hiring policy, which prioritizes trust and ethics in all interactions. Over the past three years, this philosophy has been realized through a strategy of permanent contractual relationships, benefiting more than 75% of its employees. By offering long-term contracts, Simoldes Plastics promotes not only job stability but also an environment where employees feel valued, secure, and encouraged to contribute to the company’s ongoing growth.

This focus on long-term relationships not only strengthens the bond between the company and its employees but also lays a solid foundation for career development. By investing in the individual and professional growth of its workforce, Simoldes Plastics demonstrates its commitment to creating a qualified, motivated, and loyal team. Moreover, the impact of this policy extends to the local community. The provision of stable jobs contributes to the social, economic, and cultural progress of the regions where Simoldes Plastics operates, fostering a stronger local economy and promoting the development of future generations.



76% of employees are on permanent contracts



On average, 3660 employees have permanent contracts

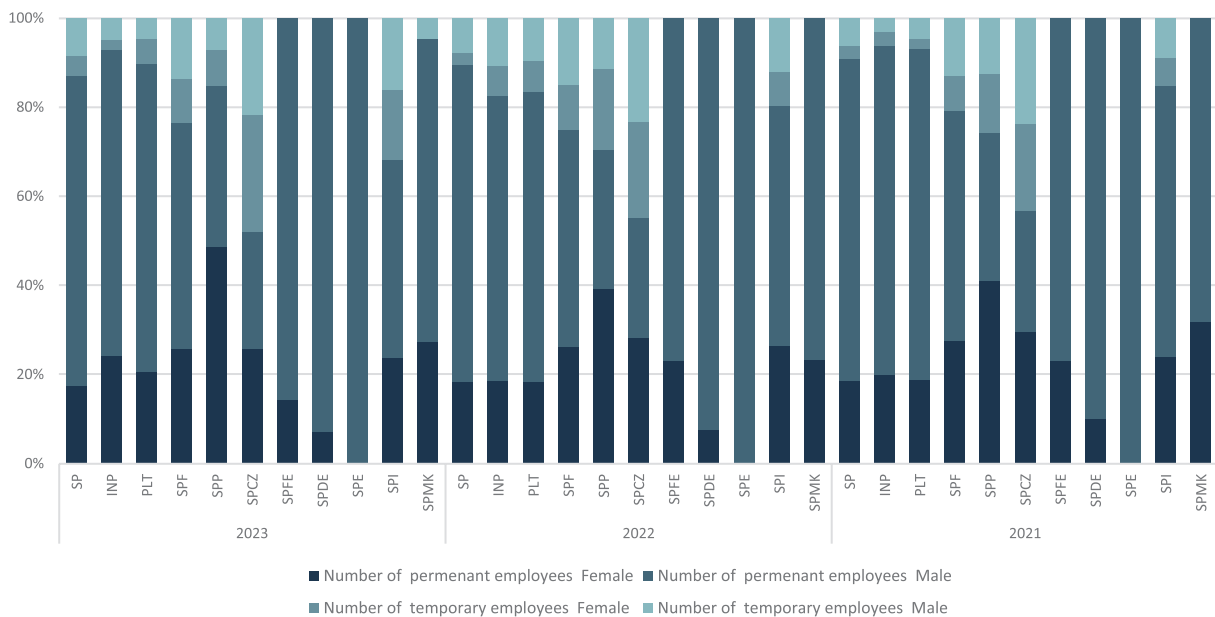
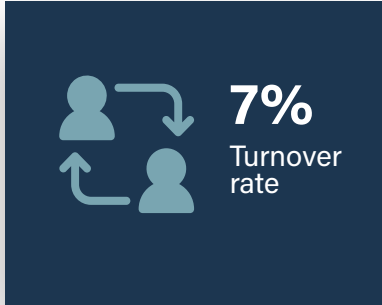


Fig. 12 – Employee distribution, by gender, plant and type of contract (%) in 2021-2023



5.1 Working Conditions



The turnover rate for 2023, standing at 7%, clearly demonstrates the positive results of the efforts made in managing human capital at Simoldes Plastics. This improvement is even more evident when compared to the previous year, when the turnover rate was 12,49%, representing a significant reduction of 44%.

Over the past few years, the turnover rate has generally been higher among male employees. However, in 2023, this gender disparity decreased significantly, indicating more uniform turnover behavior between men and women.

When analyzing turnover by age group, employees between 30 and 50 years old have shown a higher tendency to leave, representing the largest demographic at Simoldes Plastics. However, in specific plants such as Simoldes Plásticos Industria and Simoldes Plásticos Maroc, turnover has been notably higher among employees under 30, highlighting differing dynamics within our various locations.

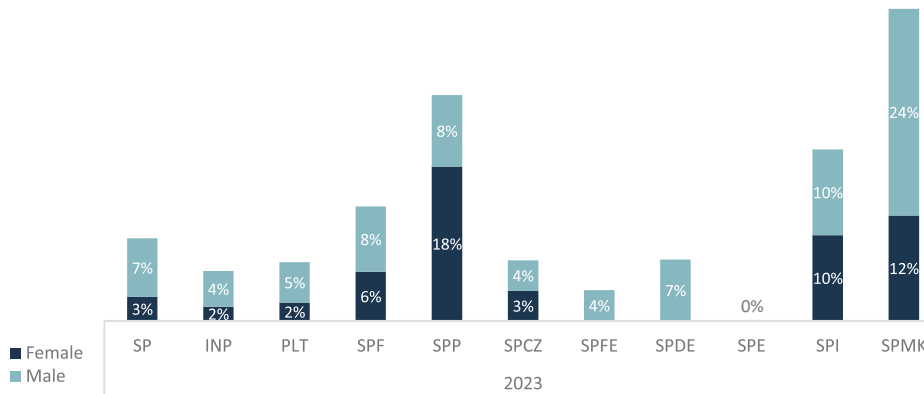


Fig. 13 – Turnover rate by gender (2023)

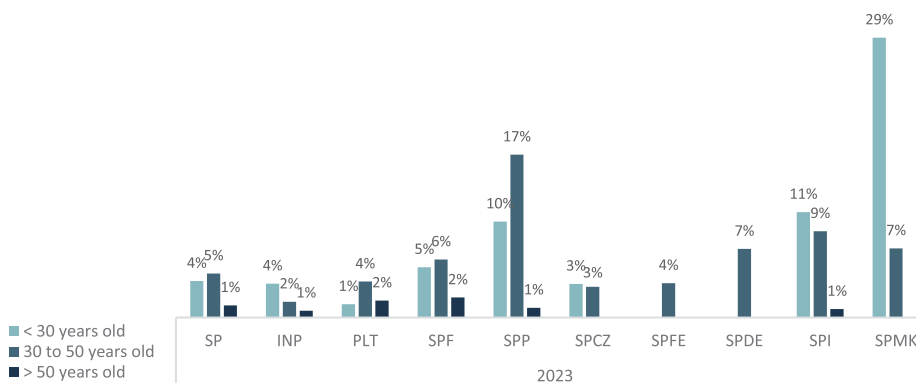


Fig. 14 – Turnover rate by age (2023)

Overall, Simoldes Plastics maintains a low turnover rate, underscoring our commitment to fostering a stable, supportive work environment that emphasizes long-term career growth, engagement, and development opportunities. Through regular assessments and targeted initiatives, we aim to address specific needs across age groups and regional units, reinforcing our focus on employee retention and satisfaction. This approach not only ensures talent retention but also contributes to a cohesive and motivated workforce aligned with our organizational goals.



Simoldes Plastics has distinguished itself in the market not only for the quality of its products but also for its commitment to valuing its employees. In a landscape where competitiveness and talent retention are essential, the company adopts a salary policy that is aligned with the national minimum wage, with some plants, such as those in Portugal and Simoldes Plásticos Industria, offering wages above this threshold.

This approach demonstrates Simoldes Plásticos Industria intention to provide not only a positive work environment, but also fair and attractive remuneration aligned with the needs and expectations of its employees. The company seeks to enhance the quality of life of its workers while also strengthening its commitment to social justice and corporate responsibility.

This salary policy reflects Simoldes Plastics philosophy of investing in human capital, fostering an environment where employees feel valued and motivated to contribute to the organization’s success. By recognizing the effort and dedication of its team through fair compensation, Simoldes Plastics not only increases employee satisfaction and loyalty but also enhances productivity and innovation within the company.

