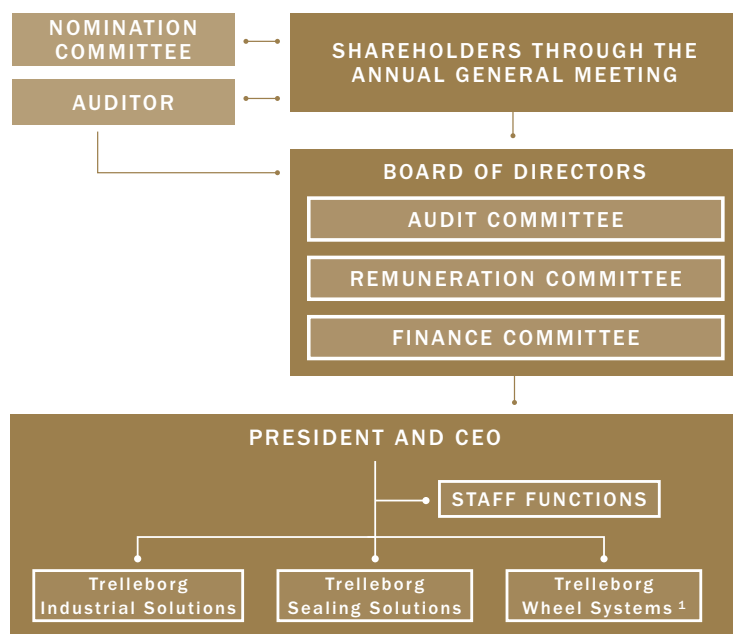


# Corporate governance in Trelleborg AB



<sup>1</sup> Asset held for sale.

**SHAREHOLDERS** Shareholders exercise their power at the Annual General Meeting, which is Trelleborg's highest decision-making body. The Meeting adopts the Articles of Association and, at the Annual General Meeting, the shareholders appoint Board members, the Chairman of the Board and auditor, and make decisions regarding their fees. In addition, the Annual General Meeting passes resolutions regarding the adoption of the income statement and the balance sheet, the allocation of the company's profit and the discharge from liability toward the company of the Board members and the President. The Annual General Meeting also makes resolutions regarding the appointment of the Nomination Committee and its work, and the principles for the remuneration and employment terms for the President and other senior executives.

**NOMINATION COMMITTEE** The Nomination Committee represents the company's shareholders, nominates Board members, the Chairman of the Board and the auditor, and proposes remuneration to be paid to these.

**AUDITOR** The Annual General Meeting appoints an auditor that examines the annual report and accounts, the consolidated financial statements, the administration of the Board of Directors and President and the annual report and accounts of subsidiaries, and submits an audit report.

**BOARD OF DIRECTORS** The Board of Directors is responsible for the organization and management of Trelleborg's affairs. In accordance with the Articles of Association, the Board of Directors is to consist of three to ten members, without deputies. Board members are elected annually by the Annual General Meeting for the period until the close of the next Annual General Meeting.

**Chairman of the Board.** The responsibility of the Chairman of the Board is to lead and guide the work of the Board and ensure that the work is well organized and conducted efficiently, and that the Board fulfills its obligations. The Chairman monitors operations in dialog with the President and is responsible for ensuring that other Board members receive the information and documentation necessary to maintain a high level of quality in discussions and decisions, and for ensuring that the Board's decisions are executed.

**Board Committees.** The Board has established three committees from within its ranks without this otherwise impacting the Board's responsibilities and duties. These are the Audit, Remuneration and Finance Committees.

## EXTERNAL POLICY INSTRUMENTS

The external policy instruments that constitute the framework of corporate governance at Trelleborg include:

- » Swedish Companies Act
- » Swedish Annual Accounts Act
- » Nasdaq Nordic's rules and regulations
- » Swedish Corporate Governance Code
- » IFRS
- » Applicable EU regulations

## INTERNAL POLICY INSTRUMENTS

Internally binding policy instruments include:

- » Articles of Association
- » Rules of procedure for the Board of Directors – Instructions for the Audit Committee, Remuneration Committee, President and financial reporting to the Board of Directors
- » Core values and Code of Conduct
- » Treasury Policy – Communication Policy
- » Other instruments, policy documents, manuals and recommendations

In addition to the above, processes are in place for Enterprise Risk Management (ERM), Sustainability and Internal Control.

» **Audit Committee.** The Audit Committee represents the Board in matters such as monitoring the processes concerning financial reporting, risk management and internal control and also assists the Nomination Committee with proposals for the election of auditor.

» **Remuneration Committee.** The Remuneration Committee prepares remuneration and other employment terms for the President and decides on these for other senior executives. The Committee represents the Board in managerial and succession planning as well as leadership development.

» **Finance Committee.** The Finance Committee acts on behalf of the Board, preparing the strategic issues in relation to financing, evaluating the Group's existing and required financing scope, potential acquisitions and divestments, as well as their impact on the Group.

**PRESIDENT AND CEO** The President and CEO manages the day-to-day administration of Trelleborg. The President is assisted by Group Management comprising presidents of business areas and managers of corporate staff functions.

**STAFF FUNCTIONS** Trelleborg's staff functions – Finance and IT, Legal, Communications and HR – support the Group and business areas with Group-wide expertise and duties. Staff functions include the following:

» **Sustainability.** Group Communications has coordinating responsibility for sustainability reporting. Reports are presented to the Board. The daily sustainability activities take place in the Sustainability Council, which is a group comprising representatives from the staff functions, as well as out in the operational units.

» **Internal Control.** Internal Control serves as the Group's internal audit function and reports to the Audit Committee and the Group's CFO. The function focuses on developing, enhancing and securing internal control over the Group's financial reporting by proactively concentrating on the internal control environment and by examining the effectiveness of internal control.

» **Risk management.** The Group's risk management function is responsible for the Group's Enterprise Risk Management (ERM), which provides a framework for the Group's risk activities. The function reports to the Group's General Counsel. It focuses on evaluating identified risks and consolidating priorities in order to manage risk. Group Treasury is responsible for financial risk management.

# Corporate Governance Report 2022

Trelleborg is a publicly traded Swedish limited liability company listed on Nasdaq Stockholm Large Cap. Trelleborg applies the Swedish Corporate Governance Code and presents its 2022 Corporate Governance Report in this section. No deviations from the Code have been reported. The auditor's review was conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement.

## Annual General Meeting 2022

The 2022 Annual General Meeting took place on April 27, 2022, in Trelleborg. Due to the Coronavirus pandemic, the Meeting was conducted without physical presence, with shareholders exercising their voting rights exclusively by postal voting. According to the voting list prepared, approximately 73 percent of the votes in Trelleborg were represented at the Meeting.

After the meeting, the Chairman of the Board and the President gave an account of the Board's work during the year and the company's performance, respectively, in presentations that were recorded.

There was the possibility for shareholders to address written questions to Trelleborg's management prior to the Meeting.

The complete minutes and information on the 2022 Annual General Meeting are available at [www.trelleborg.com](http://www.trelleborg.com). The resolutions passed by the Meeting included the following:

- » The dividend according to the Board's proposal of SEK 5.50 per share
- » Re-election of all Board members: Hans Biörck, Gunilla Fransson, Monica Gimre, Johan Malmquist, Peter Nilsson, Anne Mette Olesen and Jan Ståhlberg
- » Re-election of Hans Biörck as Chairman of the Board
- » Re-election of Deloitte AB as auditor

- » Remuneration for the Board members and the auditor
- » The Board's remuneration report for fiscal year 2021
- » Resolution on authorization for the Board to decide on the repurchase of shares

## Trelleborg 2023 Annual General Meeting

Trelleborg's 2023 Annual General Meeting will be held on April 27, 2023, in Trelleborg. For information on shareholders and the Trelleborg share, refer to pages 12–13 and [www.trelleborg.com](http://www.trelleborg.com).

