

# Remuneration report 2024

This report describes how the principles for remuneration of senior executives at Trelleborg, adopted by the 2024 Annual General Meeting, were implemented in 2024. The report has been prepared in accordance with the Swedish Companies Act and the remuneration rules issued by the Swedish Corporate Governance Board.

## Scope, purpose and deviations

A prerequisite for the successful implementation of Trelleborg's business strategy is that Trelleborg is able to recruit and retain qualified personnel. Remuneration for all roles within the organization is continuously benchmarked against those for comparable roles in similar organizations and in the employees local market. The position grading system (International Position Evaluation) is used to determine the weight of the role within the context of Trelleborg. To secure a solid understanding of the market levels, market data from multiple sources are obtained and a peer group is established. When compensation is determined, criticality of the role and availability on the market are considered. The method aims to ensure that the compensation that Trelleborg provides, enables the Group to attract and retain the right competence at the right cost level. Remuneration may consist of fixed salary, variable remuneration, pension benefits and other benefits. Additionally, the Annual General Meeting can be resolved on other remuneration, such as share-based or share-price-based remuneration. The principles for remuneration of senior executives are presented on pages 48–49.

The principles for remuneration of senior executives were unanimously adopted by the 2024 Annual General Meeting. The principles were applied in full in 2024.

The auditor's report regarding Trelleborg's compliance with the principles for remuneration of senior executives is available

in the "Corporate governance" section at [www.trelleborg.com](http://www.trelleborg.com).

No remuneration was reclaimed or limited, nor did the company refrain from making any payment in 2024.

## Shareholding Requirement

To align the interests of executive directors with those of the shareholders a member Group Management, the member is expected to invest in Trelleborg shares, until a share capital amount corresponding to one annual fixed gross salary is reached. The member is also expected to retain this level of share capital until the Employee is no longer a member of Group Management.

## Share-based remuneration

In 2024 Trelleborg introduced a Performance Share Program for Group Management with the objective to incentivize our senior executives to hold Trelleborg shares up to a minimum of one annual fixed gross salary. A criteria is that the participants makes a private investment of 10 percent of his/her annual fixed gross salary.

## Application of performance criteria

The performance criteria forming the basis for the President and CEO's variable remuneration have been selected to ensure delivery in line with Trelleborg's strategy and to encourage behavior that is in the long-term interests of Trelleborg. The strategic objectives and short and long-term business priorities for 2024 have been taken into account in the selection of performance criteria. The performance criteria forming the basis for the one-year annual variable salary were EBITA, Operating cash flow (OCF) and a sustainability target (CO<sub>2</sub> reduction). The performance criteria for the three-year long-term incentive (LTI) programs was Earnings per share (EPS). All performance criteria exclude items affecting comparability.

## Further information on executive remuneration

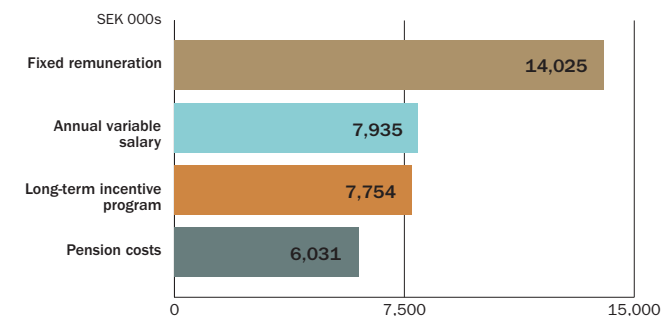
Further information on executive remuneration is available in Note 10 (Employees and employee benefits) on pages 75–77 of this Annual Report. Information on the work of the Remuneration Committee in 2024 is set out in the Corporate Governance Report, available on pages 36–39 of this Annual Report.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in Note 10 on pages 75–77 of this Annual Report.

## Information on key developments 2024

The President and CEO summarizes Trelleborg's overall performance in his statement on pages 6–8 of this Annual Report.

## TOTAL REMUNERATION OF THE PRESIDENT AND CEO



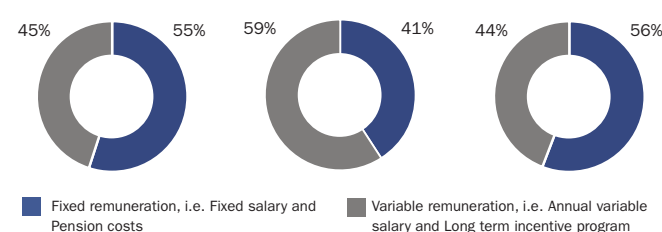
## 1 – TOTAL REMUNERATION OF THE PRESIDENT AND CEO

Table 1 below sets out the total remuneration expensed or paid to Trelleborg's President and CEO between 2022–2024.

		Fixed remuneration		Variable remuneration					
KSEK	Year	Fixed salary	Other benefits	Annual variable salary	Long-term incentive program	Extraordinary items	Pension costs	Total remuneration	Proportion of fixed and variable remuneration, % <sup>1</sup>
Peter Nilsson, President and CEO	2024	13,740	285	7,935	7,754	–	6,031	35,745	56/44
	2023	12,738	228	6,441	8,474	12,106	5,583	45,570	41/59 (67/33)
	2022	12,317	220	7,279	7,559	–	5,363	32,738	55/45




1 Pension included in fixed remuneration. For 2023 the portion of fixed and variable remuneration is reported both including and within parentheses excluding extraordinary items.

