

WE TAKE
RESPONSIBILITY
FOR THE FUTURE

CORPORATE RESPONSIBILITY

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About this Communication on Progress 2010

Pages 1-12, 24 are an excerpt from the Trelleborg Annual Report 2010.
Pages 13-23 are from Trelleborg's complete Corporate Responsibility web
report 2010 at www.trelleborg.com/cr. This pdf version does not contain
active links.



This symbol indicates that additional information
is available at www.trelleborg.com/cr



We take **responsibility** for the future

Our products and services help our customers to protect people, processes and the environment, thus contributing to the development of a sustainable society. I am proud to be able to say that in this and other ways, we take responsibility for the future.

Responsibility for the future includes pursuing an extensive and active initiative to prevent the occurrence of varying types of injury and risks related to Trelleborg's products and other operations. I am extremely keen for Trelleborg to be a safe and sound workplace, at all its worldwide locations, and that we all have the same core values and sound ethics.

Our Code of Conduct continues to constitute our key tool in this area. We are becoming increasingly systematic in our examination of compliance with the Code in our own organization and follow up the same principles of responsibility with our suppliers. We encourage suppliers and business partners to follow our lead and join the United Nations Global Compact's principles for responsible corporate practices. In 2010, the ISO standard 26000 established guidelines that provide us with further guidance regarding sustainability both now and in the future.

Energy and the climate remain prioritized issues for Trelleborg, as do improved processes within the framework for Manufacturing Excellence and our established work environment program Safety@Work. Responsible

chemicals management in accordance with the EU's REACH rules and regulations forms another central issue.

Continuous improvement and openness are fundamental principles for us at Trelleborg. For these reasons we continuously develop the reporting of our CR work in accordance with the guidelines of the Global Reporting Initiative. This year, we have chosen to report our level of GRI fulfillment alongside our own target indicators in an overview. In 2010, we completed an internal six month interim report for CR for the first time.

For me, working in a future-oriented manner means never being satisfied, something can always be improved, also regarding our responsibility in the area of sustainability. This report enables us to describe how we continuously advance our positions. We welcome viewpoints regarding our CR work and reports from all our stakeholders.

Peter Nilsson, President and CEO

External audit and GRI level

PwC conducted a limited review of the entire report on Trelleborg's Corporate Responsibility work in 2010, with a focus on the most significant CR issues. See the assurance report on page 24 or www.trelleborg.com/cr.

Trelleborg reports in accordance with GRI level B+ and PwC has reviewed and verified the application level. Complete information and the GRI index can be viewed at www.trelleborg.com/cr.



Trelleborg and Global Compact

Since 2007, Trelleborg has been affiliated to the UN's Global Compact network, which is an initiative to promote responsible corporate practices in the areas of human rights, labor, environment and anti-corruption.



The figures specified for 2010 are based on continuing operations. However, historical comparative figures have not been restated for the CR section (pages 1-12), with the exception of Water consumption on page 6, where the indicators have been adjusted, and Generated and distributed value on page 12.

Target indicators, outcome and progress in 2010

Area	Results 2010	Measures and progress
Environment		
 Energy Reduce energy consumption by 10 percent by 2011 (base year 2008).	1,198 (1,288) GWh Improved energy efficiency has resulted in an 9.5 percent decrease, relative to sales, compared with 2008.	The Energy Excellence Program for systematically enhancing the efficiency of energy continued at all production units.
 Climate Reduce direct and indirect carbon dioxide emissions by at least 15 percent relative to sales by 2015 (base year 2008).	Decrease in absolute terms in 2010, and a decrease of 10 percent relative to sales compared with 2008.	Energy Excellence savings also reduce the impact on the climate.
 Chemicals Establish a list of substances to be phased out not later than 2011.	Work and planning for this commenced in conjunction with adaptation to the EU's REACH legislation.	Work on the adaptation to REACH continues.
 Waste Reduce the amount of waste by 10 percent relative to sales by 2011 (base year 2008).	59,300 (59,400) tons. The decrease was 9.7 percent, relative to sales, compared with 2008.	The focus will initially be on the largest plants.
 Emissions Reduce emissions to air of volatile organic compounds (VOC), nitrogen oxides and sulfur dioxide by 10 percent relative to sales by 2011 (base year 2008).	1,737 (1,256) tons. A distinct increase in absolute terms (see explanation on page 57), and a 45-percent increase relative to sales, compared with 2008.	Projects in progress to reduce VOCs in several product areas, for example, the printing blanket area, which is a solvent-intense production process.
 Environmental management Implement environmental management systems in 90 percent of the production units, with 85 percent having ISO 14001 certification by 2011.	80 (71) percent.	In 2010, a number of facilities received certification including Spartanburg, South Carolina, USA.
 Water Reduce water consumption by 5 percent relative to sales by 2011 (base year 2008).	2.5 (3.0) million cubic meters, a 38-percent reduction, relative to sales, compared with 2008.	Extensive water recycling projects in Tivoli and Ersmark have generated lasting results.

Workplace

 Safety@Work Implement the Safety@Work program at all production units.	100 (100) percent.	The average points in the self-evaluations increased 0.4 percent in 2010 to 812 points (809) out of a possible 1,000 points.
 Human rights and discrimination Zero tolerance for the existence of child or forced labor and reported and reviewed cases of discrimination.	0 (0) cases of child or forced labor. 6 (3) registered cases of discrimination, all of which have been investigated and dismissed.	
 Employee performance reviews Offer all salaried employees to level 5 documented employee performance reviews.	87 (100) percent.	The joint portal for employee performance review discussions provides uniformity and efficiency in the Group. The initial target group was expanded to include staff level 6.