## Nomination Committee for the 2023 Annual General Meeting

According to a resolution by the 2021 Annual General Meeting, the Chairman of the Board is to contact the five largest shareholders registered as owners in terms of votes by the end of August each year to ask that they appoint one member each to the Nomination Committee for the next Annual General Meeting. If any shareholder declines to appoint a member, the Chairman shall request that the next shareholder in turn appoint a member. The Nomination Committee can decide that the Chairman of the Board will be included in the Nomination Committee, but not be appointed Chairman.

No payment is made to members of the Nomination Committee.

## WORK OF THE BOARD OF DIRECTORS IN 2022

|                | JANUARY                | FEBRUARY  | MARCH  | APRIL   | MAY | JUNE |
|----------------|------------------------|---|--|---|-----|------|
| Board meetings |                        | <b>1</b> Report from Board Committees, report from the auditor, report from the President, Year-end report, proposed dividend, sustainability issues, risk management, legal requirements and insurance coverage, investments, acquisitions and divestments, decision on the President's remuneration, update on property matters |  | <b>4</b> Report from the Board Committees, report from the President, interim report, investments, acquisitions and divestments, mandate for share repurchase program<br><br><b>5</b> Statutory Board meeting |     |      |
|                |                        | <b>2</b> 2021 Annual Report, remuneration principles for senior executives  | <b>3</b> Divestment matters, decision on proposed share repurchase program |   |     |      |
|                | Audit Committee        | M   |  | M   |     |      |
|                | Remuneration Committee | M   |  |   | M   |      |
|                | Finance Committee      |   | M  | M   |     | M    |

M = Committee meetings.

The Nomination Committee for 2023 held six minuted meetings and maintained continuous contact up to and including February 15, 2023. As a basis for the Nomination Committee's work, the Chairman of the Board presented a report on the work of the Board, which included an internal evaluation of the work and function of the Board, and held meetings with the President, CFO and two Board members.

The Nomination Committee's guidelines for the selection of candidates to be nominated to the Board specify that they shall possess knowledge and experience relevant to Trelleborg's operations. The Diversity Policy applied for the Group's Board of Directors is item 4.1 in the Swedish Corporate Governance Code. The objective is that the Board of Directors, considering Trelleborg's operations, stage of development and conditions in general, is to have a suitable composition, characterized by diversity and breadth as regards the expertise, experience and background of the members elected by the Annual General Meeting, and that an even gender balance is to be sought.

The Nomination Committee at the time took into consideration the Diversity Policy when preparing its proposal for the election of Board members ahead of the 2022 Annual General Meeting, which resulted in the Board composition presented on pages 54–55.

The Nomination Committee's proposals to the 2023 Annual General Meeting will be published in the official notification and on [www.trelleborg.com](http://www.trelleborg.com).

#### Board of Directors 2022

In 2022, Trelleborg's Board of Directors comprised seven members elected by the Annual General Meeting, including the President. Employees elect three representatives and one deputy to the Board of Directors. The Group's Chief Financial Officer attends the Board meetings as does the General Counsel, who serves as the Board's secretary. Other members of Group Management participate in Board meetings when necessary.

For further information on Board members, refer to pages 54–55 and Note 10, page 81.

#### Work of the Board of Directors

The Board held ten meetings during the year, including one statutory Board meeting. The Board of Directors is responsible for establishing Trelleborg's overriding targets, developing and following up the overall strategy, deciding on major acquisitions, divestments and investments and continuously monitoring operations. The work of the Board follows an annual plan. Recurring issues at Board meetings include reports from the Board Committees, reports from the President, interim reports, structural issues and sustainability issues, as well as resolutions on the President's remuneration and evaluation by the Board of Directors.

In addition to the Board meeting, a study trip was made to some of the Group's entities in Germany and Switzerland.

The President presents a report on the operations' performance at scheduled Board meetings. The Board conducts reviews with the auditor when audit reports are to be considered. The auditor also has meetings with the Board of Directors without the presence of Group Management and the Audit Committee.

The Audit Committee briefs the Board of Directors on work related to the whistleblower system.

Trelleborg's Board complies with the Swedish Corporate Governance Code's requirements stipulating that the majority of the Board members elected by the General Meeting must be independent in relation to Trelleborg and company management, and that at least two of these are also to be independent in relation to Trelleborg's major shareholders.

The Chairman of the Board is responsible for evaluating work on the Board and in relation to management. It is an annual, systematic and structured process. In 2022, a survey was conducted and all members were also interviewed by the Chairman. The results from

| JULY   | AUGUST | SEPTEMBER   | OCTOBER   | NOVEMBER | DECEMBER   |
|--|--------|---|---|----------|--|
| <p><b>6</b> Report from the Board Committees, report from the President, interim report, sustainability issues, investments, acquisitions and divestments</p> <p><b>7</b> Acquisition and financing issues</p> |        | <p><b>8</b> Report from the President, update on macroeconomic situation, strategy issues, financial targets, update on share repurchase program, sustainability issues, acquisitions and divestments, presentation by the business area presidents of Trelleborg Industrial Solutions and Trelleborg Sealing Solutions</p> | <p><b>9</b> Report from Board Committees, report from the auditor, report from the President, interim report, strategic plan 2023–2025, acquisitions and divestments, investments, succession planning, update on property matters, sustainability issues, Board evaluation</p> |          | <p><b>10</b> Report from Board Committees, report from the auditor, report from the President, strategic plan and ambitions for 2023–2025, plan for the Annual Report, Board evaluation, Excellence programs, acquisitions and divestments, investments, outcome of employee survey, sustainability issues</p> |
| M  |        |   | M   | M        |  |
|  |        |   | M   | M        |  |
|  |        |   |   | M        |  |

these interviews were presented and discussed by the Board and Nomination Committee, forming the basis for evaluating the size and composition of the Board. The evaluation highlighted proposals for how the work of the Board of Directors could be further improved. The evaluation included the contribution made by the Chairman of the Board and the results were discussed when the Chairman was not present. The evaluation for 2022 shows that the work of the Board is deemed to have functioned well. Board evaluations carried out in previous years have distinctly influenced the work of the Board and committees.

### Board Committees

For the past number of years, the Board has established three committees from within its ranks; the Audit, Remuneration and Finance Committees.

*Audit Committee.* Recurring issues at Audit Committee meetings are accounting issues, interim reports, financial reports, work plans for and regular reporting from the Internal Control staff function, legal requirements, risk management, and reports from the auditor.

The Audit Committee is to also represent the Board by keeping itself informed in matters relating to the audit of the annual report and the consolidated financial statements, reviewing and monitoring the auditor's impartiality and independence, and providing assistance when preparing proposals regarding the appointment of auditor for approval by the Annual General Meeting. The Audit Committee is also to represent the Board by monitoring the Group's work in relation to ERM issues and IT and IT-related security issues. The Committee is also to represent the Board by monitoring day-to-day financing operations, and annually reviews and makes proposals for changes to the Treasury Policy.

In 2022, five meetings of the Audit Committee were held.