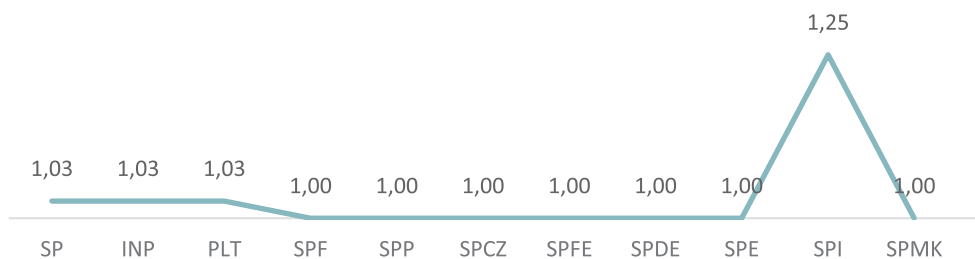


Fig. 15 – Ratio between the minimum wage and Standard entry level wage in 2023

5.1.1 Commitment to Employee Well-Being

Simoldes Plastics believes that providing the best conditions for its employees requires understanding their needs and expectations. To achieve this, the company conducts an annual formal survey at each of its locations, aiming to gauge employee satisfaction. This process is essential to assess whether working conditions meet employee expectations and to identify improvement opportunities that foster an environment supporting both professional and personal growth.

By gaining a real and detailed view of internal satisfaction, Simoldes Plastics implements targeted actions to create a positive and motivating workplace. We value an organizational culture based on transparency and open dialogue, where each employee feels respected and engaged in our collective success. This ongoing commitment to the satisfaction and well-being of our team allows Simoldes Plastics to stand as a benchmark of excellence, both for its employees and in the market.



5.1.2 Occupational Health and Safety

Simoldes Plastics is aware of its responsibility to promote and prioritize a safe working environment for all its stakeholders who frequent the factories: employees, clients, service providers, and visitors.

Our approach to this issue is proactive, aimed at continuous improvement to prevent workplace accidents and, above all, promote the well-being of all employees. We express this approach in our Code of Ethics and Conduct, as well as in the Welcome Manual provided to all employees during onboarding.

In the Welcome Manual, we describe the standard OHS practices, the mandatory use of Personal Protective Equipment (PPE), protocols for responding to workplace accidents, the interpretation of safety signals, and procedures for handling emergency situations.



**Employee
Welcome
& Integration
Manual**





In 2022, Simoldes Plastics reached an important milestone by obtaining certification for ISO 45001 – Occupational Health and Safety Management System and continued to maintain it in 2023. The certification reinforces our ongoing commitment to employee well-being. Through rigorous processes, we work tirelessly to prevent injuries, illnesses, and workplace accidents, ensuring a safe and secure environment for everyone. As illustrated in the table below, even before certification, Simoldes Plastics had already implemented various practices in its plants, demonstrating its commitment to safety prior to the formalization of this certification. The application of the processes described below depends on the type of each unit. For instance, SPFE and SPDE, being office locations, do not apply any of the processes, whereas in the remaining units, there is an observable progression in the implementation of these processes over the years.

	Year	SP	INP	PLT	SPF	SPP	SPCZ	SPFE	SPDE	SPE	SPI	SPMK
Audits of working conditions	2021											
	2022											
	2023	█	█	█	█	█	█			█	█	█
Risk assessment of the workstation (for each workstation)	2021											
	2022											
	2023	█	█	█	█	█	█			█	█	
Regular analysis of the quality of the work environment (studies of luminance, air quality, thermal comfort, noise...)	2021											
	2022											
	2023	█	█	█	█	█	█		█	█	█	
Legal compliance audits	2021											
	2022											
	2023	█	█	█	█	█	█				█	
Consultation and participation of workers	2021											
	2022											
	2023	█	█	█	█	█	█			█	█	█
ATEX zone risk assessment	2021											
	2022											
	2023	█	█	█	█	█	█					
Action plans - PDCA	2021											
	2022											
	2023	█	█	█	█	█	█			█	█	

Fig. 16 – Occupational health services functions that contribute to the identification and elimination of hazards and minimization of risks



The responsibility for ensuring the quality of the processes identified rests with a skilled and dedicated team of professionals. This team comprises:



10 Certified external consultants with expertise in their respective fields



10 Employees who undergone specialized occupational health and safety training



09 Trained intervention teams, well-prepared to handle any potential hazards



11 HR teams, who play a vital role in maintaining a safe and healthy work environment



09 Certified OSH technicians, ensuring a high level of proficiency in occupational health and safety practices



09 Certified service providers, whose knowledge contribute to enhance process quality

The number of individuals responsible for overseeing OHS processes reflects the data from 2023. To ensure the effective management of Occupational Health and Safety (OHS) across Simoldes Plastics, we have established a range of essential functions that are consistently applied in all SP plants.

Work Related Accidents

0 work-related accidents 2030

Simoldes Plastics is on a transformative journey, setting an objective to achieve zero work-related accidents by the year 2030. This mission comes from our unwavering commitment to the safety, health, and well-being of our employees.

To achieve this goal, we have intensified our efforts to strengthen safety protocols and foster a culture of vigilance at all levels of our organization, as well as within our team. Compared to 2022, we have added one more member to the certified external consultants and certified service providers. Employees are continuously trained and encouraged to recognize potential hazards, report incidents, and actively participate in enhancing safety measures.

As part of our OHS strategy, we are rolling out a series of proactive initiatives aimed at reducing risks and preventing accidents. At the heart of our approach are regular safety assessments, comprehensive audits, and data-driven analysis. This focus on data allows us to identify patterns, respond quickly, and continuously improve our safety practices.

We strongly believe that cultivating a culture of safety and integrating it into the fabric of our organization will not only help us reach our zero-accidents target but also drive long-term success. Our journey to 2030 is about more than just meeting a numerical goal; it's about building a workplace where every employee feels safe, valued, and inspired to give their best.

Simoldes Plastics has demonstrated a continuous commitment to workplace safety, and its efforts have yielded positive results. In 2023, the company recorded a total of 162 workplace accidents, which is a positive sign since none of these accidents resulted in fatalities. This outcome reflects the effectiveness of the measures implemented to ensure the safety of employees.

The chart below presents only the manufacturing units, as no workplace accidents were recorded in the administrative areas. A higher incidence of accidents was observed in the Simoldes Plásticos Industria. On the other hand, the Simoldes Plásticos Maroc and Simoldes Plásticos Polska units showed a significant reduction in the number of accidents, highlighting the effectiveness of the safety practices adopted in those locations. Simoldes Plastics continues to work towards creating an increasingly safe and protected work environment for all its employees.

OHS Employee consultation & Training

We have implemented clear processes to ensure active worker participation and meaningful consultation. Our approach focuses on fostering open communication and collaboration, aiming to leverage the valuable insights and perspectives of our employees. This communication covers matters related to Occupational Health and Safety (OHS) through various channels, including established procedures, information boards, the intranet, meetings, email correspondence, and a regularly issued newsletter called 'INFO OHS'.

In terms of training and capacity building, we are committed to providing our employees with the necessary knowledge on OHS, including:

162

Number of occupational accidents

↓ 6%

Reduction in the number of accidents

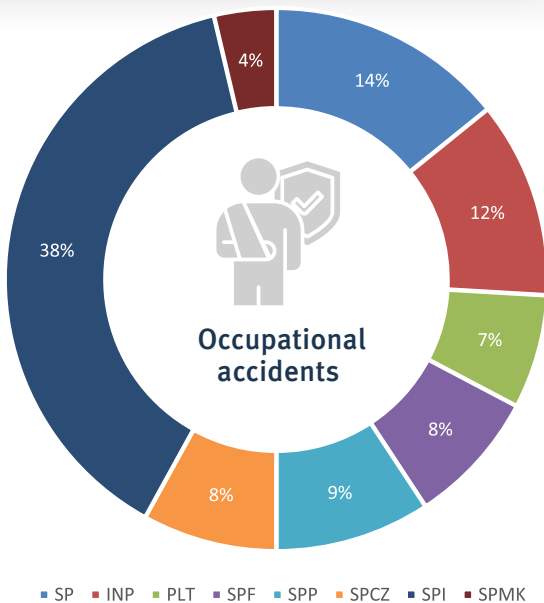


Fig. 17 – Percentage of occupational accidents by plants in 2023



Annual Identification of Training Needs

Annually, we conduct the Identification of Training Needs to ensure that employees develop the necessary skills related to OHS.