Customers and Suppliers

 Anti-corruption Zero tolerance for bribery, corruption or cartel behavior.	For information regarding the competition investigation, see our Annual Report 2010.	Training courses related to corruption and conduct in the competition area have continued.
 Suppliers Work with suppliers who support the applicable parts of the company's Code of Conduct.	Self-assessment implemented at suppliers, which represent about 25 percent of total procurement in monetary terms.	The self-assessment and auditing of suppliers will be further developed in 2011.

Society

 Transparency To continuously develop the company's CR reporting in accordance with Global Reporting Initiatives guidelines, at a minimum of level B+.	CR reporting for 2010 also conforms to GRI guidelines and has been deemed to comply with requirements for level B+ by a third party (PwC).	CR reporting on the Internet is continuously developed to be more educational and user friendly. In 2010, Trelleborg's CR website was named that best Swedish CR website.
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Corporate Responsibility

Trelleborg's corporate responsibility (CR) work spans the entire area of sustainability from environment, health and safety issues to ethical relationships with employees, customers, suppliers and society as a whole.

The Group's business concept – polymer solutions that seal, damp and protect – enables Trelleborg to contribute positive and innovative products and solutions that promote the development of society in respect of the environment and occupational health and safety.

Systematic work with Corporate Responsibility

Trelleborg's Code of Conduct in the areas of the environment, occupational health and safety, and ethics applies to all employees, without exception. The Code of Conduct is based on internationally recognized conventions and guidelines, such as the UN conventions on human rights, the ILO's conventions, the OECD's guidelines and the UN Global Compact. The Code states clearly that every employee has the right to report suspicions of serious breaches of laws or regulations without any repercussions whatsoever as part of our whistle-blower policy.

Training in the Code of Conduct is mandatory for all employees, and the Code forms the basis for the Group's internal work with CR issues (see diagram below). Training is conducted via e-learning and conventional courses. Key steps were taken during the year that

enabled systematic follow-up to ensure compliance with the Code at all Trelleborg units. The process builds on self-evaluation and internal audits. Every Trelleborg unit receives a questionnaire in respect of compliance with the Code of Conduct. The completed forms are sent in and centrally evaluated to ascertain if any additional clarification is required from the respective unit. Any remaining faults are followed up with an internal audit. Within certain areas of the Code, self-evaluation and internal audits are reinforced by external audits, such as ISO 14001 environmental audits.

Trelleborg's annual Corporate Responsibility Report is prepared in accordance with the guidelines of the Global Reporting Initiative (GRI). Information for 2010 has been compiled from the Group's production units and other available statistical information in accordance with the Group's standard for CR reporting. The principles are given in greater detail at www.trelleborg.com/cr, which contains a complete index that clarifies exactly how the CR reporting follows the GRI guidelines, as does our yearly report (Communication on Progress) to the UN Global Compact.

WWW

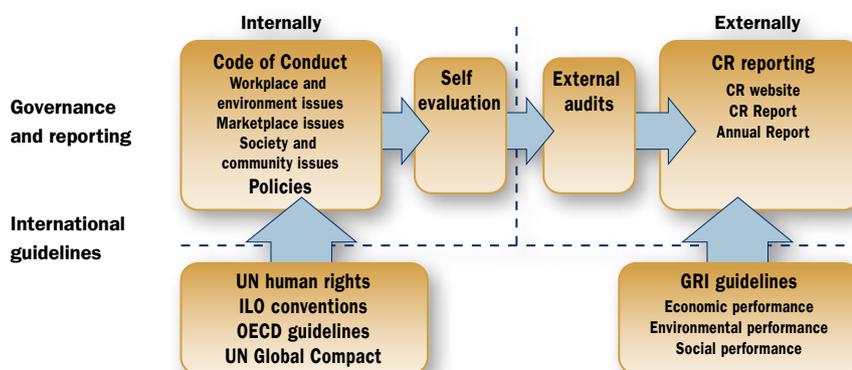
A new feature contained in this Annual Report is an overview of the connection between Trelleborg's reporting, the GRI's guidelines, the UN Global Compact and ISO 26000.

Organization

At Board level, it is the Audit Committee that has the task of supporting and following up the work on corporate responsibility issues. CR reporting is managed by a group comprising representatives from the Group Corporate Communications, Legal Department, Environment, HR and Purchasing staff functions. The Corporate Communications staff function is responsible for coordinating the reporting.

Direct responsibility for issues relating to the environment, health and safety rests with each unit. Every production plant has an environmental coordinator and a person responsible for occupational health and safety. The central Group function, Environment, which is a part of the Group Legal Department, is responsible for control and coordination of environmental issues. The Group's Environment Forum, a group that meets four times a year and consists of environmental managers from the four business areas, functions as an aid to the central Environment Group function.

Systematic Corporate Responsibility work in Trelleborg



The year in brief

- Trelleborg's environmental footprint was reduced for the majority of key ratios in absolute and relative terms.
- The Safety@Work program continued to generate results in the process of developing the safety culture.
- The audit of suppliers utilizing self-evaluation and follow-up continues.
- Internal auditors trained to be able to perform internal Code of Conduct audits.
- Internal six-month reporting of CR performance indicators completed.

Active stakeholder dialog

Active stakeholder dialog

Trelleborg's stakeholder communication is to be characterized by open relationships, regular dialog, clarity and a high level of ethics. The most important stakeholder groups are *Customers, Suppliers and Partners, Shareholders and Investors, Employees, Society and Authorities*. Read more about how representatives of these groups have contributed to the analysis of sustainability issues in the box on the right.

Channels for regular stakeholder dialog:

A key channel for all of Trelleborg's stakeholders is the company's website, www.trelleborg.com, which includes about 60 associated websites, as is the company's participation in social media.