*Remuneration Committee.* Recurring issues at Remuneration Committee meetings are remuneration principles and evaluation, goals and outcome of variable remuneration (annual variable salary and long-term incentive programs), succession planning and leadership development. The Remuneration Committee also prepares the annual remuneration report.

In 2022, five meetings of the Remuneration Committee were held.

*Finance Committee.* Recurring issues at Finance Committee meetings are strategic issues concerning financing, the Group's financing scope and acquisitions and divestments.

In 2022, four meetings of the Finance Committee were held.

Refer to the illustration on pages 44–45.

### Auditor 2022

The Annual General Meeting resolved that the auditing firm Deloitte AB shall be Trelleborg's auditor for a period of one year. Refer to page 47 for further information.

### Group Management 2022

In 2022, Group Management held four meetings. Normally, the meetings take place over a few days to allow time for presentations and discussions. These meetings focused on the Group's strategic and operational performance and budget follow-up. In addition, several reviews and regular checks took place concerning the performance of operations in relation to, for example, contingency plans for economic fluctuations, major orders, potential acquisitions, risk management and so forth.

Trelleborg's operating activities are organized into continuing operations comprising two business areas and in 2022 discontinuing operations, primarily comprising the Group's tire operation. Together, these consist of about 20 business or marketing units, which in turn comprise approximately 40 product or function areas. The organization is based on the principle of decentralized responsibility and authority.

Each legal unit, which does not necessarily reflect the operational businesses, has its own Board of Directors that focuses on regulatory compliance, among other aspects.

### Sustainability reporting

Trelleborg has prepared its sustainability report in accordance with the Global Reporting Initiative (GRI) guidelines. The Sustainability Report includes the statutory sustainability statement, which is prepared as a separate report to the annual report in accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act. The scope of the Sustainability Report and the statutory sustainability statement is outlined in the index overview for the GRI Standards on page 135.

### Internal culture

Trelleborg applies an approach involving far-reaching decentralized responsibility to drive and implement the Group's strategy. The Group's operating activities are pursued through independent operational units with responsibility for profit, balance sheet and cash flows. Local managers and their coworkers make the commercial decisions, ensure that these are handled correctly with a balanced approach to risk-taking. As a means of support, the individual business areas regularly follow up the results of their business units' operations, similar to the manner in which Group Management follows up the business areas as part of a well-established work process.

### Core values

Trelleborg is a global Group characterized by individual and cultural diversity and shared value systems are therefore particularly important. The core values are long-term commitments, which, when coupled with Trelleborg's business concept, goals and strategies, guide the Group in making decisions and conducting business. The core values are:

- » Customer focus: Working in partnership, we aim to add value for our customers, as well as for Trelleborg.
- » Innovation: We promote an innovative attitude and corporate culture. Innovation is a key driver for our growth.
- » Responsibility: We all share responsibility for our company as a whole and for its results.
- » Performance: We shall perform better than our competitors.

### Diversity

Trelleborg works to achieve a balanced mix of ethnicities, ages and genders in its operations. The Group's Diversity Policy recognizes that diversity is a strength for the Group. Enhanced diversity and inclusion has the potential to further drive Trelleborg's performance and results, both at team level and individually. Refer to pages 128–129.

## MEMBERS OF BOARD COMMITTEES AT DECEMBER 31, 2022

## Audit Committee

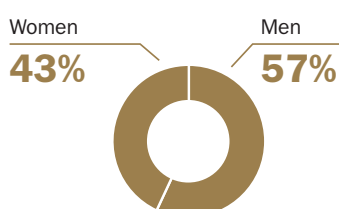
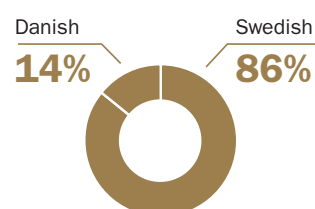
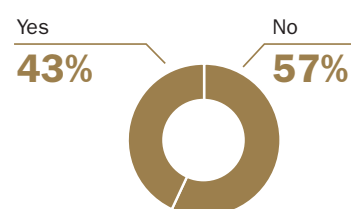
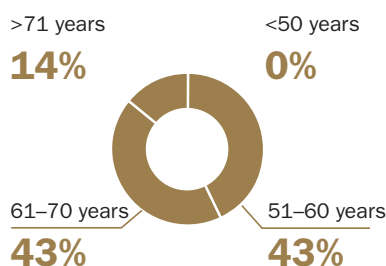
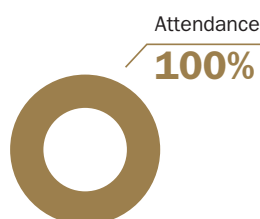
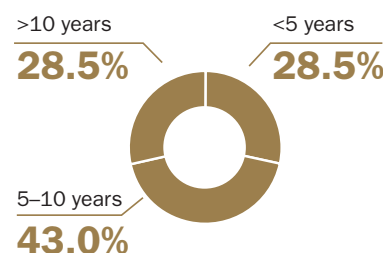
Gunilla Fransson, Chairman  
Hans Biörck  
Monica Gimre  
Jan Ståhlberg

## Remuneration Committee

Hans Biörck, Chairman  
Johan Malmquist  
Anne Mette Olesen

## Finance Committee

Hans Biörck, Chairman  
Johan Malmquist  
Jan Ståhlberg

GENDER DISTRIBUTION IN THE BOARD OF DIRECTORS <sup>1</sup>BOARD'S NATIONALITY <sup>1</sup>DEPENDENCE IN RELATION TO MAJOR SHAREHOLDERS OR POSITION <sup>1</sup>AGE DISTRIBUTION ON THE BOARD OF DIRECTORS <sup>1</sup>BOARD MEETING ATTENDANCE <sup>1</sup>TIME ON THE BOARD OF DIRECTORS <sup>1</sup>

<sup>1</sup> Board members elected by the Annual General Meeting, including the President and CEO.

## NOMINATION COMMITTEE FOR THE 2023 ANNUAL GENERAL MEETING

| Name/Representing  | Share of votes, %<br>Aug 31, 2022 | Share of votes, %<br>Dec 31, 2022 |
|--|-----------------------------------|-----------------------------------|
| Ragnar Lindqvist,<br>Dunker Foundations                    | 54.10                             | 54.10                             |
| Per Trygg,<br>Lannebo Funds                                | 1.90                              | 1.50                              |
| Anna Sundberg,<br>Handelsbanken Funds                      | 1.29                              | 1.43                              |
| Johan Sjöström,<br>Second Swedish<br>National Pension Fund | 1.00                              | 0.83                              |
| Ulrik Grönvall,<br>Swedbank Robur Funds                    | 0.94                              | 1.23                              |
| <b>Total</b>   | <b>59.23</b>                      | <b>59.09</b>                      |

## AUDITOR'S REMUNERATION

| SEK M  | 2022      | 2021      |
|--|-----------|-----------|
| <i>Deloitte</i>                              |           |           |
| Audit assignment                             | 20        | 18        |
| Audit activities other than audit assignment | 1         | 1         |
| Tax consultancy services                     | 0         | 0         |
| Other services                               | 0         | 0         |
| <i>Other auditors</i>                        |           |           |
| Audit assignment                             | 5         | 5         |
| Audit activities other than audit assignment | 0         | 0         |
| Tax consultancy services                     | 0         | –         |
| Other services                               | 0         | –         |
| <b>Total</b>                                 | <b>26</b> | <b>24</b> |

## AUDITOR 2022



## HANS WARÉN

## AUTHORIZED PUBLIC ACCOUNTANT

Auditor of the Trelleborg Group since the 2017 Annual General Meeting  
Partner of Deloitte AB since 1998  
Qualifications: Graduate in business administration. Authorized Public Accountant since 1992  
Other assignments: Axfood, Industrivärden and SKF  
Born: 1964



## Internal control over financial reporting

Internal control over financial reporting is included as a part of the overall internal control at Trelleborg, and constitutes a central component of Trelleborg's corporate governance. The key goals are that internal control is appropriate and effective, provides reliable reports and complies with laws and regulations.