Induction Training on Occupational Health and Safety

Provided to all newly hired employees, ensuring a solid foundation of OHS understanding.



OHS Training for Job Performance

Equipping employees with the necessary OHS knowledge pertinent to their specific roles.



Over 25k OHS Training

Simoldes Plásticos places a high priority on Occupational Health and Safety (OHS) training, continually offering development opportunities for its employees. Whenever possible, the company creates conditions to enable everyone to participate in essential training sessions, fostering skill development and ensuring a safer work environment.

The number of training hours is particularly high at Simoldes Plásticos and Simoldes Plásticos Industria plants, highlighting the commitment and investment in these locations.

Over the last period, Simoldes Plásticos has achieved a total of 25 599 training hours, a significant figure that reflects its dedication to employee growth and safety.

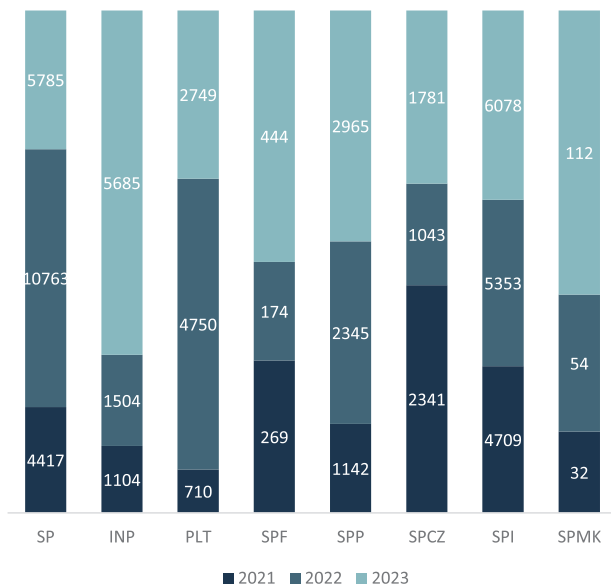


Fig. 18 – OHS training hours by plants in 2021-2023



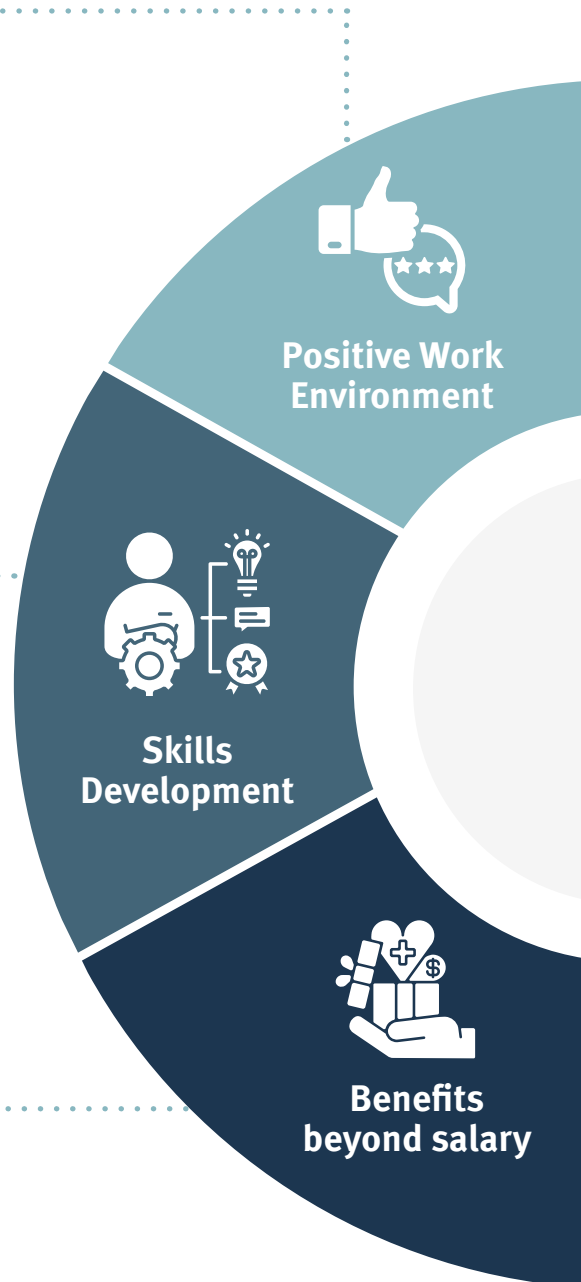
5.2 Work-Life Balance

Simoldes Plastics recognizes the importance of investing in its employees to ensure they feel motivated, engaged, and capable of maintaining a healthy balance between their professional, personal, and family lives. The company bases its talent retention and engagement strategies on three central pillars:

Simoldes Plastics believes in and works towards the motto “together we do better,” which strengthens our corporate culture. We understand that corporate culture must also be nurtured, so we organize a variety of activities that create unforgettable moments for everyone.

We develop continuous training plans to enhance the technical skills relevant to each employee’s role, thereby improving working conditions. We encourage the learning of new skills that enrich both personal and professional aspects.

Simoldes Plastics offers a wide range of benefits for its employees, reflecting its commitment to the well-being and satisfaction of its team. Among these benefits are partnerships and external protocols for sports activities and welfare services, as well as a comprehensive health package that includes health insurance, an on-site medical post with nursing services and curative medicine, and a dental plan. For employees whose roles allow it, the company provides teleworking days, promoting a healthy work-life balance. We also recognize exceptional performance through the “Employee of the Month” award, and we offer a wedding cheque to celebrate special moments. Additionally, our suggestion program encourages active participation from employees in the development of improvements, reinforcing a culture of engagement and appreciation. All these benefits are part of what we call “emotional compensation,” which complements traditional remuneration. The organizational culture at Simoldes Plastics is deeply aligned with the professional aspirations of employees, providing real opportunities for growth and career development in a work environment that values individuals and encourages their continuous progress.





5.3 Diversity



4496 employees



64% Male employees



57% - 30 to 50 years old

Simoldes proudly stands out as one of the largest employers in Oliveira de Azeméis, near our headquarters, since 1959. Our employees are the driving force behind our industry, ensuring that the safety and well-being of everyone remain an unwavering commitment at Simoldes Plásticos. Our goal as an organization goes beyond mere numerical representation, encompassing the promotion of an environment where every individual, regardless of gender, finds equitable opportunities to contribute and thrive. We remain steadfast in the pursuit of an organizational environment that exemplifies unity.

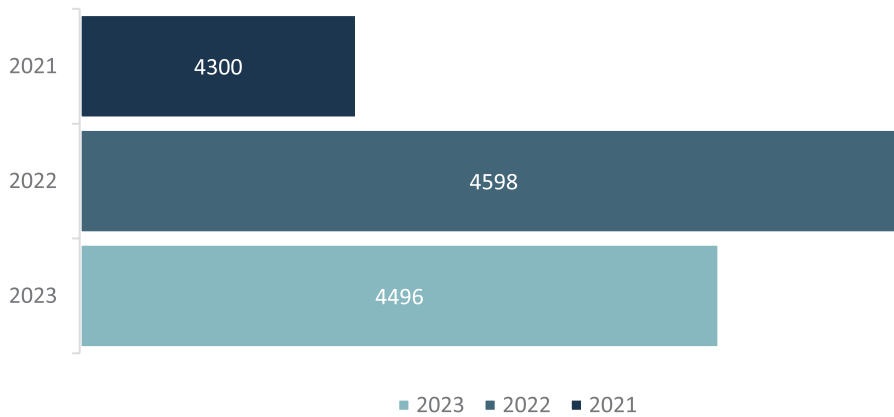


Fig. 19 – Number of employees between 2021 and 2023

The role of Simoldes as a prominent local employer underscores our responsibility to promote not only operational excellence but also social progress. Over the past three years, considering the company’s sector, there has been a higher proportion of men, exceeding 60%. However, this proportion has been decreasing; compared to 2021, there was a reduction of 7%. In almost all our plants, men are predominant, except in the plants in Poland and the Czech Republic, where the gender distribution is more balanced.