WWW

- **Customers:** Meetings between Trelleborg's representatives and customers. The Group's customer and stakeholder magazine *T-Time*
- **Suppliers and Partners:** Supplier visits and supplier screening through surveys.
- **Shareholders and Investors:** Shareholder service (telephone and e-mail channels), Annual General Meetings, analysts' meetings, meetings with ethical investors.
- **Employees:** Internal communications channels, such as Trelleborg Group Intranet (intranet), *E-Connect* (digital newsletter) and *Connect* (internal magazine), internal courses, trade union cooperation and events.
- **Society:** Local Open Day, family and sponsorship activities, collaboration with universities and colleges.
- **Authorities:** Dialog with local supervisory authorities about specific issues. Trelleborg also works through trade organizations on national and European levels.

Some examples of stakeholder meetings from 2010:

- In October 2010, the annual seminar was conducted with Master's students at the International Institute for Industrial Environmental Economics in Lund who provided feedback on Trelleborg's CR reporting.
- In November 2010, Trelleborg participated in Ford's global sustainability meeting for selected suppliers in Dearborn, Michigan, USA. Trelleborg is deemed to fulfill the criteria, along with nine other companies, of the three phases of sustainability that Ford identified as significant for its suppliers.
- Participation in roundtable discussions for the one hundred largest listed companies in Sweden, arranged in December 2010 by the investor initiative Sustainable Value Creation.

Materiality analysis of sustainability aspects

Materiality analysis is one of a range of tools to survey external and internal stakeholders opinions in respect of which CR/sustainability aspects are most central to Trelleborg, and was last conducted in 2009. Following a review of Trelleborg's Code of Conduct, the Global Compact, the Global Reporting Initiative (GRI) guidelines and the Dow Jones Sustainability Index, some 20 aspects were identified. A selection of external and internal stakeholders was then asked for their

opinions on the importance of these aspects for Trelleborg. The results of the survey, presented in the diagram below, provide support for prioritization in CR reporting and for more in-depth stakeholder dialogs. Three aspects that were assigned a high priority both externally and internally were *Product quality and safety, Use of hazardous chemicals in manufacturing and Emissions to air and water*.



Distinctions and comparisons in 2010

- In Ernst & Young's yearly review of annual reports from listed Swedish companies, Trelleborg AB was deemed best in risk reporting and accordingly, was awarded the 2010 Risk Transparency Award.
- The consulting firm, Hallvarsson & Halvarsson's yearly review in 2010 named Trelleborg AB best in Sweden at reporting Corporate Responsibility on the Internet. Of the approximately 900 websites reviewed, Trelleborg was awarded the highest points.
- Trelleborg received 69 (62) points in the Carbon Disclosure Project's (CDP) annual Nordic Climate Report for 2010. According to CDP, top companies (70 points or more) exhibit understanding of climate initiative risks and opportunities, strategic focus, knowledge of measurement methods and openness to stakeholders.
- In 2010, Trelleborg was included in the following sustainability indexes:
 - OMX GES Sustainability Sweden
 - OMX GES Sustainability Nordic
 - OMX GES Ethical Nordic Index
 - OMX GES Ethical Sweden Index
 - Nordic Sustainability Stars Sweden Top 25 (Ethix)
 - ESI Europe (Ethibel)

CR reporting on the Internet

Visit www.trelleborg.com/cr for Trelleborg's complete collection of CR reports on the Internet. The website also explains data collection and accounting principles in detail. Additionally, a GRI index is published that clarifies exactly how the reporting complies with the Global Reporting Initiative's guidelines.

WWW



Environmental responsibility

Trelleborg's total environmental footprint has been reduced in almost every area, which is shown by the changes in our relative environmental key ratios. The majority of the Group's performance indicators showed a positive trend, a result supported by continued operational and resource-related efficiency enhancements.

Trelleborg has extensive production operations in about 30 countries, which means that environmental and occupational health and safety issues constitute an integral part of the company's responsibility work. This work is being performed at both the central and local level. The environmental work includes proactive measures aimed at reducing environmental impact and risks. The following areas continue to be emphasized in the Group's environmental policy and comprise priority areas; environmental management, energy and materials efficiency, and sustainable product and process development. The environmental impact of individual facilities varies widely, depending on their size and processes. The most significant environmental aspects include energy and raw materials consumption, emissions to air and water, and waste. The Group's operations also generate extensive transports. In 2010, production operations were conducted at 113 facilities, including 67 in Europe, 33 in North and South America, 11 in Asia and 2 in Australia.

Target indicators in specific key areas have been developed further to improve the Group's monitoring of implementation and compliance. During the year, interim data was gathered for these key areas as a step towards creating a more continuous process for reporting and feedback. The results were published internally and made available to all reporting businesses. During the coming year, the ambition is to strengthen the follow-up process by allowing the key ratios that relate to resource efficiency to be integrated and reported via the business system.

Trelleborg's internal environmental handbook includes recommendations addressing the most central issues with regard to policies and risks, and is being implemented globally throughout the organization. A process for environmental risk assessment has been implemented globally and builds on the internal self-evaluation work conducted under Environmental Blue Grading and Soil Pollution Dashboards, as well as an assessment performed by Trelleborg's property insurance provider FM Global. This work and process are based on the environmental handbook and provide support for the identification and elimination of environmental risks linked to the company's operations.

Environmental management

- **Proportion of facilities with ISO 14001 certification: 80 (71) percent**

An important cornerstone in Trelleborg's environmental work is the environmental management standard ISO 14001, a mandatory requirement for all production plants in the Group. According to the Group policy, all larger facilities must have certified systems. At year-end 2010, a total of 90 (92) facilities were certified, which corresponds to about 80 (71) percent of all plants.

Energy

- **Total energy consumption: 1,198 (1,288) GWh**
- **Direct energy consumption: 505 GWh**
- **Total energy consumption/sales: 0.0440 (0.0476) GWh/SEK M**

Energy savings is a focus area in Trelleborg's environmental policy, and the objective is for all production plants to develop an energy-savings plan.

