

## MINUTES

### Minutes of the Annual General Meeting of Trelleborg AB (publ), April 21, 2016

#### Item 1 Election of Chairman of the Meeting

The Meeting was opened by the Chairman of the Board of Directors **Sören Mellstig**, who, at the proposal of **Roland Bengtsson**, proxy for the Dunker Funds and Foundations and representative of the Nomination Committee, was **appointed** Chairman for the day.

It was noted that the Chairman had **tasked** the Board Secretary **Charlotta Grähs** to take the minutes of today's Meeting.

#### Item 2 Preparation and approval of voting list

**Charlotta Grähs** referred to the list of shareholders, who had notified their intention to attend the Meeting within the stipulated time, which had been prepared and distributed to those present. According to this list, these shareholders represented a total of 28.5 million Series A shares and 103,323,577 Series B shares, corresponding to 100 percent and about 42.6 percent, respectively, of the two shares series.

After having deleted shareholders who were not present, the list was **approved** as the voting list of the Meeting, Appendix 1. A total of 28.5 million Series A shares and 102.9 million Series B shares, corresponding to 100 percent and about 42.2 percent, respectively, of the two shares series, were represented at the Meeting. This corresponds to approximately 73.5 percent of the total number of votes in the company.

#### Item 3 Election of either one or two minutes-checkers

**Patric Naeslund**, proxy for shareholders represented by *Swedbank Robur Funds*, and **Martin Ragnvid**, proxy for *Handelsbanken Funds*, were **appointed** to verify the minutes along with the Chairman.

#### Item 4 Determination of whether the Meeting has been duly convened.

**Charlotta Grähs** declared that the official notification of the Meeting had been issued in accordance with the provisions of the Articles of Association through an advertisement in *Post och Inrikes Tidningar* and on the company's website. An announcement that an official notification had been issued was also made in *Dagens Industri* and *Trelleborgs Allehanda* on March 18, 2016.

The shareholders present **determined** that the **Meeting** had been **duly convened**.

#### Item 5 Approval of the Agenda

The Meeting **approved** the agenda presented in the official notification of the Meeting.

### **Item 6** **President's presentation of operations**

In his address to the Meeting, the **President** commented on the preceding fiscal year.

Following the presentation, the Meeting participants were given the opportunity to ask questions, which included the following:

**Ulf Andersson**, proxy for the Swedish Shareholders' Association, among others, asked the following questions:

1. The operating margin is increasing but the Group has not managed to achieve its target of organic growth of 5 percent. Why?
2. Trelleborg Wheel Systems' margin has decreased over the past year while sales have increased, and now the CGS acquisition is also set to be integrated into TWS; what is management's view of this?
3. Does management expect CGS to achieve the same environmental goals as those established for the Trelleborg Group?
4. In the Board's opinion, how does the Trelleborg Group's environmental work compare with that of other Swedish industrial companies?
5. Has Trelleborg used any type of income tax arrangement in the Netherlands?

to which the Chairman and President responded that:

1. It's a challenge to grow organically in a market with declining raw material prices, while we can also benefit from this by maintaining a higher operating margin. It is management's opinion that when raw material prices normalize, organic growth will also increase. In addition, acquisitions and major investments contribute to increasing growth.
2. In overall terms, Trelleborg Wheel Systems' margin has decreased, but sales are increasing, which is the result of currency effects and a general slump in the agricultural market. Management believes that the timing of the CGS acquisition was favorable specifically because of the slowdown in the market for agricultural tires.
3. The tire operations that will be integrated into the Trelleborg Group through the acquisition of CGS will challenge the current established target of a 20-percent reduction in the carbon impact by 2020, but management is of the opinion that improvement efforts can nonetheless be pursued.
4. The Board of Directors believes that Trelleborg's environmental work is at the very forefront.
5. No

**Jan Jönsson**, asked:

1. One-third of CGS's business comprises rubber products other than tires for agricultural and industrial machinery. In the opinion of management, how significant a role will this play in profitability moving forward?
2. How has the low oil price impacted Trelleborg?

to which the Chairman and President responded that:

1. Within the parameters of the due diligence process, management has carefully analyzed CGS and now has a detailed plan in place governing the integration and how profitability will be addressed. Within the scope of the creation of TrelleborgVibracoustic and the divestment to Freudenberg, the Board and management have drawn conclusions as to the best way to divest and integrate a business area. These conclusions will be used in the integration of CGS.
2. The low oil price affects the business in two ways: firstly, it is an advantage purely in terms of costs, thereby improving profit; secondly, it has a negative impact on the oil-related operations.

**Carina Lundberg Markow**, proxy for Folksam's and KPA's Large Corporate Institutions, asked:

1. How is corporate income tax reported?
2. Does the Group have a tax policy?

To which the Chairman and President responded that:

1. Corporate income tax is reported at Group level and is not distributed across individual jurisdictions.
2. No. The company ensures that it follows the guidelines and rules that are currently applicable and that will be enacted over time. The work of the Board of Trelleborg is focused on strategy and synergy issues and not on tax planning.

#### **Item 7**

#### **Presentation of the annual report, the auditor's report and the consolidated financial statements**

The annual report, the consolidated financial statements and the joint auditor's report for both of these, which is presented on page 74 and onward in the printed annual report, were presented.

The Meeting was also informed that the annual report was available from the company's website and that it was available at today's Meeting.