5.3 Diversity

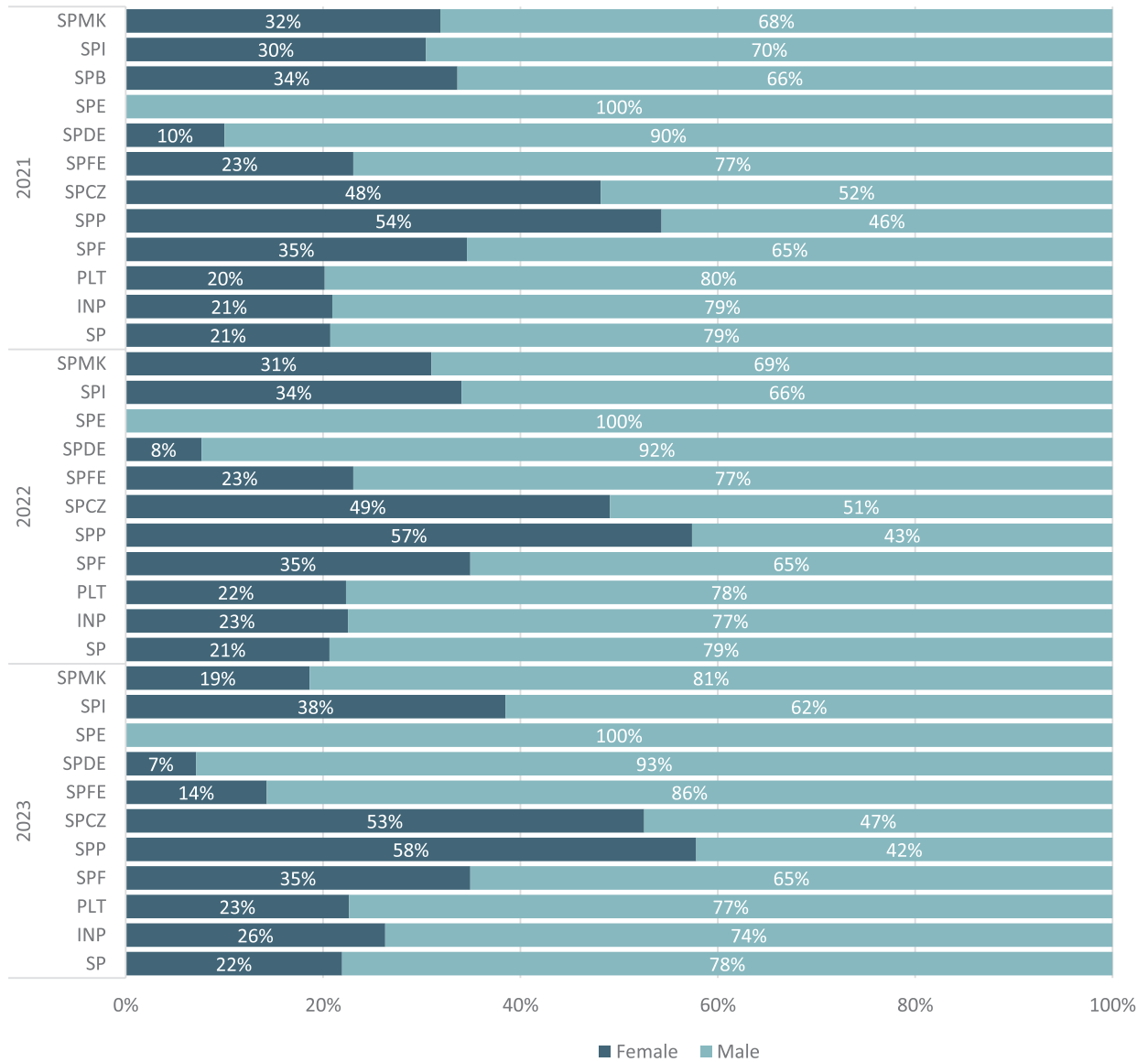


Fig. 20 – Employee distribution, by gender, plant between 2021 and 2023





5.3 Diversity

Our company is committed to promoting diversity within its teams, recognizing that the combination of different age groups and experiences is fundamental to our growth and innovation. We believe that including younger employees, who bring a willingness to learn and new perspectives, is just as important as having more senior professionals who possess extensive experience, responsibility, and deep knowledge in their field.

Currently, our workforce is predominantly composed of employees between the ages of 30 and 50, representing a wealth of experiences and skills. However, we are aware of the importance of balancing this age structure to ensure a knowledge exchange between generations. This diversity of ages and experiences not only enriches the work environment but also contributes to creating more creative and effective solutions, helping us achieve our strategic goals.

We are dedicated to implementing practices that encourage intergenerational collaboration and continuous learning because we believe that a diverse team is a stronger team, capable of facing future challenges.

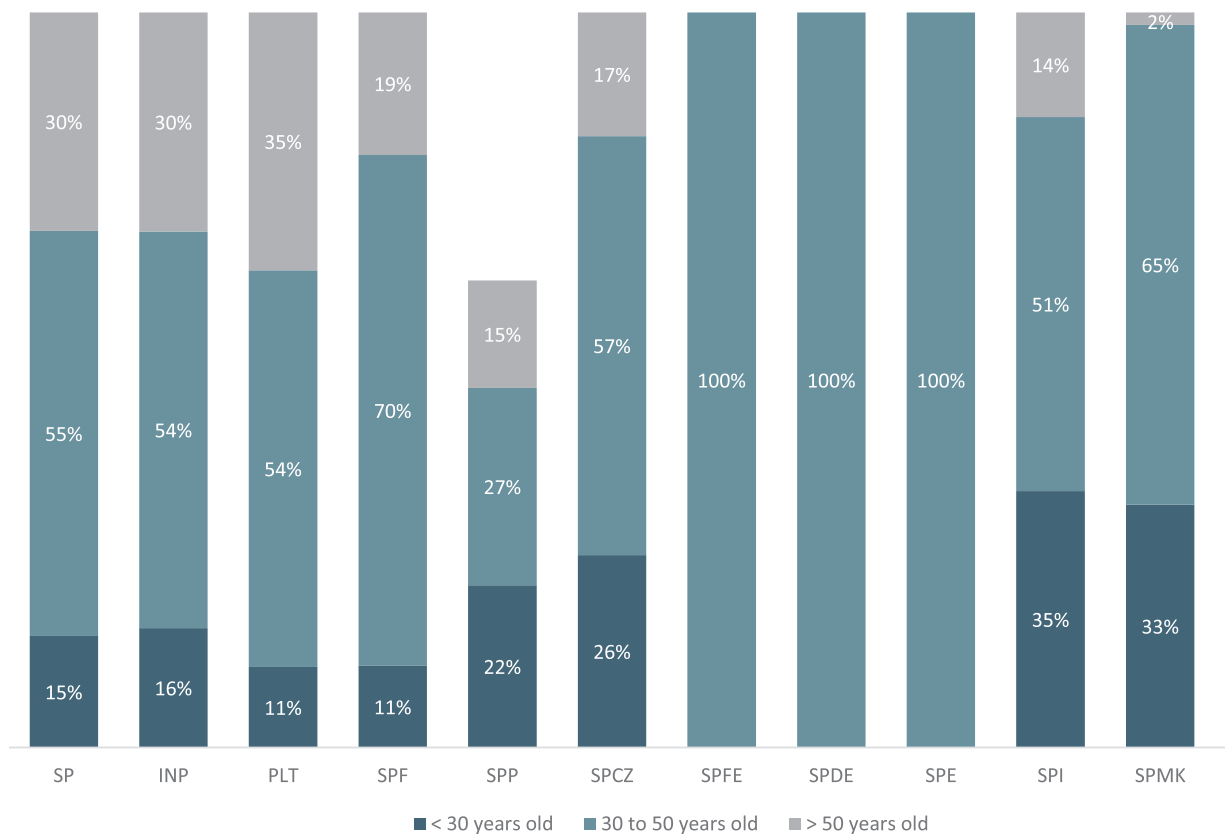


Fig. 21 – Employee distribution, by age and plant in 2023

5.4 Talent Training and Development



Over 145 k hours of training

Talent training is a testament to our commitment to providing exceptional service to our clients. This way, we can better ensure compliance with industry regulations and standards, as these are also seamlessly integrated into our training initiatives, ensuring a strong foundation of ethical practices and risk management. Our commitment to talent training not only strengthens our competitive advantage but also elevates our company’s reputation as an innovative leader in the industry.

Throughout 2023, we witnessed a remarkable upward trend in the total number of training hours, with an impressive increase of 60% compared to the previous year, totaling 147 993 hours of training. Furthermore, the average training hours per employee nearly doubled, reflecting our continuous efforts to nurture and develop our workforce. As shown in the figure, the number of training hours for male employees is higher than that for female employees, due to the number of male employees.