In 2009, Trelleborg's Energy Excellence Program for systematic energy-efficiency enhancements was implemented at all production units. Energy Excellence is based on self-assessment and the identification/implementation of improvement projects through specially trained coordinators at each production unit. These coordinators in turn form an improvement team to implement savings measures pertaining to such areas as buildings, compressed air systems, heating/ventilation, lighting and cooling systems. The program has generated distinct savings in the form of lower energy consumption and energy costs and reduced the Group's total carbon emissions.

The Group's total energy costs for 2010 amounted to SEK 658 (707) M.

Climate impact

- **Total CO2 emissions: 347,000 (377,000) tons**
- **Direct CO2 emissions: 110,000 (115,200) tons**
- **Total CO2 emissions/sales: 12.8 (13.9) tons/SEK M**

A significant part of the Group's climate impact is caused by direct carbon emissions from the combustion of fossil fuels and indirectly through the consumption of purchased electricity, steam and district heating.

The "15 by 15" climate target adopted by Trelleborg in 2009 (see below) addresses these direct and indirect emissions.

The Group's reporting of indirect emissions has been adapted to comply with the Carbon Disclosure Project's recommendations, which means that national conversion factors taken from the Greenhouse Gas Protocol were applied. Trelleborg has taken clear steps to prevent and reduce the climate-related effects of its operations, which include the improvements in energy efficiency as specified above.

Since 2007, Trelleborg has participated in the voluntary reporting process of the Carbon Disclosure Project (CDP), which involves openly reporting all relevant performance indicators and data. On behalf of global investors, the CDP gathers information regarding emissions of greenhouse gases by companies and organizations as well as the measures being taken by them to prevent a negative climate impact, visit www.cdproject.net. In the CDP's annual report for 2010, Trelleborg received 69 points, compared with 62 points in the preceding year.

Only one plant, to a limited extent, was affected by the EU directive on trading of emission rights in 2010.

Trelleborg's "15 by 15" climate strategy

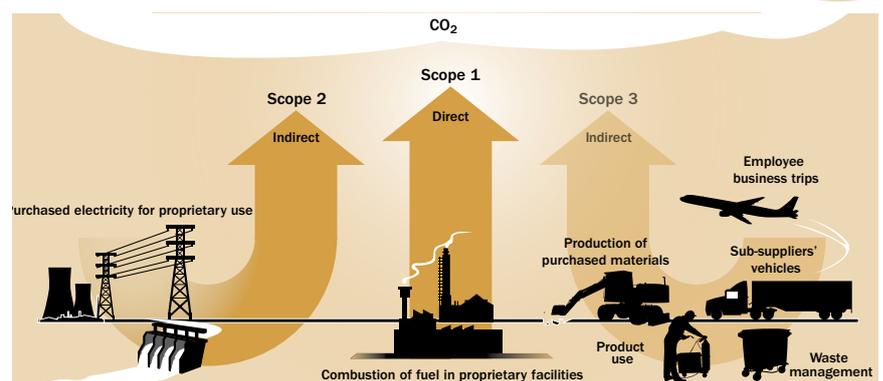
Trelleborg's goal is to reduce its direct and indirect carbon emissions by at least 15 percent, relative to sales, by the end of 2015 ("15 by 15"), calculated from the reference year of 2008. The emissions in question are caused by energy produced on a proprietary basis and included in **Scope 1** of the Greenhouse Gas Protocol (see diagram below), as well as those caused by electricity and steam purchased for internal use, which correspond to **Scope 2** (see diagram).

As part of the Energy Excellence Pro-

gram (see above), efforts to reduce energy consumption in Trelleborg's production operations have been in progress since 2009, which simultaneously resulted in a reduction in carbon emissions.

Scope 3 includes indirect emissions from transports, travel, purchased materials, product use and waste management. Focus on reducing these types of indirect emissions will gradually increase in Scope 3.

Read more about climate-related opportunities and risks at www.trelleborg.com/cr/strategy.



Emissions to air

- **Volatile organic compounds: 1,737 (1,256) tons**
- **VOC emissions/sales: 0.064 (0.046) tons/SEK M**

In addition to such energy-related emissions as carbon dioxide (see above), sulfur dioxide, 358 (257) tons, and nitrogen oxides, 57 (55) tons, emissions to air primarily comprise volatile organic compounds (VOC).

Emissions of VOC mainly originate from the use of adhesive agents containing solvents and the manufacturing of printing blankets. The trend in 2010 has been negative, which is attributable in its entirety to a three-month period of technical disruption in respect of the recycling equipment at the printing blanket production facility in Shanghai, which has now been remedied. Multiple projects are under way to replace solvent-based products in several areas, resulting in positive effects for both the environment and the work environment.

Raw materials

- **Raw rubber consumed: 106,100 (115,400) tons**

The principal raw materials are polymers and metal components, as well as additives including softening agents (oils), fillers, such as carbon black, and vulcanizing agents (sulfur, peroxides). Of the raw rubber used, approximately 38 (31) percent is natural rubber and 62 (69) percent is synthetic rubber.

As a chemical user, Trelleborg is affected by the EU chemical legislation REACH. Activities to adapt the Group's operations to REACH continued in 2010, with a focus on communication with suppliers and customers regarding REACH-related issues to ensure compliance.

Water

- **Total water use in production: 2.5 (3.0) million m³**

The indicator was adjusted to include total water consumption, which is more compre-

hensive. Historical comparative figures have been restated in the diagram below. The total volume of water that has been extracted by source is as follows: 47 percent from drinking water, 24 percent from own wells and 29 percent from surface water. Water is used in production primarily for cooling and cleaning. Major savings have been made, for example, through the introduction of recycling systems. Emissions to water are limited and mainly consist of organic material.

Waste

- **Total amount of waste: 59,300 (59,400) tons**
- **Total waste/sales: 2.2 (2.2) tons/SEK M**
- **Degree of recycling: 46 (56) percent**

Continuous work is under way in the local operations to find waste disposal alternatives with a higher degree of recycling and lower cost. Recycling is carried out by external and internal partners.