Trelleborg's Board of Directors has concluded that the current Internal Control set up is sufficient from a corporate governance perspective and that there is no need for an internal audit function.

The starting point for the internal control process is the regulatory framework for internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). According to COSO, the review and assessment are conducted in five areas where the control environment creates discipline and provides structure for the other four areas: risk assessment, control structures, information and communication, and monitoring.

### Control environment

The control environment provides the basis for the internal control. One important aspect is that decision making, authority and responsibility are clearly defined and communicated between different levels within Trelleborg and that policy instruments, in the form of policies, manuals and recommendations, exist and are observed. Refer to page 43 for list of external and internal policy instruments.

The Board of Directors bears overall responsibility for financial reporting where the Audit Committee assists the Board by monitoring, for example, the efficiency of Trelleborg's internal control, internal audit and risk management.

The responsibility for maintaining an effective control environment and the day-to-day work involving internal control is delegated to the President.

The Group's Internal Control staff function serves as the Group's internal audit function and reports to the Audit Committee and the Group's Chief Financial Officer. The function focuses on developing, enhancing and securing internal control over the Group's financial reporting by proactively concentrating on the internal control environment and by examining the effectiveness of internal control.

### Risk assessment

Risk assessment aims to identify and evaluate the most significant risks, including risk of fraud and risks in connection with significant changes, that affect internal control within the Group.

The assessment results in control targets that ensure that the fundamental demands placed on external financial reporting are fulfilled and comprise the basis for how risks are to be managed through various control structures.

The risk assessment is updated on an annual basis under the direction of the Internal Control staff function and the results are reported to the Audit Committee.

### Control activities

The most significant risks are managed through control structures in the Group. Management may entail that these risks are accepted, reduced or eliminated.

The control structures aim to ensure efficiency in the Group's processes and good internal control and are based on minimum requirements for good internal control in defined processes. Refer to the illustration on page 49.

### Information and communication

The internal policy instruments are available to all relevant employees on Trelleborg's intranet and are generally provided through training. Special campaigns are conducted covering, for example, the Group's whistleblower initiative. All relevant employees annually confirm in writing their knowledge of, and compliance with, the Group's internal policy instruments.

The Group's Chief Financial Officer and the Head of the Internal Control staff function report the results of their work on internal control as a standing item on the agenda of the Audit Committee's meetings. The results of the Audit Committee's work in the form of observations, recommendations and proposed decisions and measures are continuously reported to the Board. The minutes of the Audit Committee meetings are presented to the Board and the Chairman of the Audit Committee reports on its work.

External financial reporting is performed in accordance with relevant external and internal policy instruments.

### Monitoring

Monitoring to ensure the effectiveness of internal control is conducted by the Board, Audit Committee, President, Group Management, the staff functions of Internal Control, Group Finance, Group Treasury and Group Tax, as well as the Group's companies and business areas.

Monitoring includes the follow-up of monthly financial reports in relation to targets, quarterly reports with results from self-assessments in the Group's companies and business areas, and results from internal audits. Monitoring also encompasses following up observations reported by Trelleborg's auditor.

The Internal Control staff function works in accordance with an annual plan that is approved by the Audit Committee. The plan is based on the risk analysis and encompasses prioritized companies, business areas and processes within the Group, as well as work programs and budgets.

### Activities in 2022

The Internal Control staff function conducted 45 internal audits in 23 countries during the year. Of these, 8 were IT security audits. The focus was primarily on Europe, North and South America. Fewer audits were carried out on site in Asia due to travel restrictions resulting from the Coronavirus, although some were replaced by digital audits. The total number of audits was in line with the preceding year. Most of the internal controls were conducted by the Internal Control staff function in cooperation with internal resources from other staff functions with specialist competence in such areas as purchasing, finance and legal affairs, or jointly with controllers from various business areas. Internal audits of IT security were carried out by external IT consultants together with the Group IT staff function. In 2022, the Internal Control staff function also worked on a broad front with reviews of all processes and most controls were conducted physically.

### Activities in focus in 2023

The number of planned internal audits amounts to 42 and comprises 38 entities. Geographically, the Internal Control staff function evenly divides its focus between Europe, Asia and the US. In 2023, the Internal Control staff function will continue to work broadly with reviews of all processes. A small number of internal audits are planned with the support of record analysis.

The following information is available at [www.trelleborg.com](http://www.trelleborg.com):

- » Articles of Association
- » Code of Conduct
- » Corporate Governance Reports from 2007 and onward
- » Information regarding Trelleborg's Annual General Meetings from 2004 and onward (notifications, minutes, President's speeches, press releases)
- » Information regarding the Nomination Committee
- » Information regarding the principles for remuneration of senior executives
- » Information for the 2023 Annual General Meeting

### INTERNAL CONTROL STRUCTURE OF THE TRELLEBORG GROUP

|   | Self-assessment  | Internal Control   | Training/Tools   |
|---|--|--|--|
| <b>Financial reports and reporting processes</b>                              | <ul style="list-style-type: none"> <li>Group-wide reporting system with quarterly feedback from subsidiaries.</li> </ul>   | <ul style="list-style-type: none"> <li>Internal controls are conducted by the Internal Control staff function in cooperation with internal resources from other staff functions and external consultants.</li> </ul> | <ul style="list-style-type: none"> <li>Training programs in defined processes relating to minimum requirements for good internal control are carried out when necessary.</li> </ul>                            |
| <b>Purchasing process</b>   | <ul style="list-style-type: none"> <li>Companies respond to how they comply with the Group's minimum requirements for good internal control in selected processes.</li> </ul>          | <ul style="list-style-type: none"> <li>Internal controls of IT security are carried out by the head of Group IT together with external consultants.</li> </ul>   | <ul style="list-style-type: none"> <li>The purpose of the training programs is to raise awareness and understanding of efficient processes and good internal control.</li> </ul>                               |
| <b>Inventory process</b>  | <ul style="list-style-type: none"> <li>Deficiencies are identified, measures are planned and implemented by the companies.</li> </ul>  | <ul style="list-style-type: none"> <li>Covers 7 selected processes and about 280 minimum requirements for good internal control.</li> </ul>  | <ul style="list-style-type: none"> <li>Training programs are a forum for the exchange of experience and sharing best practice.</li> </ul>  |
| <b>Sales process</b>  | <ul style="list-style-type: none"> <li>Encompasses approximately 130 subsidiaries.</li> </ul>  | <ul style="list-style-type: none"> <li>Internal controls result in observations, recommendations and proposals for decisions and measures.</li> </ul>  | <ul style="list-style-type: none"> <li>Training programs in defined processes related to minimum requirements for good internal control are also held as an integrated part of the internal audits.</li> </ul> |
| <b>Process for property, plant and equipment</b>                              | <ul style="list-style-type: none"> <li>Covers 7 selected processes and about 280 minimum requirements for good internal control.</li> </ul>  | <ul style="list-style-type: none"> <li>Identified deficiencies are followed up on a quarterly basis by business area controllers and the Internal Control staff function.</li> </ul>                                 | <ul style="list-style-type: none"> <li>Material available on the intranet to provide employees access to standardized tools and documents, as well as examples of business solutions.</li> </ul>               |
| <b>IT security process</b>  | <ul style="list-style-type: none"> <li>All relevant employees annually confirm in writing their knowledge of, and compliance with, the Group's internal policy instruments.</li> </ul> |  |  |
| <b>Remuneration management process, incl. pensions and other compensation</b> |  |  |  |

## Sustainability governance and organization

During 2022, governance and organization of sustainability were further developed. Trelleborg adjusted its organization during the year to clarify the roles of the Board of Directors, management, executive steering committee and operational employees for the governance of sustainability work, as well as the individual responsibility of the business areas for planning and implementation.