As we focus on diversity and inclusion, we recognize the importance of bridging this gap and ensuring equal opportunities for all employees to benefit from our comprehensive talent training initiatives.

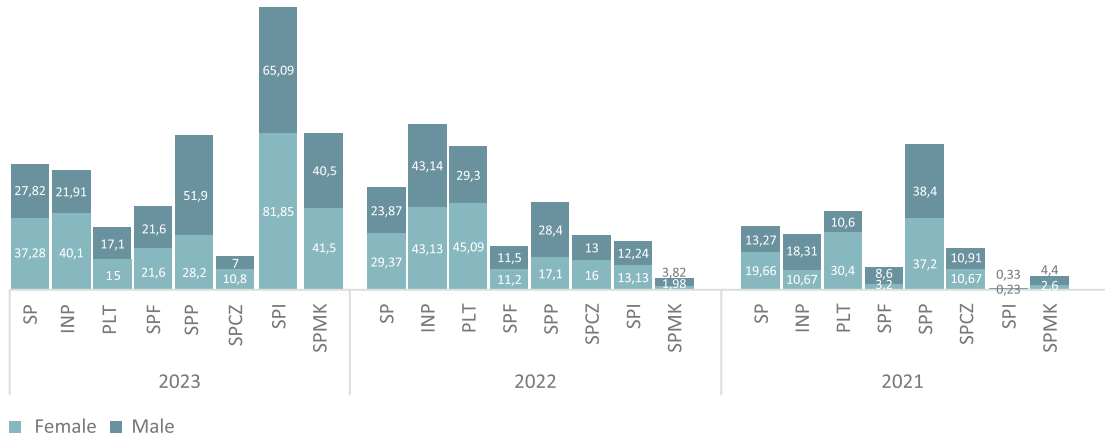


Fig. 22 – Average Hours of Training per employee

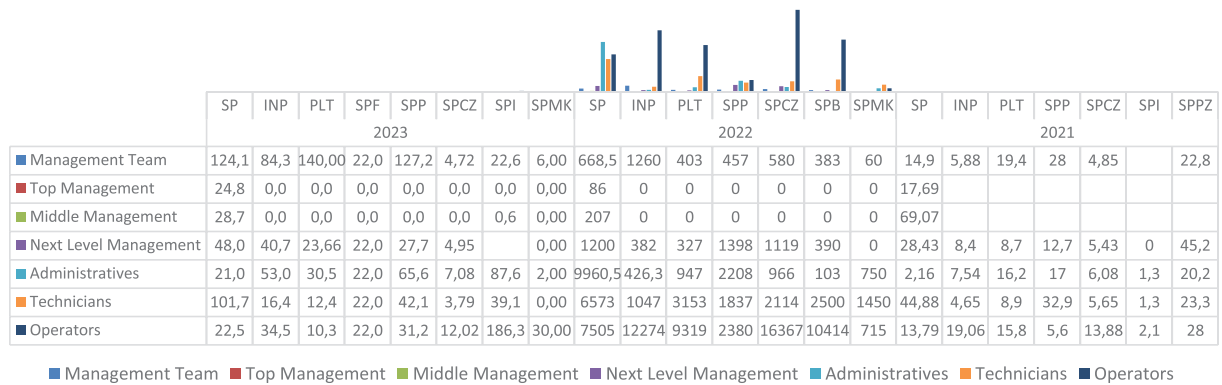


Fig. 23 – Total number hours of training at Simoldes Plastics per year, per plant, per professional category



5.4.1 Career and Development Plans

Our Career and Development Plans, spearheaded by the Human Resources department, are designed to identify and cultivate Key and Potential Employees. These initiatives focus on providing tailored development opportunities that enable our workforce to excel in their current roles while fostering their professional growth. We have established turnover and rotation processes to encourage employees to acquire new skills and knowledge, thereby enhancing internal employability and facilitating succession planning for critical positions. With a strong emphasis on internal recruitment, we prioritize filling roles from within the organization, which helps to build loyalty and commitment among our employees.

Over 98% of our workforce engages in regular performance and career development reviews, promoting open communication and ensuring that individual career aspirations align with the organization's objectives.

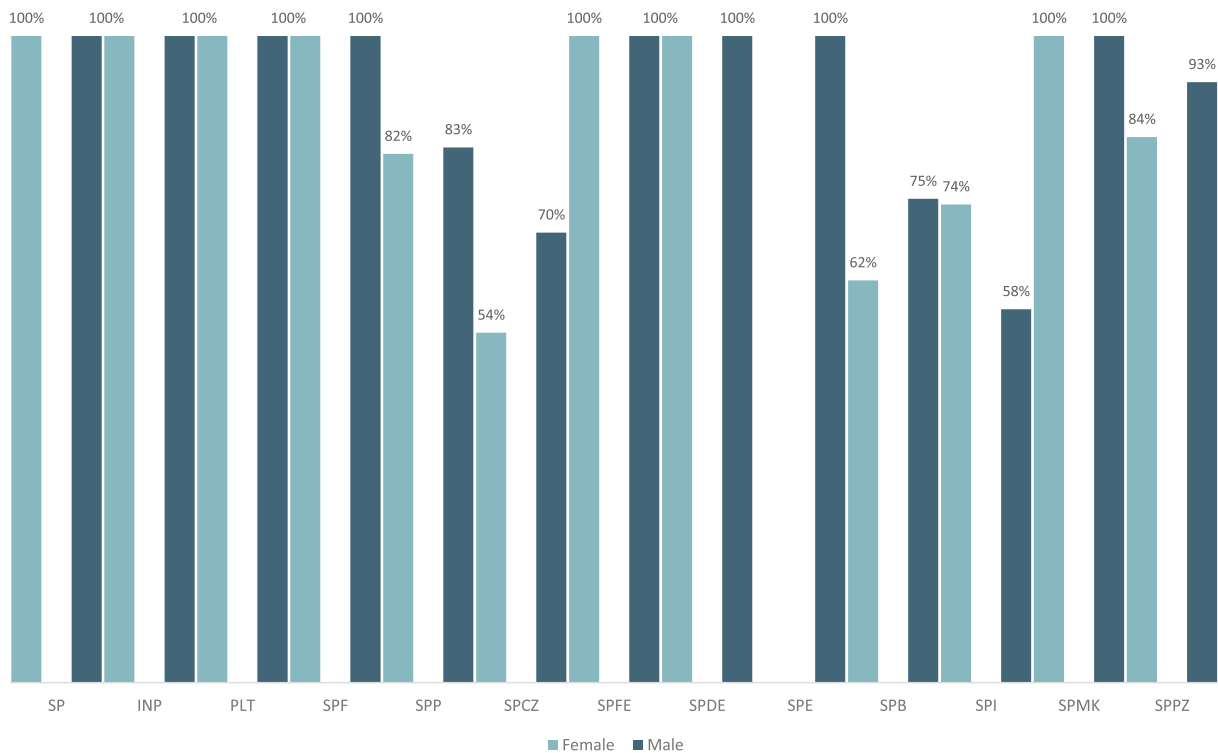


Fig. 24 – Percentage (%) of employees receiving regular performance and career development reviews, by gender in 2023



6. Environmental Impact



“In 2024, we will complete the first cycle of equipment renewal (...) to improve our efficiency.”

António Couto
HQ Operations Manager



The calculation of GHG emissions faces several operational challenges, with accurate data collection being one of the main ones. To address this, having a clear method for all stakeholders is essential, as well as providing them with adequate training. The complexity increases whenever third-party entities are involved or there is a dependency on supplier information.

Within Scope 1, the steps already taken for sector-specific data collection on energy, water, and waste consumption have contributed to making this information available. This capability must be ensured across all units, not only to meet calculation needs but also to identify improvement opportunities that allow for continued reduction in greenhouse gas emissions.

Since electricity is the most significant factor in emissions that we aim to reduce, several measures have been implemented according to the strategic plan of different areas. Starting with energy sources, a decision was made this year to purchase 100% green energy, a plan that will unfold until all European units are covered. In the same vein, a significant investment was made in self-consumption, complementing the previous measure.

Having addressed the energy source aspect, we now turn to how it is used, aiming to improve specific consumption. The most impactful plan in terms of investment and results is the one related

to injection machines. In 2024, we will complete the first cycle of equipment renewal, and in 2025, we will initiate another 4-year plan to continue improving our efficiency.