In 2010, the Group's total waste management cost amounted to SEK 48 (54) M. The division of waste management was 3 percent to internal recycling, 43 percent to external recycling, 14 percent to energy recovery, 35 percent to landfill and 5 percent to other waste management services. Of the total waste, rubber waste accounted for slightly more than 33 (33) percent. The volume of environmental or hazardous waste requiring special treatment amounted to 5,100 (5,100) tons.

Permits and non-compliance

A total of 85 (85) percent of the plants are required to hold permits under local law. All facilities in Sweden, 13 in total, are required to hold permits or register their activities. Applications to renew environmental permits are currently being processed for 35 facilities (three in Sweden), of which all are expected to receive the permits requested.

During the year, some form of violation against the terms of permits or local environmental, health and safety legislation occurred at 13 (12) facilities. Of these, 2 (2) cases resulted in fines. The total cost for fines amounted to approximately SEK 0.08 (0.16) M. Other causes of violations were noise and emissions to air. Complaints from neighbors and other parties concerned were filed against 6 (10) facilities. The most common reasons were noise and odor.

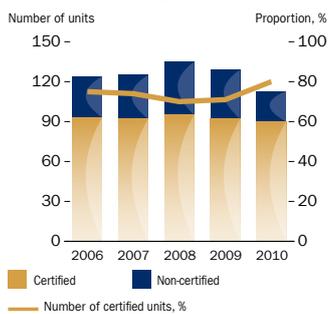
Environmental risks and debts

3 (2) cases of unforeseen emissions were reported in 2010, corresponding to about 500 (0.7) m³. Nearly the entire volume comprised water, mixed with chemicals, from fire-extinguishing activities following an incident in Morristown, in the US.

Historically, the handling of oil and solvents has often given rise to soil and groundwater contamination. Remediation of contaminated soil is currently under way at 8 (10*) plants. Another 6 (4) facilities are expected to require remediation, although the extent of the remediation has not yet been determined. In addition, Trelleborg is participating as one of several formal parties in another 6 (6) cases of remediation (2 in Sweden and 4 in the US), although with a marginal cost responsibility. The Group's provisions for environmental commitments amounted to SEK 52.5 (69) M at year-end.

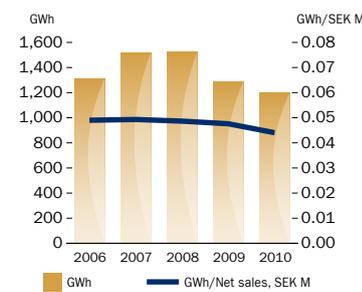
When conducting acquisitions and divestments, Trelleborg performs environmental studies of the operations and land in question to assess and outline their environmental impact and to identify potential environmental debts. During 2010, 12 (4) studies were initiated and performed in conjunction with acquisitions and divestments.

Environmental management



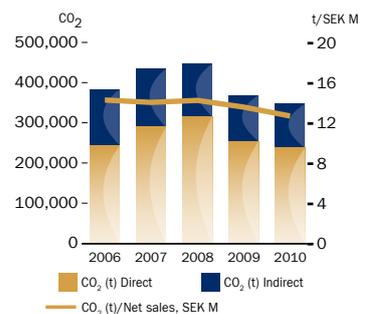
The proportion of certified plants rose compared with 2009.

Energy



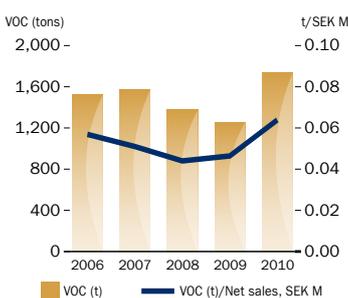
The Energy Excellence savings program caused a reduction in energy consumption in absolute terms compared with 2009. This value includes consumption of electricity, purchased steam and district heating.

Climate impact



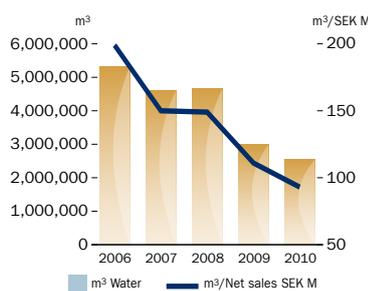
In 2010, total carbon emissions declined in absolute terms and relative to sales.

Emissions to air



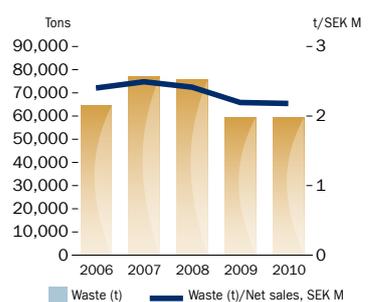
Emissions of volatile organic compounds increased in absolute and relative terms: see the comment in the text under Emissions to Air.

Water



Total water consumption includes water used in production and, for example, sanitary water. Consumption declined in absolute and relative terms.

Waste



The volume of waste remained unchanged, both in absolute and relative terms.

* The figure for 2009 has been corrected.

Responsibility for employees and the workplace

Trelleborg's responsibility for employees and the workplace includes human rights, a healthy working environment and employee development. The same respect for health and safety must prevail irrespective of where in the world operations are conducted.

Human rights

Human rights comprise fundamental rights and are defined as conventions and declarations in respect of child labor, forced labor and the right to freedom of association and collective agreements, diversity issues and gender equality. All of these areas are addressed in Trelleborg's Code of Conduct. Our Whistleblower policy gives all employees the opportunity to report suspected violations of laws or regulations.

Child and forced labor

• Infringements related to child or forced labor 0 (0)

Trelleborg has collaborated with Save the Children for a number of years; this collaboration strengthens our competence in the area of child labor. Save the Children and the UN's Global Compact (whose principles have been signed by Trelleborg) have initiated a partnership to clarify children's roles and rights within the framework of Global Compact's principles.