### Overall responsibility

The Board of Director's role as the highest body was strengthened in terms of governance of sustainability issues. From 2021, work on sustainability issues at Board level was expanded so that the entire Board can continuously monitor developments using selected performance measures, which has naturally been facilitated by the introduction of sustainability reporting in the quarterly reports as of 2022, as well as through examples and case stories from Trelleborg's ongoing sustainability work.

Issues relating to Trelleborg's corporate governance, its codes, Nomination Committee and work concerning the Board's expertise, composition and diversity, as well as issues concerning evaluation of the Board's work, are reported in the section on corporate governance and internal control. Meetings during 2022, their content and the Board's attendance are reported on pages 44–45 and 54–55.

### Remuneration

An important step for sustainability governance was how part of the variable remuneration for Trelleborg management is to be linked to responsibility and planning for sustainability. In 2022, this variable remuneration was, similar to last year, linked to planning and the

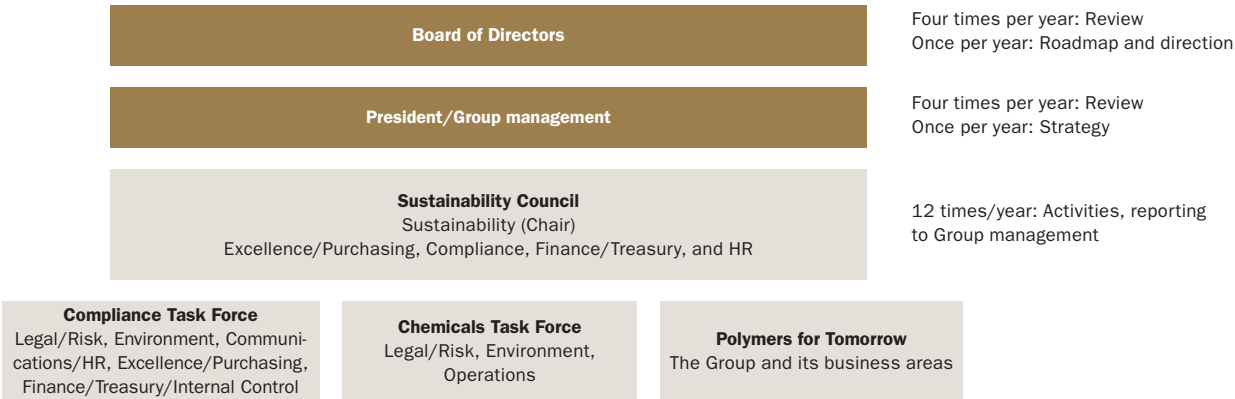
implementation of the Group-wide sustainability agenda in accordance with the Group targets at business area level. The aim for the years ahead is to gradually link this variable remuneration for management to identified material sustainability indicators according to the materiality analysis that will be carried out in connection with the transition to reporting under the EU Corporate Sustainability Reporting Directive (CSRD). It appears that this new reporting will fully come into force for Trelleborg from the 2024 reporting year.

### Governance and steering committee

As mentioned above, the organization and governance of sustainability at Trelleborg have been strengthened in pace with the implementation of the *Protecting the Essential* strategy. The internal sustainability governance is conducted in accordance with the Group's organization of the sustainability area into three different focus areas: Operations, Compliance and Social engagement, with underlying responsibility and shared performance measures. The work is further supported by various types of internal audits in the units, for example, within the framework of the occupational Safety@Work program and internal ISO 14001 audit.

During the year, the sustainability steering committee comprised,as

### ORGANIZATION <sup>1</sup>



<sup>1</sup> Organization as of 2023.



previously, the heads of the Legal, Communications/HR, Excellence/Purchasing staff functions, the Chief Financial Officer, and the head of Sustainability. The meeting frequency was increased during the year to an average of every other month.

From 2023, company management in its entirety will comprise the sustainability steering committee and their management meetings will contain sustainability as a standing item on the agenda, see image on page 50.

#### Coordination and operational responsibility

Overall coordination of operational sustainability responsibility at Group level has been clarified: The head of Group Legal is responsible for coordination of the Compliance focus area, the head of Excellence/Purchasing is responsible for coordination of most of the Operations focus area, and the head of Communications/HR is responsible for coordination of the Social engagement focus area and coordination of the HR-related part of the Operations focus area.

As of 2023, much of the day-to-day sustainability activities at Group level will take place in the Sustainability Council, a group led by the head of Sustainability and through a number of cross-organizational groups with dedicated areas of responsibility (see image on page 50) in such core areas as Compliance, Chemicals and Raw materials, as well as under the framework of Excellence activities (refer to page 22).

#### Practical internal work

The business areas are responsible for the implementation of the practical sustainability activities. During the year, they presented their planning and follow-up in the sustainability area for management for the fulfillment of the Group's sustainability targets. Following the more clearly defined responsibilities at business area level for sustainability performance and follow-up, sustainability

controllers were appointed and commenced their work. Each production site already has an environmental coordinator and occupational health and safety officers.

A central pillar of the internal sustainability work is Trelleborg's Code of Conduct (see also page 131) and Group policies in the areas of environment, occupational health and safety (OHS) and ethics. The Code of Conduct applies to all employees without exception. Training in the content of the Code is mandatory for all employees and is to be refreshed at least every three years. The Group's basic Code of Conduct and the Group policies are based on internationally recognized conventions and guidelines, such as the Universal Declaration of Human Rights, the ILO conventions, the OECD guidelines for multinational companies and the UN Global Compact, which Trelleborg signed in 2007.

Trelleborg's Whistleblower Policy also supports the sustainability framework. The Whistleblower Policy enables all employees to report suspected legal or regulatory violations without repercussion.

Reports can be submitted by phone or online in the employee's own language. The whistleblower system is being developed to also be available to external stakeholders.