These plans involve substantial investments, so their implementation must be gradual. However, we are firmly convinced that the momentum created will allow what was an effort when we started the plan four years ago to now be seen as an inevitability. In addition to this plan, measures ranging from technical support areas for injection to industrial and administrative lighting, with more efficient and intelligent equipment, have been developed. But as every aspect of the process must be analyzed, an injection parameter optimization project was launched, focusing not only on performance in traditional indicators (OEE) but also on understanding how we can meet these requirements with the lowest possible consumption.

Finally, the integrated and digital control of processes and their variables is undergoing remarkable evolution because, after investing, it is critical to ensure their profitability.

This entire dynamic is now consolidated within the group and recognized by stakeholders as fundamental work to ensure our sustainability, particularly through the reduction of greenhouse gas emissions.

6.1 Energy Management

Simoldes Plastics recognizes that energy is an essential element for the continuity and efficiency of its production, which fully depends on this resource. The company’s energy consumption is directly linked to production levels, with increases or decreases in energy demand reflecting sales levels.

Currently, the energy consumed includes electricity and a minimal amount of diesel, the latter being of insignificant relevance. In pursuit of more sustainable operations, Simoldes Plastics began implementing solar panels in 2022, with an expansion in 2023. However, the company’s production has such a high demand that it is impossible to rely exclusively on solar energy. It is important to note that the electricity consumption in the offices is not included in the data presented.

Balancing sustainability with energy consumption continues to be one of the main challenges faced by Simoldes Plastics.

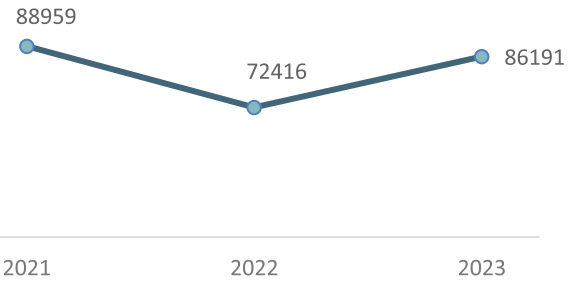


Fig. 25 – Simoldes Plastics total energy consumption (MWh).

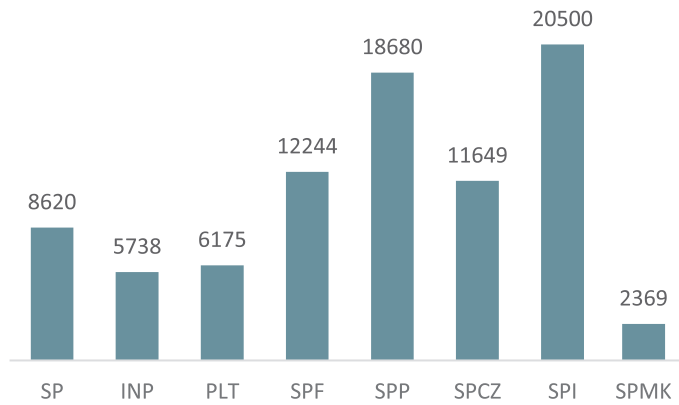


Fig. 26 – Simoldes Plastics electricity consumption, in 2023 (MWh).

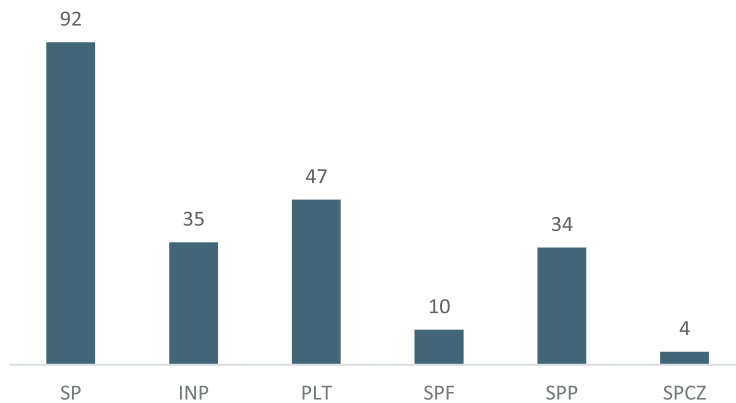


Fig. 27 – Simoldes Plastics diesel consumption, in 2023 (MWh).



6.2 Climate Change

14122
Ton CO₂e
2023

In 2022, the plants in Portugal took a decisive step toward sustainability by initiating an inventory of greenhouse gas emissions. In this process, 8 896 tons of CO₂e were accounted for at the Simoldes Plásticos, Inplas, and Plastaze facilities, covering scopes 1 and 2.

In 2023, the plants in Poland joined this initiative, recording 10 162 tons of CO₂e, demonstrating a growing commitment to emissions reduction.

Currently, the Simoldes Plásticos France and Simoldes Plásticos Industria plants are also beginning the emissions accounting project, thus expanding the scope of the company’s sustainable actions. Additionally, the plants in Morocco and the Czech Republic are scheduled to account for their emissions from scopes 1 and 2 by 2025, reinforcing the global effort to monitor and reduce carbon footprints.

Regarding scope 3, the plants in Portugal conducted a detailed study to identify the most impactful emissions categories. The results revealed that categories 1, 2, 4, 5, 6, 7, and 9 are the most significant. Based on this, the plants have moved forward with emissions accounting in categories 1, 2, 5, 6, and 7, while the other categories are in development.

The remaining plants aim to complete their scope 3 emissions accounting within the next two years, reflecting a strong collective commitment toward a more sustainable and responsible future.

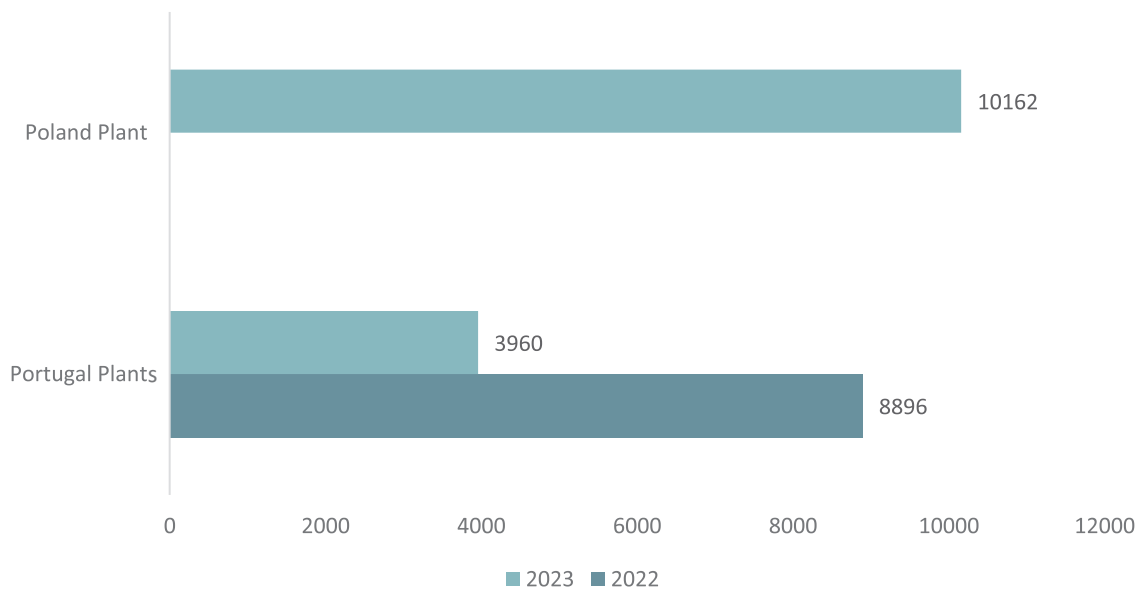


Fig. 28 – CO₂e Emission in Portugal and Poland in 2022-2023

6.3 Water Management

Although water is not a critical resource for the production process at Simoldes Plastics, the company remains committed to conscious consumption and water efficiency across all its global operations. Our water usage is typically low, but we understand the importance of minimizing our environmental footprint, particularly in regions where the risk of water scarcity is significant. Notable examples include the Czech Republic and France, where the risk of scarcity is high and very high, respectively. On the other hand, only in Poland is the risk considered low.

In 2023, we recorded a substantial increase in water consumption due to a leak at the Simoldes Plastics Industria plant, which was promptly addressed as soon as it was detected. Apart from this exceptional case, water consumption levels at other plants remained stable and within typical parameters.