No (0) infringements occurred in 2010 in respect of child or forced labor.

Workplace relationships

• Percentage of employees with labor union representation via collective agreements: 53 (50) percent

Within Trelleborg, continuous change processes are under way in connection with acquisitions, divestments and rationalizations. Accordingly, a primary task is to provide the conditions for change and, with respect for each employee, reduce uncertainty and insecurity, while at the

same time ensuring the company's continued competitiveness. Trelleborg always complies with local legislation or collective agreements in terms of time required for notice of lay-offs.

In 2010, Trelleborg divested one business unit and entered an agreement covering the divestment of another business unit. Additionally, the Group made staff reductions particularly in the more mature markets, although staff increased in certain emerging markets, including China and India. Net, the number of employees has increased by approximately 1,500 employees.

Trelleborg's policy is to recognize local union clubs and the right to a collective agreement. In total 53 (50) percent of Trelleborg's employees at the Group's production plants are represented by unions through collective agreements.

Diversity and equality

• Number of reported and investigated cases of discrimination: 6 (3)

Trelleborg's Code of Conduct states that Trelleborg does not apply special treatment to employees in regard to employment or work assignments on the basis of gender, religion, age, disability, sexual orientation, nationality, political opinions or social or ethnic origin. In 2010, 6 (3) cases of discrimination were reported and reviewed. All six cases were dismissed.

The successful mentor program focused on female participants that was launched in 2009 ended during the year. In 2010, a new program was started focused on participants

from emerging markets. In Folksam's Gender Equality Index 2010, Trelleborg held an average grade of three out of five. The average for the Capital Goods industrial group was 2.6. The index measures how even the distribution is between women and men in the Group, on the Board of Directors and in Group Management.

Work environment – Health and safety

- **Work-related injuries/illnesses (Lost Work Cases, LWC): 416 (553) cases**
- **LWCs per 100 employees per year: 2.75 (3.42)**
- **Average number of work days lost per injury per year: 22 (20)**
- **Percentage of units with a safety committee: 95 (97) percent**

Trelleborg's Code of Conduct emphasizes the objective of preventing work-related injuries and illnesses at all of the Group's workplaces globally. Trelleborg's Safety@Work program supports the organizational change that is required to create a culture of safety and strengthens the Group's ability to attract, develop and retain good employees in all its units. Accordingly, the Safety@Work program was introduced globally at all active production units. The progress of the Safety@Work program is monitored by the company's CR reporting structure.

In 2010, all active production units underwent Safety@Work training, conducted self-assessments and developed a plan for preventive and corrective measures. More than 50 trained internal examiners performed reviews at more than half of the plants. The

Number of employees at year-end*

Distribution by country	2010	2009	Change
USA	2,815	2,852	-37
France	2,004	2,068	-64
Sweden	1,882	1,696	186
China	1,430	1,119	311
UK	1,408	1,257	151
Italy	1,246	1,258	-12
Germany	1,126	1,137	-11
Spain	1,102	1,047	55
Brazil	1,025	946	79
India	902	617	285
Sri Lanka	795	745	50
Malta	530	461	69
Mexico	470	338	132
Poland	454	407	47
Czech Republic	264	251	13
Turkey	206	193	13
Rest of North America	18	20	-2
Rest of Western Europe	1,097	1,069	28
Rest of Europe	673	554	119
Rest of South and Central America	4	4	0
Rest of Asia and other markets	942	860	82
Total	20,393	18,899	7.9%

*including insourced staff and temporary employees

Trelleborg has operations in 43 countries. Of the total number of employees, 91 percent work outside Sweden.

The number of employees in the entire Group at year-end, including insourced staff and temporary employees, was 20,629 (21,119), which included employees in divested companies totaling 236 (2,220).

The average number of employees in the Group declined during the year to 20,042 (20,073), of which 25 (25) percent were women. For further information, see Note 3 and the map in our Annual Report 2010.

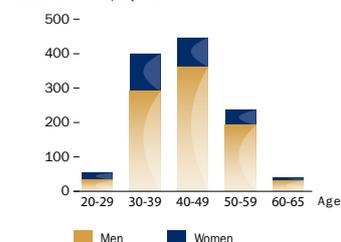
Salaries and other benefits for the average number of employees (excluding insourced staff) amounted to SEK 5,972 M (6,082).

Personnel turnover (not taking terminations and retirements into consideration) varies among countries and facilities, and often reflects the local labor situation. Personnel turnover was 7 (5) percent during 2010. The majority of plants indicate a personnel turnover below 5 percent.

Age and gender of middle managers at management levels 3-5

Age structure

Number of employees



The diagram shows the age categories and gender distribution of middle managers at management levels 3-5 in Trelleborg's units. Level 3 corresponds to reporting to the Business Area President. The largest age categories are the 30-39 and 40-49 age brackets.

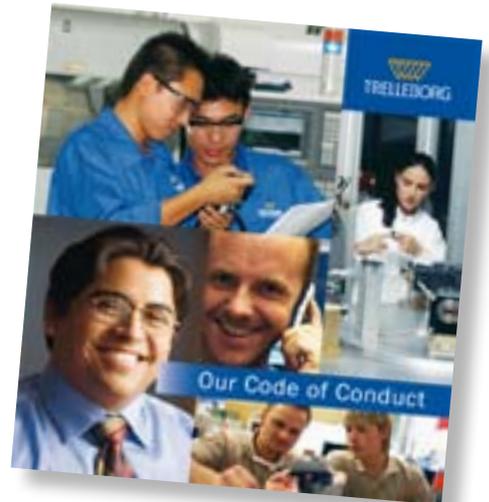
The proportion of women is highest in the youngest age categories: 39 percent in the 20-29 age bracket and 27 percent in the 30-39 age bracket. The proportion of women in executive management positions is 9 (8) percent and 29 (14) percent on the Board of Directors.