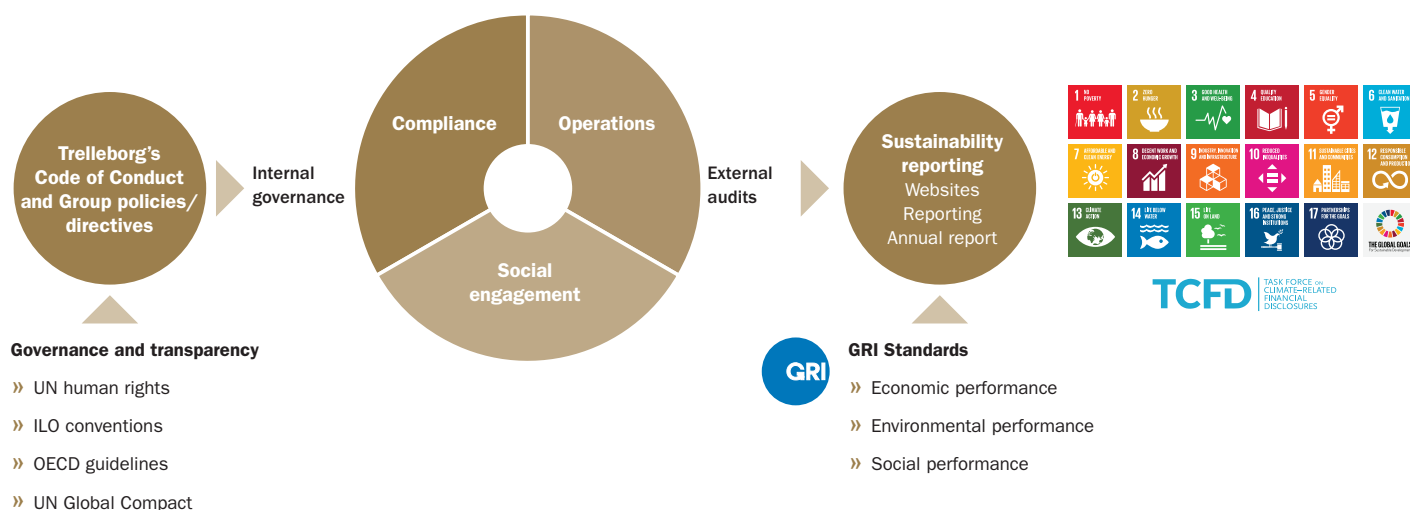
#### Reporting and assurance

The complete external reporting of sustainability issues is published in Trelleborg's Annual Report and also in the annual, more comprehensive, Sustainability Report. In both cases, reporting is based on the GRI Standards version, Core option.

See the image below for a summary of Trelleborg's sustainability communication. Furthermore, there is a Sustainability section under *About Us* on Trelleborg's website [www.trelleborg.com](http://www.trelleborg.com), from where Annual and Sustainability Reports can be downloaded, including those published in previous years.

The separate Sustainability Report contains detailed descriptions

#### PROTECTING THE ESSENTIAL



and an index to clarify exactly how the report follows the GRI guidelines and the TCFD's (Task Force on Climate-related Financial Disclosures) recommendations. In addition, there is a supplementary index that considers Trelleborg's operations relative to the UN SDGs, refer to pages 117 and 123. The separate annual Sustainability Reports also serve as Trelleborg's annual Communication on Progress (COP) to the UN Global Compact. An overview of Trelleborg's sustainability work is also available at [www.trelleborg.com](http://www.trelleborg.com) under the Sustainability heading.

From 2021, sustainability has been a standing item of content in Trelleborg's interim reports and from 2022, quantitative data is also presented in the interim reports in the areas of energy, climate and occupational health and safety.

*External assurance.* Deloitte has undertaken a limited assurance engagement of Trelleborg's sustainability report for 2022. This assurance report is presented on page 136.

### Report's scope and approach

For the fifth year, Trelleborg is reporting on sustainability in this Annual Report in accordance with the GRI Standards Core Guidelines. The 2021 Annual Report was published in March 2022. In addition, the 2022 Annual Report, published in March 2023, is adapted to the sustainability reporting rules of the Swedish Annual Accounts Act, refer to table on page 135. An overall aim of reporting sustainability issues is to provide an accurate overview of the Group's activities, results/performance and commitments in the environmental, health/safety and social areas, as well as business ethics and governance issues.

The report's target group is everyone in any way interested in Trelleborg: shareholders, investors, employees, customers and suppliers, authorities, media, students and researchers, as well as local stakeholders or neighbors.

Unless otherwise stated, the data presented pertains to the 2022 calendar year. The preceding year's data (2021) is presented in parentheses.

### GRI index

A condensed GRI index is presented on page 135, adapted to the updated 2021 GRI standards. A more complete GRI index is available in the separate Sustainability Report for the year. The complete index includes the obligatory Management Approach Disclosures (Descriptions of approach to governance) as well as descriptions of omitted data related to certain key figures.

### Risks

To meet the various needs of its stakeholders and the Group for a comprehensive risk analysis, Trelleborg works with three approaches and frameworks:

- » Group-wide focus on Enterprise Risk Management (ERM) to analyze and cover classic risk presenting a weighting of outcome and probability, refer to pages 38–41.
- » Risk analysis in accordance with the UN Sustainable Development Goals (SDGs), a general and society-oriented review of the risks and impact of our operations on the environment and people in accordance with the 17 SDGs. Refer to page 117.
- » Special analysis of climate-related risks and opportunities under the TCFD framework, refer to pages 118–120. The scenarios uses are a) that society succeeds with the transition and keeping global warming below 2°C, b) that society does not succeed with the transition and global warming is as high as 4°C.

### Significant changes since the preceding report

The basis of this report is a materiality analysis conducted during the year and evaluated by Trelleborg using an external party, refer to page 116. It reflects the most important sustainability aspects from the perspective of internal and external interests, but has not been completely updated in 2022.

In the area of climate, however, a double materiality perspective was also used in 2022 that takes into consideration impact materiality and financial materiality, refer to pages 118–120. The aim is to gradually apply such a double materiality perspective to all sustainability areas.

A change compared with last year is this combined section on *Sustainability governance* that has been added to adapt to future EU regulations.

The section on Scope 3 emissions on page 25 with figures for emissions from the Group and continuing operations is new for this year.

VOC emissions for the years 2020 and 2021 have been revised due to non-compliances detected between monthly and annual reporting in several units within Trelleborg Wheel Systems.

### Reporting policies

For the preparation of this report, all Group units reported in the shared reporting system:

- » The report encompass all Trelleborg units in which ownership exceeds 50 percent. It includes all producing and non-producing units that have employees.
- » For acquired and divested units, the report covers the part of the year in which they were part of Trelleborg.




- » A ten-year overview of the Group's sustainability performance is presented on page 138.

It is the head of each facility who has ultimate responsibility for the correctness of reported data. In practice, it is the controller of each unit, in consultation with the unit's managers in environment, HR, purchasing and other special areas, who are responsible for the reported figures and data, and this reported data is then checked by the business area's sustainability controllers.

Relevant Group functions are also involved in the quality control of reported data.

The following reporting policies apply to climate-related data:

- » The calculation of CO<sub>2</sub> emissions from the consumption of purchased electricity is mainly based on location-based national conversion factors from the International Energy Agency (2021 version). Conversion factors for electricity consumption reflect the current average total electricity mix of each country; sources such as hydro and nuclear power generate lower emissions, while coal and oil generate higher emissions.
- » For renewable/fossil-free electricity, Trelleborg applies the following principle: All downward adjustments of emissions (compared with location-based national conversion factors) must be attested by a certificate specifying the energy mix and net emissions delivered.