This commitment reflects our proactive approach and continuous pursuit of sustainable practices that ensure the responsible use of water resources and environmental preservation in the regions where we operate.

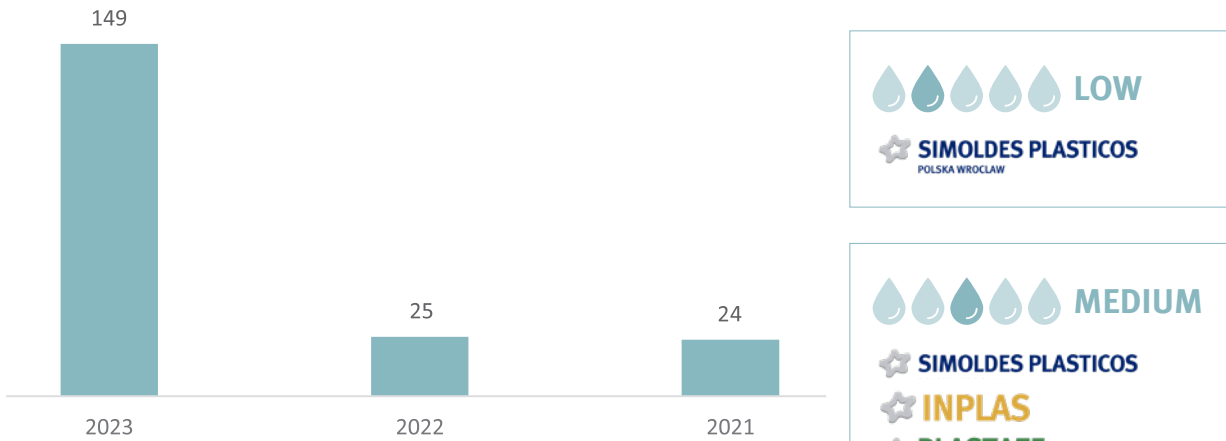


Fig. 29 – Total Water Withdrawal (Megalitres) at Simoldes Plastics since 2021

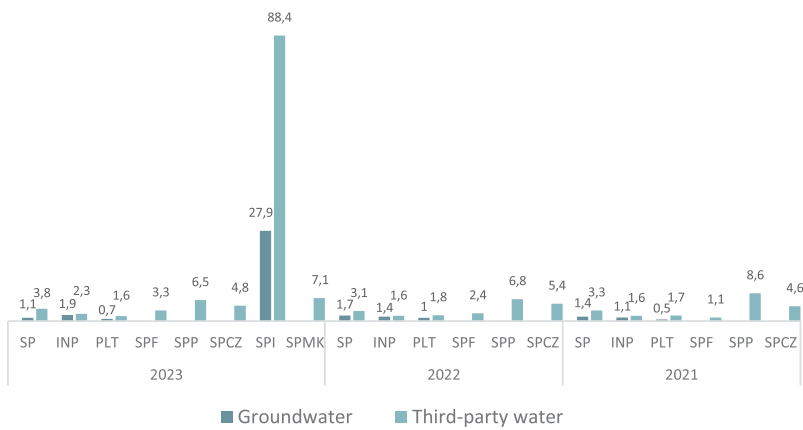


Fig. 30 – Water Withdrawer Megalitres, groundwater, third-party water, surface water per pant in 2021-2023

LOW

SIMOLDES PLASTICOS
POLSKA WROCLAW

MEDIUM

SIMOLDES PLASTICOS
INPLAS
PLASTAZE
SIMOLDES PLASTICOS
INDUSTRIA
SIMOLDES PLASTICOS
MAROC KENTRA

HIGH

SIMOLDES PLASTICOS
CZECH

VERY HIGH

SIMOLDES PLASTICOS
FRANCE



6.4 Circular Economy and Waste Management

We are fully committed to the ISO 14001 standard and effective environmental management, with a strong focus on waste management and reduction. Our belief in the responsibility to minimize the environmental impact of our operations guides all our efforts in this regard. We have implemented rigorous measures to reduce the amount of waste generated and to optimize our processes with the goal of contributing to a more sustainable future.

However, it is important to recognize that, despite our firm commitment to waste reduction, the process is intrinsically linked to production levels. In 2023, with the significant increase in production to meet growing demand, it was not possible to maintain the same pace of waste reduction that we had achieved in previous years. This reality reflects the balance we seek between expanding our operations and adopting environmentally responsible practices. Nevertheless, we have observed a reduction in non-hazardous waste in almost all our plants.

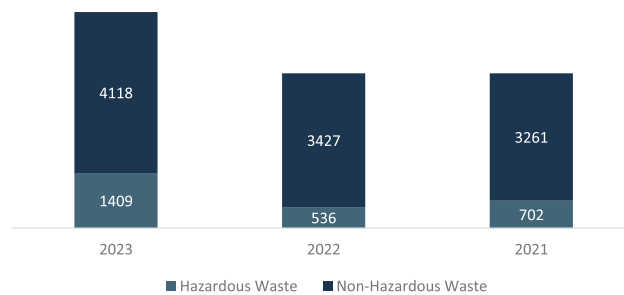


Fig. 31 – Total hazardous and non-hazardous waste generated (Tons) since 2021 at Simoldes Plásticos

We continue to work on identifying new opportunities that allow us to minimize our environmental impact, reinforcing our commitment to sustainability and the continuous improvement of our processes. We are determined to get back on track with our waste reduction goals as we adjust our strategies to face future challenges. We aim to invest more in the Circular Economy and in the use of by-products, though we recognize that this heavily depends on customer demands, and it has not always been possible to adopt these types of measures.

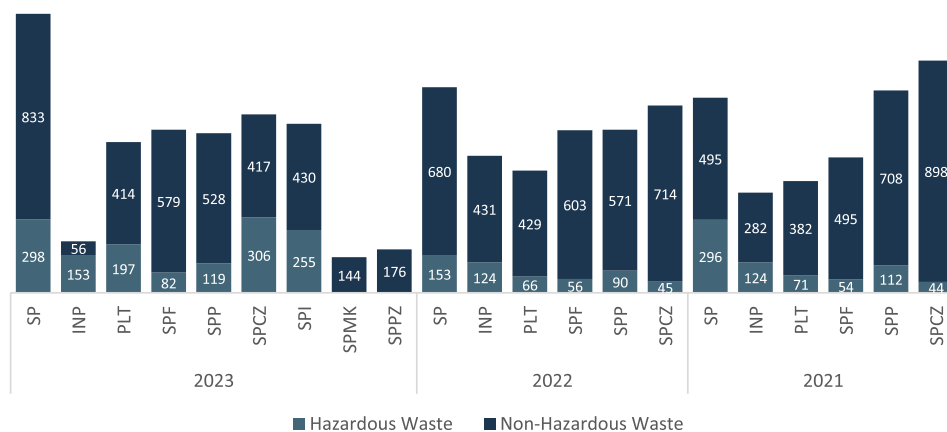


Fig. 32 – Total Waste Generated (Tons), per plant and year

79%
of waste diverted from disposal goes to recycling

71%
of waste generated is Reuse or Recycled

On average, there was a **40%** decrease in incinerated waste compared to 2022

In recent years, significant progress has been made in waste management practices, highlighting a growing commitment to sustainability. A remarkable 79% of waste diverted from disposal is now being directed toward recycling efforts. This shift not only reduces the amount of waste ending up in landfills but also emphasizes the importance of recycling in conserving resources and minimizing environmental impact. Furthermore, statistics reveal that 71% of the waste generated is either reused or recycled, showcasing a proactive approach to waste reduction. This trend indicates a positive cultural shift towards valuing materials and encouraging responsible consumption. Additionally, it's noteworthy that there has been an average decrease of 40% in incinerated waste compared to 2022. This decline reflects a broader effort to prioritize more sustainable waste management solutions over incineration, which can have detrimental environmental effects. Overall, these developments signal a significant step forward in the journey toward a circular economy, where waste is minimized, materials are reused,

and environmental sustainability is at the forefront of our collective efforts.