Trelleborg's values: Trelleborg's four fundamental values – *customer focus, performance, innovation and responsibility* – constitute continuity in the Group's activities to develop managers and employees.

It is the responsibility of managers and employees to continuously work to integrate these values in each of the Group's units. To support these efforts, the Group provides brochures, presentations and printed materials.

Trelleborg's Code of Conduct: Trelleborg's Code of Conduct is the principal policy document in the area of Corporate Responsibility for all Group employees. Training in the content of the Code is mandatory and to support the learning process, e-learning and practical training material is available in the form of presentations and brochures in 27 languages.



combined result of these activities was the development of an improvement program that aims to reduce the risks at these units.

The follow up of selected indicators aims to reduce the number of injuries and the number of days lost due to absenteeism arising from these injuries, and improve the results generated by the Safety@Work reviews.

Trelleborg's facilities continue to demonstrate a declining trend in terms of cases of work-related injuries/illnesses. In 2010, 416 (553) cases resulting in more than one day's absence were reported (= Lost Work Cases, LWC). This corresponded to a reduction of 25 percent compared with 2009.

The number of LWCs per 100 employees per year decreased to 2.75 (3.42), while the number of working days lost per injury per year increased to 22 (20). In 2010, the average number of points in the Safety@Work risk model (the points received by a facility based on the assessment of all input elements in the model) increased to 812 in reviews and self-assessments, compared with 809 in the year-earlier period, corresponding to an improvement of 0.4 percent.

Trelleborg's goal is that all facilities should have a well-functioning safety committee. In 2010, such committees with representation from plant management were in place at 95 (97) percent of facilities.

Total absenteeism for 2010 at the Group's production units in Sweden was 4 percent of normal working hours.

Talent management

- **Salaried employees at levels 1-5 that have completed a performance review: 87 (100) percent**
- **Internal recruitment to the four highest management levels: 67 (63) percent**
- **Average number of training hours per employee at the production units: 13 (14)**
- **Training in the Group's Code of Conduct for employees at the production units: 76 (60) percent**

The goal of the Group's Talent Management program is to secure a strong talent base for the supply of managers in the Group. The annual Talent Management process is a Group-wide process aimed at identifying, developing and utilizing Trelleborg's management potential.

The process, which involves performance

reviews, assessment centers and training and development activities, is designed to find the best match between the company's future recruitment requirements and individual career plans.

Employee performance review process

Employee performance reviews are structured to help motivate employees and aid them in their performance and development. The manager and employee adhere to an established structure when preparing for the review. In 2010, a shared internal tool for this was used by approximately 2,800 employees, which is an important step in the right direction to making a uniform process for the entire Group.

At the review, the parties discuss targets for the past year and the future, career development, mobility and development needs. Performance and potential are evaluated and in 2011, evaluation of managerial potential becomes obligatory. If the employee has managerial potential, a career development plan must be prepared.

The aim for 2010 was to include all employees to level five in the process. A total of 87 percent of employees at these levels underwent performance reviews in the period 2010-2011. Work will continue with level 6 in 2011 and subsequent years.

Talent review process

The main purpose of the Talent Review Process is to utilize the employee performance reviews conducted to identify employees with potential for advancement and to thus ensure meeting the company's needs for managers.

Unit and HR managers meet regularly to discuss potential candidates in the business areas and units. Where necessary, Assessment Centers are used to verify potential and determine development needs. The employees are supported by personal development plans (see above) along their career paths.

The talent base and plan for leadership succession are then presented to Trelleborg's Board.

The overall objective is a degree of internal recruitment of 50-70 percent for the four highest levels of management. This figure is currently about 67 percent in total.

An important part of the process is to increase the number of internal work changes between the business areas. Trelleborg wants to increase the Group's opportuni-

ties to free the potential of employees and use internal talent in the best way possible. For the same reason, all vacant positions are advertised on the Group intranet.

Training and development

Trelleborg's fundamental principle for human resource development is to provide suitable training to increase employee proficiency. At the same time, the Group strengthens its employees' social and financial opportunities.

In 2010, the average number of training hours per employee at the Group's production plants was 13 (14).

The following training activities were held at Group level in 2010:

- Project manager program (13 participants, of whom 4 women and 9 men)
- Two rounds of Trelleborg's trainee program (27 participants, of whom 8 women and 19 men)
- Three rounds of Trelleborg's International Management Program (69 participants, of whom 10 women and 59 men)
- Two rounds of Trelleborg's Mentor program (24 participants, of whom 12 women and 12 men)
- Introduction seminars (24 participants, of whom 4 women and 20 men)

The proportion of new employees for the year in production units who have undergone training in the Group's Code of Conduct is 76 percent.

Internal auditors have commenced training to be able to conduct internal Code of Conduct audits. The second phase of the training program ends in March 2011. In total fifteen internal auditors, primarily from HR are thus ready to perform 12 to 15 audits in 2011.

Compensation and benefits

An important factor to ensure the Group's long-term success is to have a system of rewards that takes employees' performance into account. The scope for this is outlined in the global and Group-wide Compensation and Benefits Policy.

The basis of the policy is that the compensation structure is based on a systematic evaluation system for work content and performance.

Responsibility for customers and suppliers

Trelleborg's responsibility for customers and suppliers is based on quality and safety in the products we deliver in parallel with sound business ethics.

Suppliers

- **Proportion of the total value of purchases for which suppliers have undergone review: approximately 25 percent**

Trelleborg's objective is to work only with suppliers who support our quality requirements and business principles. Evaluation of suppliers is primarily through joint Group self-evaluations that contain questions regarding the work environment, environmental management and social responsibility. Unsatisfactory answers are investigated. Underperforming suppliers are given a deadline for remedial measures.

A pilot project in 2009 included self-evaluations of 250 suppliers in countries with elevated risk levels. In 2010, the majority of our Group-wide suppliers of direct material, such as rubber and plastics, completed a similar self-evaluation process. This means that 33 percent of the total value of all such purchases completed at Group level were evaluated. Accordingly, in total, suppliers accounting for approximately 25 percent of the total purchasing requirement were reviewed.