|   |   |  |  |   |
|---|---|--|--|---|
|   |                      |   |                  |    |
|   | <b>Hans Biörck</b>  | <b>Gunilla Fransson</b>  | <b>Monica Gimre</b>  | <b>Johan Malmquist</b>  |
|   | Chairman <sup>2</sup>   | Member   | Member   | Member <sup>2</sup>   |
| <b>Year elected</b>   | 2009, Chairman 2018   | 2016   | 2021   | 2016  |
| <b>Born</b>   | 1951  | 1960   | 1960   | 1961  |
| <b>Nationality</b>  | Swedish   | Swedish  | Swedish  | Swedish   |
| <b>Qualifications</b>   | Graduate in business administration   | M.Sc. Eng. and Licentiate of Technology  | M.Sc. Eng.   | Graduate in business administration   |
| <b>Other assignments</b>  | Chairman of the Board of Skanska AB. Board member of Svenska Handelsbanken AB                         | Chairman of the Board of Net Insight AB. Board member of Dunker Foundations, Eitel AB, Nederman AB, and Securitas AB                               |  | Chairman of the Board of Arjo AB and Getinge AB. Board member of Dunker Foundations, Elekta AB, Mölnlycke Health Care AB, Stena Adactum AB and the Chalmers University of Technology Foundation |
| <b>Employment and primary professional experience</b>           | Full-time Board member and/or Chairman<br><br>Formerly CFO of Skanska AB, Autoliv Inc. and Esselte AB | Full-time Board member and/or Chairman<br><br>Formerly various senior positions at Saab AB and Ericsson AB   | President and CEO Sidel Group<br><br>Formerly various senior positions at Tetra Pak and Alfa Laval | Full-time Board member and/or Chairman<br><br>Formerly President and CEO of Getinge AB and various senior positions at Electrolux AB  |
| <b>Dependence in relation to major shareholders or position</b> | No  | Yes. Dependent in relation to the company's major shareholders through his assignment on behalf of Trelleborg's main owner, the Dunker Foundations | No   | Yes. Dependent in relation to the company's major shareholders through his assignment on behalf of Trelleborg's main owner, the Dunker Foundations  |
| <b>Shareholding 2022</b>  | 10,000 shares   | 3,000 shares   | 4,538 shares   | 5,000 shares  |
| <b>Shares in related companies</b>                              | –   | –  | –  | –   |
| <b>Board meeting attendance</b>                                 | Chairman 10 of 10   | Member 10 of 10  | Member 10 of 10  | Member 10 of 10   |
| <b>Audit Committee attendance</b>                               | Member 5 of 5   | Chairman 5 of 5  | Member 5 of 5  | –   |
| <b>Remuneration Committee attendance</b>                        | Chairman 5 of 5   | –  | –  | Member 5 of 5   |
| <b>Finance Committee attendance</b>                             | Chairman 4 of 4   | –  | –  | Member 4 of 4   |
| <b>Total reimbursement 2022, SEK 000s <sup>1</sup></b>          | 2,385   | 950  | 835  | 855   |
| <b>Of which Board, SEK 000s</b>                                 | 1,975   | 675  | 675  | 675   |
| <b>Of which Committees, SEK 000s</b>                            | 410   | 275  | 160  | 180   |

Board assignments and holdings in Trelleborg as stated above reflect the situation as per December 31, 2022.

<sup>1</sup> Remuneration to the Board for the May 2022–April 2023 period. The fees paid to the members of the Board of Directors elected by the Annual General Meeting are approved by the Annual General Meeting based on the proposals of the Nomination Committee. For the 2022 calendar year, remuneration was paid as per Note 10. No consulting fees were paid to the Board members. Remuneration is not paid to executive Board members. Remuneration excludes travel allowances.

<sup>2</sup> Following 14 years on the Board of Directors, five of which as Chairman, Hans Biörck has declined reelection to the Board of Directors in 2023. Johan Malmquist is the proposed Chairman of the Board of Directors for 2023.

## BOARD MEMBERS AND DEPUTIES APPOINTED BY THE EMPLOYEE ORGANIZATIONS



### Maria Eriksson

Employee representative, appointed by the Unions of the Trelleborg Group (PTK)  
Elected to the Board: 2020  
Born: 1972  
Nationality: Swedish  
Quality engineer. Other assignments: Chairman of Unionen Trelleborg Ersmark AB and member of Trelleborg Swedish Works Council (PTK)  
Qualifications: Engineer, machine specialist  
Shareholding 2022: –  
Board meeting attendance: 10 of 10



### Jimmy Faltin

Employee representative, appointed by the Unions of the Trelleborg Group (LO)  
Elected to the Board: 2018  
Born: 1965  
Nationality: Swedish  
Machine operator. Other assignments: Member of the Trelleborg European Work Council, the Trelleborg Swedish Works Council (LO) and the Negotiating Delegation Technology Agreement IF Metall. Division Chairman IF Metall Norra Västerbotten  
Qualifications: Training in behavioral science, employment contracts and labor law  
Shareholding 2022: –  
Board meeting attendance: 9 of 10



Peter Nilsson

Anne Mette Olesen

Jan Ståhlberg

|  |   |  |  |
|--|---|--|--|
|  | Member  | Member   | Member   |
| Year elected   | 2006  | 2015   | 2018   |
| Born   | 1966  | 1964   | 1962   |
| Nationality  | Swedish   | Danish   | Swedish  |
| Qualifications   | M.Sc. Eng.  | MBA and B.Sc. Eng.   | Graduate in business administration  |
| Other assignments  | Chairman of the Board of Cibes Holding AB. Board member of the Chamber of Commerce and Industry of Southern Sweden  | Board member of Schur International A/S and Konsul Axel Schur og Hustrus Fond  | Board member of Bactiguard Holding AB and ITB-Med AB   |
| Employment and primary professional experience           | President and CEO of Trelleborg AB<br><br>Formerly Business Area President at Trelleborg and other posts within the Trelleborg Group, as well as management consultant at BSI | Chief Strategy & Sustainability Officer AAK AB <sup>4</sup><br><br>Formerly various senior positions at Coloplast A/S, Chr. Hansen A/S and Danisco Ingredients A/S | Founder and CEO of Trill Impact AB<br><br>Formerly Vice President and Deputy Chairman of EQT and various senior positions at Ovako Steel |
| Dependence in relation to major shareholders or position | Yes. Dependent in relation to the company as a result of his position as Trelleborg's President   | No   | No   |
| Shareholding 2022  | 60,572 shares and 50,000 call options (2018) <sup>3</sup>   | 2,500 shares   | 130,000 shares   |
| Shares in related companies                              | –   | –  | –  |
| Board meeting attendance                                 | Member 10 of 10   | Member 10 of 10  | Member 10 of 10  |
| Audit Committee attendance                               | –   | –  | Member 5 of 5  |
| Remuneration Committee attendance                        | –   | Member 5 of 5  | –  |
| Finance Committee attendance                             | –   | –  | Member 4 of 4  |
| Total reimbursement 2022, SEK 000s <sup>1</sup>          | –   | 765  | 925  |
| Of which Board, SEK 000s                                 | –   | 675  | 675  |
| Of which Committees, SEK 000s                            | –   | 90   | 250  |

Board assignments and holdings in Trelleborg as stated above reflect the situation as per December 31, 2022.

<sup>1</sup> Remuneration to the Board for the May 2022–April 2023 period. The fees paid to the members of the Board of Directors elected by the Annual General Meeting are approved by the Annual General Meeting based on the proposals of the Nomination Committee. For the 2022 calendar year, remuneration was paid as per Note 10. No consulting fees were paid to the Board members. Remuneration is not paid to executive Board members. Remuneration excludes travel allowances.

<sup>3</sup> Refer to page 56 for more information about call options.

<sup>4</sup> Until December 31, 2022.