## PROPORTION OF FIXED AND VARIABLE REMUNERATION



## 2A – SHORT-TERM PERFORMANCE AND REMUNERATION OF THE PRESIDENT AND CEO

Table 2A below describes how the criteria for variable short-term remuneration were expensed during the fiscal year.

	Remuneration components	Relative weighting of the performance criteria	a) Measured performance, b) actual award/remuneration outcome, kSEK, and c) target achievement <sup>3</sup> , %
Peter Nilsson, President and CEO	Earnings before interest, taxes and amortization (EBITA) <sup>2</sup>	65% 	a) EUR 537.2 M (2023: EBT 471.2 <sup>4</sup> / 2022: EBT 618.8) <sup>4</sup> b) kSEK 5,539 (2023: 3,475 / 2022: 4,918) c) 93.1% (2023: 63% / 2022: 100%)
	Operating cash flow (OCF) <sup>2</sup>	25% 	a) EUR 437.3 M (2023: 439.3 / 2022: 478.2) b) kSEK 1,481 (2023: 2,119 / 2022: 1,603) c) 64.7% (2023: 100% / 2022: 84.8%)
	Sustainability (CO <sub>2</sub> reduction)	10% 	a) –38% i.e. full achievement (2023: Full achievement / 2022: Full achievement) b) kSEK 915 (2023: 847 / 2022: 757) c) 100% (2023: 100% / 2022: 100%)

<sup>2</sup> Excluding items affecting comparability.

<sup>3</sup> For market competition reason Trelleborg has decided not to explicitly disclose the ranges for each performance criteria (min-max).

<sup>4</sup> Up and until 2023 the profit metric was Earnings before tax (EBIT).

## PERFORMANCE CRITERIA FOR THE PRESIDENT AND CEO – TARGET ACHIEVEMENT



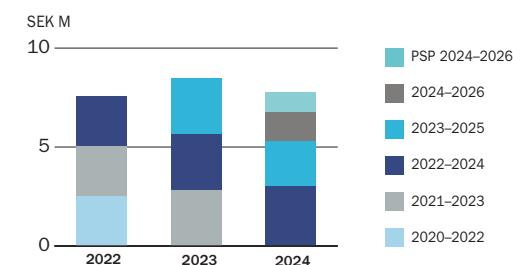
## 2B – LONG-TERM PERFORMANCE AND REMUNERATION OF THE PRESIDENT AND CEO

Table 2B below describes how the criteria for variable long-term remuneration were expensed during the fiscal year.

	LTI Module A (Cash)	Relative weighting of the performance criteria	a) Measured performance, b) actual award/remuneration outcome, kSEK, and c) target fulfillment rate	LTI Module B (Performance Share Program)	Performance criteria	Expensed, kSEK
Peter Nilsson, President and CEO	Earnings per share (EPS) <sup>5</sup> 2024 (Program 2022–2024)	33.3%	a) SEK 16.28 (2023: 15.75 / 2022: 18.31) b) kSEK 3,050 (2023: 2,824 / 2022: 2,520) c) 100% (2023: 100% / 2022: 100%)	PSP 2024–2026	EPS development over three years	981
	Earnings per share (EPS) <sup>5</sup> 2024 (Program 2023–2025)	33.3%	a) SEK 16.28 (2023: 15.75) b) kSEK 2,275 (2023: 2,824) c) 75% (2023: 100%)			
	Earnings per share (EPS) <sup>5</sup> 2024 (Program 2024–2026)	33.3%	a) SEK 17.16 b) kSEK 1,447 c) 56%			

<sup>5</sup> Excluding items affecting comparability. The EPS calculation is adjusted annually with regards to the execution of decided share buyback programs.

## EXPENCES PER PERFORMANCE YEAR – ALL PROGRAMS 2022–2024



## 3 – COMPARATIVE INFORMATION ON CHANGE IN REMUNERATION AND TRELLEBORG PERFORMANCE

Table 3 – Changes in remuneration and Trelleborg's performance over the last six reported fiscal years.

Annual change	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	2024
<b>Executive remuneration</b>						
Peter Nilsson, President and CEO, kSEK <sup>6</sup>	–3,860 (–17.2%)	+12,257 (65.7%)	+1,849 (6.0%)	+726 (2.22%)	+2,281 (6.82%)	35,745
<b>Trelleborg's performance</b>						
Earnings before interest, taxes and amortization (EBIT) <sup>7</sup> , SEK M	–376 (–8.1%)	+1,023 (23.9%)	–238 (–4.5%)	+452 (8.9%)	+84 (1.5%)	5,602
Earnings per share (EPS) <sup>7</sup> , SEK	–1,0 (–8.4%)	3.36 (30.8%)	–0.34 (–2.4%)	1.84 (13.2%)	1.41 (9.0%)	17.16
<b>Employee remuneration</b>						
Average total remuneration on a full-time-equivalent basis of employees of Trelleborg AB, excluding Group Management, kSEK	–64 (–5.6%)	–90 (–8.31%)	–35 (–3.52%)	+155 (16.16%)	+186 (16.75%)	1,298

<sup>6</sup> Excluding extraordinary items.

<sup>7</sup> Excluding items affecting comparability.

## COMPARATIVE INFORMATION ON CHANGES IN REMUNERATION AND TRELLEBORG'S EARNINGS