Auditor **Mikael Eriksson** presented the audit report on the annual report and the consolidated financial statements submitted for the 2015 fiscal year.

The **Meeting declared** that the annual report, the consolidated financial statements and the joint auditor's report for both of these had been presented in the prescribed manner.

## **Item 8**

### **Presentation of the work of the Board of Directors and work within the Remuneration, Audit and Finance Committees**

The **Chairman** presented the work of the Board of Directors during the preceding fiscal year and the work of the Remuneration Committee and Finance Committee.

**Heléne Vibbleus described** the work carried out within the Audit Committee.

## **Item 9**

### **Adoption of**

- a) the Parent Company income statement and balance sheet and the consolidated income statement and balance sheet**
- b) disposition to be made of the company's profits in accordance with the adopted balance sheet and**
- c) decision regarding the discharge of the members of the Board of Directors and of the President from personal liability**

The **Meeting adopted** the Parent Company income statement and balance sheet and the consolidated income statement and balance sheet for the 2015 fiscal year.

The **Meeting resolved** in accordance with the Board of Directors' and President's motion to pay a cash dividend for the 2015 fiscal year of SEK 4 per share to shareholders.

In accordance with the auditor's recommendation, the **Meeting discharged** the members of the Board of Directors and the President from **personal liability** for the 2015 fiscal year.

Neither the Board members nor deputy Board members present at the Meeting participated in the decision.

## **Item 10**

### **Presentation of the work of the Nomination Committee**

**Roland Bengtsson** presented the composition of the Nomination Committee and its work on preparing proposals for the election of Board members.

**Item 11**  
**Determination of the number of Board members**

**Roland Bengtsson** proposed, in accordance with that stated in the official notification of the Meeting, that the Board of Directors, insofar as it is elected by the Annual General Meeting, is to comprise nine members with no deputies.

The **Meeting resolved** that, insofar as it is elected by the Annual General Meeting, the Board of Directors is to comprise nine members with no deputies.

**Item 12**  
**Decision regarding remuneration of the Board, auditing firm, Audit Committee, Remuneration Committee and Finance Committee.**

**Roland Bengtsson**, in his capacity as a member of the Nomination Committee, proposed and the **Meeting resolved** that i) the fees paid to the Board for the fiscal year, excluding travel expenses, were to total SEK 5,065,000, of which SEK 1,425,000 be paid to the Chairman and SEK 520,000 each to those Board members who are not employed within the Trelleborg Group, that ii) fees paid to the Audit Committee be SEK 175,000 for the Chairman and SEK 110,000 each for other members, that iii) fees paid to the Remuneration Committee be SEK 60,000 for each member, that iv) fees paid to the Finance Committee be SEK 60,000 for each member and that v) the auditor's fees be paid according to approved invoices.

**Item 13**  
**Election of the Board, Chairman of the Board and registered auditing firm**

**Roland Bengtsson** proposed, on behalf of the Nomination Committee, the re-election of Hans Biörck, Jan Carlson, Sören Mellstig, Bo Risberg, Anne Mette Olesen and Peter Nilsson as Board members. Furthermore, Gunilla Fransson, Johan Malmquist and Susanne Pahlén Åklundh were proposed as new Board members.

The proposed Board members were **elected** by the Meeting.

Sören Mellstig was **appointed** Chairman of the Board.

**Roland Bengtsson** proposed, and the **Meeting resolved** in accordance with, the re-election of PricewaterhouseCoopers as the company's auditor for the period until the end of the 2017 Annual General Meeting. It was noted that the auditing firm PricewaterhouseCoopers declared that Mikael Eriksson shall be the auditor in charge.

The **Chairman** stated that the following members had served as Board members during the 2015 fiscal year in accordance with the Swedish Board Representation (Private Sector Employees) Act: Peter Larsson, Mikael Nilsson and Göran Andersson as Board members and Ingemar Thörn as deputy.

#### **Item 14**

##### **Resolution on remuneration principles for the President and senior executives**

The Chairman reminded the Meeting that, in accordance with the content of a separate statement submitted to the Annual General Meeting, the auditors believe that the Board and President of the company complied with the remuneration principles for senior executives in 2015 as approved at the Annual General Meeting held in April 2015.

The **Chairman** presented the Board's motion for a resolution regarding remuneration principles for the President and senior executives.

The **Meeting resolved** to adopt the principles recommended by the Board as presented, [Appendix 2](#).

#### **Item 15**

##### **Resolution on appointment of Nomination Committee**

**Roland Bengtsson**, representing the Nomination Committee, proposed that the nomination process should take place largely in accordance with the procedure approved by the 2015 Annual General Meeting and as described in the documentation provided prior to and at the Meeting; (refer to [Appendix 3](#)) and that this resolution should apply until a new decision is taken by a General Meeting of Shareholders.

The Meeting **resolved** in accordance with the Nomination Committee's proposal.

#### **Item 16**

##### **Closure of Meeting**

It **was noted** that there was no other business, after which the **Chairman** closed the Meeting.

The three departing Board members – Claes Lindqvist, Nina Udnes Tronstad and Heléne Vibbleus – were subsequently thanked by the Chairman for their service on the Board of the Directors, after which he welcomed everyone back to next year's Annual General Meeting to be held on Thursday, April 20, 2017 in Trelleborg.

Secretary

Charlotta Grähs

Verified by:

Sören Mellstig

Patric Naeslund

Martin Ragnvid