Lars Pettersson

Employee representative, appointed by the Unions of the Trelleborg Group (LO)  
Elected to the Board: 2018  
Born: 1965  
Nationality: Swedish  
Machine operator. Other assignments: Member of Unions of the Trelleborg Group (LO)  
Qualifications: Cabinetmaker, training in negotiation and in salary system development  
Shareholding 2022: –  
Board meeting attendance: 10 of 10



Magnus Olofsson

Deputy employee representative, appointed by the Unions of the Trelleborg Group (PTK)  
Elected to the Board: 2021  
Born: 1964  
Nationality: Swedish  
Production manager and process manager. Other assignments: Chairman of Unionen Trelleborg Industri AB and Trelleborg AB and member of Trelleborg Swedish Works Council (PTK)  
Qualifications: Rubber and plastics technology. Previous positions in production management, product and process development.  
Shareholding 2022: –  
Board meeting attendance: 10 of 10



|                                  | Peter Nilsson  | Fredrik Nilsson  | Jean-Paul Mindermann  | Peter Hahn   |
|----------------------------------|--|--|---|--|
| <b>Position</b>                  | President and CEO  | Chief Financial Officer (CFO)                                    | Business Area President, Trelleborg Industrial Solutions  | Business Area President, Trelleborg Sealing Solutions  |
| <b>Employed</b>                  | 1995   | 2021   | 2011  | 2001   |
| <b>In current position since</b> | 2005   | 2021   | 2017  | 2018   |
| <b>Born</b>                      | 1966   | 1977   | 1965  | 1958   |
| <b>Nationality</b>               | Swedish  | Swedish  | German  | US/German  |
| <b>Qualifications</b>            | M.Sc. Eng.   | Graduate in business administration                              | Graduate in business administration   | M.Sc. Eng.   |
| <b>Other assignments</b>         | Chairman of the Board of Cibes Holding AB. Board member of Trelleborg AB and the Chamber of Commerce and Industry of Southern Sweden |  | President of Contex Holding GmbH and Board member of Herschel Infrared Ltd, Herschel Energy Ltd and Terra Fidelis GmbH                          |  |
| <b>Professional experience</b>   | Business Area President at Trelleborg and other posts within the Trelleborg Group, as well as management consultant at BSI           | Chief Financial Officer AAK AB, various finance roles in Sandvik | Business Unit President at the Trelleborg Group, President of Premia Group, CEO of Watts Industrial Tires and other senior management functions | Business Unit President at the Trelleborg Group and various senior positions at 4M Technologies, Leybold and Degussa |
| <b>Shareholding 2022</b>         | 60,572 shares and 50,000 call options <sup>1</sup>   | 3,475 shares   | –   | 12,500 call options <sup>1</sup>   |

<sup>1</sup> In November 2018, the principal owner – The Henry Dunker Donation Fund & Foundations – offered the members of Group management 12,500 call options each in Trelleborg, except the President and CEO who was offered 50,000 call options, with a term of five years. The members of Group management purchased these call options at a price of SEK 9.86 per call option. Each call option entitles the holder to purchase one Series B share at a call price of SEK 175.83. The Black & Scholes method was used in the valuation of the call options. The principal owner's intention in introducing the program is to encourage Group management's long-term commitment to the company. Trelleborg AB did not participate in the offer and will not be charged with any earnings effect related to the program.

## REMUNERATION OF GROUP MANAGEMENT 2022

| SEK 000s                             |             | Fixed salary  | Annual variable salary | Long-term incentive program <sup>1</sup> | Other benefits | Total         | Pension costs | Total including pension |
|--------------------------------------|-------------|---------------|------------------------|--|----------------|---------------|---------------|-------------------------|
| President and CEO                    | <b>2022</b> | <b>12,317</b> | <b>7,279</b>           | <b>7,559</b>                             | <b>220</b>     | <b>27,375</b> | <b>5,363</b>  | <b>32,738</b>           |
|                                      | 2021        | 11,917        | 8,956                  | 4,614                                    | 221            | 25,708        | 5,181         | 30,889                  |
| Group Management, others (6 persons) | <b>2022</b> | <b>24,859</b> | <b>13,114</b>          | <b>13,321</b>                            | <b>1,223</b>   | <b>52,517</b> | <b>5,784</b>  | <b>58,301</b>           |
|                                      | 2021        | 24,401        | 13,233                 | 5,461                                    | 1,124          | 44,219        | 5,574         | 49,793                  |
| <b>Total</b>                         | <b>2022</b> | <b>37,176</b> | <b>20,393</b>          | <b>20,880</b>                            | <b>1,443</b>   | <b>79,892</b> | <b>11,147</b> | <b>91,039</b>           |
| <b>Total</b>                         | 2021        | 36,318        | 22,189                 | 10,075                                   | 1,345          | 69,927        | 10,755        | 80,682                  |

<sup>1</sup> Expensed in 2022. Payment is made in the first quarter, 2023 to 2025, on condition that the individual is employed in the Group on December 31 of the preceding year.





Paolo Pompei

Katarina Olsson

Patrik Romberg

|                                  |   |   |  |
|----------------------------------|---|---|--|
| <b>Position</b>                  | Business Area President, Trelleborg Wheel Systems | Senior Vice President, General Counsel                                    | Senior Vice President, Communications and Senior Vice President, Human Resources |
| <b>Employed</b>                  | 1999  | 2022  | 2006   |
| <b>In current position since</b> | 2017  | 2022  | 2011   |
| <b>Born</b>                      | 1971  | 1971  | 1966   |
| <b>Nationality</b>               | Italian   | Swedish   | Swedish  |
| <b>Qualifications</b>            | B.Sc. in economics, M.Sc. in international trade  | Master of Law   | MBA and university studies in behavioral science and education                   |
| <b>Other assignments</b>         |   | Board member of Golventreprenad Gruppen                                   |  |
| <b>Professional experience</b>   | Business Unit President at the Trelleborg Group   | General Counsel Beijer Ref and Senior Corporate Counsel ICA and Ericsson. | Various positions at the Trelleborg Group and Unilever                           |
| <b>Shareholding 2022</b>         | –   | 1,500 shares  | 901 shares and 12,500 call options <sup>1</sup>                                  |

<sup>1</sup> In November 2018, the principal owner – The Henry Dunker Donation Fund & Foundations – offered the members of Group management 12,500 call options each in Trelleborg, except the President and CEO who was offered 50,000 call options, with a term of five years. The members of Group management purchased these call options at a price of SEK 9.86 per call option. Each call option entitles the holder to purchase one Series B share at a call price of SEK 175.83. The Black & Scholes method was used in the valuation of the call options. The principal owner's intention in introducing the program is to encourage Group management's long-term commitment to the company. Trelleborg AB did not participate in the offer and will not be charged with any earnings effect related to the program.

## PRINCIPLES FOR REMUNERATION

The following principles for remuneration of senior executives were adopted by the 2022 Annual General Meeting:

- » Trelleborg will offer market-based terms of employment that enable the company to recruit, develop and retain senior executives.
- » The remuneration structure is to comprise fixed and variable remuneration (annual variable salary and long-term incentive programs), pension provisions and other remuneration, which together form the individual's total remuneration package.
- » Trelleborg continuously gathers, evaluates and adapts information on market-based remuneration levels for relevant industries and markets.
- » Principles for remuneration may vary depending on local conditions.

- » The remuneration structure will be based on such factors as position, expertise, experience and performance.

Senior executives comprise the President and CEO as well as other members of Group Management. The principles are supplemented by a policy governing benefits for senior executives as well as a global Remuneration Policy covering all managers and senior salaried employees. In 2022, total remuneration of Group Management amounted to SEK 79,892,000 (69,927,000), excluding pension premiums, and SEK 91,039,000 (80,682,000), including pension premiums.

For additional information concerning remuneration, refer to Note 10, pages 81–82.