The legislation applicable in the identified countries mandates that Simoldes Plastics and its production units establish a comprehensive contract with the third party responsible for waste management. This contract clearly outlines the responsibilities and obligations required to comply with both contractual and legislative standards. Proper due diligence is essential to verify that the third party possesses the necessary capacity, certifications, and licenses as stipulated by regulations. The external entity responsible for waste management must meticulously document all essential details regarding waste disposal, including the destination, quantities, disposal methods, and recycling efforts. Our commitment to transparency and regulatory compliance ensures that waste is managed efficiently and sustainably, aligning with our overarching sustainability objectives and environmental responsibilities.

			2021							2022							2023								
			SP	INP	PLT	SPF	SPP	SPCZ	Total	SP	INP	PLT	SPF	SPP	SPCZ	Total	SP	INP	PLT	SPF	SPP	SPCZ	SPI	SPMK	Total
Total weight of waste diverted from disposal	Reused	Hazardous waste diverted from disposal	3,1	N.A	N.A	N.A	N.A	N.A	3,1	N.A	0,9	0,4	N.A	N.A	N.A	1,3	104,2	61,2	79,3	0,0	0,0	0,0	0,0	0,0	244,7
	Recycling		N.A	N.A	N.A	21,1	N.A	41,1	62,2	N.A	N.A	N.A	18,4	N.A	44,3	62,7	0,0	54,4	54,4	37,9	0,0	56,3	564,0	0,0	767,0
	Reused	Non-hazardous waste diverted from disposal	286,6	137,2	248,0	92,0	N.A	N.A	763,9	206,4	108,6	121,7	112,9	N.A	N.A	549,6	247,4	119,2	113,3	121,3	0,0	0,0	26,0	0,0	627,1
	Recycling		0,6	67,2	N.A	N.A	589,4	295,6	1356,1	312,5	213,8	159,8	490,0	478,2	233,0	1887,3	283,0	396,6	242,6	297,0	440,1	213,5	503,0	144,0	2519,8
	Total		290,3	204,5	248,0	516,5	589,4	336,7	2185,2	518,9	323,3	281,9	621,3	478,2	277,3	2500,9	634,6	631,3	489,6	456,2	440,1	269,8	1093,0	144,0	4158,6
Total weight of waste diverted from disposal	Incineration	Hazardous waste diverted from disposal	N.A	N.A	N.A	N.A	N.A	33,8	33,8	N.A	N.A	N.A	N.A	N.A	29,1	29,1	0,0	0,0	0,0	15,4	0,0	0,0	0,0	0,0	35,4
	Landfill		N.A	N.A	N.A	28,3	N.A	3,3	31,6	N.A	N.A	N.A	13,4	N.A	1,1	14,5	0,0	0,0	0,0	0,0	90,0	250,0	0,0	0,0	340,0
	On-site Storage		59,2	78,3	37,5	N.A	N.A	N.A	175,1	71,4	75,6	41,4	N.A	N.A	N.A	188,5	152,2	36,8	62,8	0,0	0,0	0,0	0,0	0,0	251,7
	Other		233,8	45,9	33,0	N.A	83,8	N.A	396,4	81,4	47,8	24,6	N.A	76,9	N.A	230,7	22,9	0,0	0,0	0,0	83,8	0,0	0,0	0,0	106,7
	Incineration	Non-hazardous waste diverted from disposal	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	0,0	0,0	0,0	161,0	0,0	0,0	0,0	0,0	161,0
	Landfill		N.A	N.A	N.A	122,7	N.A	602,8	725,5	N.A	N.A	N.A	93,2	N.A	480,6	573,7	0,0	0,0	0,0	0,0	11,0	204,0	168,0	0,0	383,0
	On-site Storage		207,8	77,7	134,1	N.A	N.A	N.A	419,6	160,6	109,0	147,1	N.A	N.A	N.A	416,7	201,8	77,7	57,7	0,0	0,0	0,0	0,0	0,0	337,1
	Other		N.A	N.A	N.A	N.A	589,4	295,6	0,0	N.A	0,003	N.A	N.A	N.A	N.A	0,0	101,0	2,9	0,0	0,0	0,0	0,0	0,0	0,0	103,9
Total		233,8	45,9	33,0	151,0	83,8	640,0	1187,3	81,4	47,8	24,6	106,6	76,9	510,7	848,0	477,8	117,4	120,5	176,4	184,8	454,0	168,0	0,0	1698,9	

Fig. 33 – Total weight of waste diverted and directed to disposal, per year and per plant

7. GRI Index

“As we conclude this sustainability report, we are reminded of our unwavering dedication to our sustainability motto: ‘Towards a Sustainable Future.’ This guiding principle has been the compass steering our efforts throughout this reporting period. It encapsulates our commitment to forging a path that harmonizes environmental stewardship, social responsibility, and economic vitality. Looking ahead, we remain resolute in our pursuit of innovative solutions, responsible practices, and meaningful collaborations. Our journey towards a sustainable future is not only a corporate aspiration but a shared responsibility we undertake alongside our stakeholders, driving positive impact and enduring change.”



GRI Index

Statement of use	Simoldes Plastics has reported the information cited in this GRI content index for the period of 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No GRI SECTOR STANDARD applicable

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	ODS
General Disclosure			
GRI 2 - General Disclosure 2021	2-1 Organizational Details	Simoldes Plastics	N.A.
	2-2 Entities included in the organization's sustainability report	About this Sustainability Report	N.A.
	2-3 Reporting period, frequency and contact point	About this Sustainability Report	N.A.
	2-6 Activities, value chain and other business relationships	Portfolio	N.A.
	2-7 Employees	Social Impact	N.A.
	2-9 Governance structure and composition	Diversity in the Management Team	N.A.
	2-27 Compliance with laws and regulations	Business conduct	N.A.
	2-28 Membership associations	Certifications & Sustainability Standards	N.A.
	2-29 Approach to stakeholder engagement	Stakeholder Mapping	N.A.
	2-30 Collective bargaining	Bargaining Agreements	N.A.
Material Topic			
GRI 3 - Material Topics 2021	GRI 3 - Material Topics 2021	Materiality Disclosure	N.A.
	3-2 List of Material Topics	Materiality Disclosure	N.A.
GRI 201 - Economic Performance 2016	201-1 Direct Economic Value Generated and Distributed	Economic Performance	N.A.
Supply Chain Management			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Value Chain	N.A.
GRI 2 - General Disclosure 2021	2-6 Activities, value chain and other business relationships	Value Chain	N.A.
GRI 204 - Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Value Chain	N.A.
GRI 3 - Material Topics 2021	3-3 Management of material topics	Business Conduct	16.5 16.6 16.b
GRI 2 - General Disclosure 2021	2-27 Compliance with laws and regulations	Business Conduct	



GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	ODS
Innovation & Sustainable Solutions for product design			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Innovation & Sustainable Solutions for product design	9-5
Risk Management			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Risk Management	N.A.
Data Privacy and Cybersecurity			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Data Privacy and Cybersecurity	N.A.
Diversity in the management			
GRI 2 - General Disclosure 2021	2-9 Governance structure and composition	Diversity in the Management Team	5.5 16.7
Diversity and Equal Opportunity			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Social impact	5.5 8.5 10.3 16.6
GRI 2 - General Disclosure 2021	2-7 Employees	Diversity	
GRI 405 - Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity in the Management Team	
Occupational Health and Safety			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety	3.9 8.8
GRI 403 - Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	
	403-3 Occupational health services	Occupational Health and Safety	
	403-5 Worker training on occupational health and safety	Occupational Health and Safety	
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	
Talent Attraction, Engagement and Retention			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Social Impact	8.3 8.5
GRI 401 - Employment 2016	401-1 New employee hires and employee turnover	Working Conditions	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Working Conditions	
Talent training and development			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Talent Training and Development	N.A.
GRI 404 - Training and Education 2016	404-1 Average hours of training per year per employee	Talent Training and Development	4.4 4.7
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Training and Development	
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Training and Development	



GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	ODS
Employee work-life balance			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Work-life balance	5.4 8.3
Energy Management			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Energy Management	7.2 7.3
GRI 302 - Energy 2016	302-1 Energy consumption within the organization	Energy Management	
Water Management			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Water Management	6.4
GRI 302 - Water and Effluents 2018	303-3 Water withdrawal	Water Management	
Climate Change			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Climate Change	11.6 12.4 13.2
GRI 305 - Emissions 2016	305-4 Emissions intensity	Climate Change	
Waste Management and Reduction			
GRI 3 - Material Topics 2021	3-3 Management of material topics	Circular Economy and Waste Management	12.4 12.5
GRI 306 - Waste 2020	306-3 Waste Generated	Circular Economy and Waste Management	