In 2011, self-evaluations will become mandatory for every local purchasing unit through integration of the units in Trelleborg's obligatory "Procure-to-Pay" process. The target for 2011 is for every unit to complete a CR evaluation of their suppliers at a level equivalent to 80 percent of their purchasing value.

No supplier relationships were ended in 2010 due to environmental or social reasons. In the preceding year, seven units reported such cases.

Products

For information on the positive effects of Trelleborg products and solutions on the environment and work environment, see the next page.

When developing new products, consideration is always given to legal and customer requirements, product liability, and environmental, health and safety aspects during manufacture and use where relevant, see diagram. Trelleborg's Environmental Policy

also states that the precautionary principle should be taken into account and that the company will, as far as possible, reduce and replace hazardous substances and materials in products and processes. These stipulations are in line with the current work being conducted in consultation with customers on replacing particularly hazardous substances in



existing product formulations in accordance with the EU chemical legislation REACH (refer also to page 6).

Product development is usually conducted in close cooperation with the customer. Trelleborg provides product information in the form of labeling, safety data sheets, IMDS declarations and environmental declarations that meet the requirements set by the respective customer or market.

Many customers, such as the automotive and construction industries, have specific requirements with regard to the products' environmental characteristics and input parts. Industry or customer-specific limitation lists also exist for chemicals.

Transports

More than 90 percent of Trelleborg's raw

materials and finished products are transported by truck. The Group engages transport companies that can take care of freight in an effective and safe manner. The most significant environmental impact of the transports is in the form of carbon emissions due to the use of fossil fuels.

Based in Sweden, through one of its Swedish subsidiaries, Trelleborg Industri AB, Trelleborg has participated in the cooperative project Forum for Sustainable Transports, in which the participants worked to develop a tool intended to provide purchasers of heavy road transports with more sustainable transports as regards: economy, transport requirements, the environment, safety and degree of effectiveness. On the website, www.transportupphandling.se, transport purchasers can exchange experiences of their assessments and transport suppliers can declare their sustainability achievements.

Recycling

Since vulcanized rubber cannot be utilized as a raw material, Trelleborg's production processes generally recycle a significant proportion of the rubber waste produced before vulcanization has occurred.

Under the EU directive on the end life of vehicles (the ELV directive), requirements are placed on the recyclability of input parts in cars. Therefore, Trelleborg supplies, in accordance with requirements from world-leading car makers, environmental declarations as per the Global Automotive Declarable Substances List (GADSL) in the shared International Material Data System (IMDS) for all products supplied in this segment.

The European level of recycling of tires has made progress. Approximately ten years ago, only half of all worn tires were gathered in and the majority went to landfills. Now, 95 percent of all worn tires in Europe go to material or energy recycling according to the Swedish tire industry's jointly owned company, the Swedish Tyre Recycling Organisation, SDAB, where Trelleborg has a seat on the Board.

Sound business ethics

Trelleborg's Code of Conduct and training in this for all employees contains specific sections dealing with competition issues. Additionally, the Group has a specific program regarding competition law issues (Trelleborg Competition Law Compliance Program), which includes communication of the Group's clearly formulated policies, training, e-learning on the intranet and a newsletter.

Furthermore, the Group has a general whistleblower policy that can be utilized by all employees in respect of suspected improprieties.

The Group's General Counsel also functions as Compliance Officer, responsible for implementing, supporting and developing the Group's action program in the area of competition. The program, which is monitored and reported back to the Board, includes a review of agreements in particularly vulnerable environments, legal reviews of subsidiaries and a review of trade organizations.

In addition, the program focuses on ensuring that everyone in the organization understands how competition law works, what is legal/illegal and that cartel

behavior is entirely unacceptable in the Trelleborg Group. All new managers must participate within six months of employment.

- Routines are established for approval of memberships in organizations
- Since 2006, more than 70 competition law training seminars have been held for the Group's managers and selected functions, of which a dozen were held in 2010. These training seminars, which also deal with combating corruption, will continue in 2011.
- In 2010, as part of an agreement with the United States Department of the Navy, Trelleborg completed the Trelleborg Corporation Enhanced Compliance and Training program to enhance knowledge of competition law for the Group's employees in the US.

Trelleborg's solutions protect the environment and people

Sustainability is part of Trelleborg's business. The Group's polymer solutions contribute to a sustainable society by protecting people, the environment and crucial infrastructure.



Saving the environment with renewable wind energy

A variety of components including seals for wind turbines and buoyancy modules for installations of deep-water wind farms.



Seals for other alternative energy sources

Seals for solar cells, biofuels and fuel cell applications protect equipment, the environment and climate.



Saving energy and the environment with protective seals

Low-friction sealing solutions conserve energy in industrial applications. Seals also prevent hazardous chemicals from leaking into the environment.



Damps vibration for vehicles

Noise and vibration damping solutions for trains, passenger cars, trucks and other vehicles provide an improved work environment for drivers and passengers.



Protecting people, buildings and other infrastructure

Special bearings protect bridges, tunnels and buildings from vibrations, minimize noise and prevent the risk of damage from earthquakes, for example.



Protecting valuable forests

Specially designed forest tires are less harmful to the forest floor and minimize damage to the ground structure, young saplings and root systems.



Recycled material protects in extreme environments

Marine protective systems for extreme environments are manufactured out of recycled material and are themselves recycled at the end of their service life.



Environmentally-friendly printing blankets

A new generation of recyclable printing blankets also provides other environmental and work environment benefits including reduced consumption of solvents and energy in the manufacturing process.

Responsibility for society and the community

Trelleborg's ambition is to contribute to global development by supporting the local communities in which it conducts operations.

Social commitment

Trelleborg participates in numerous social activities, which are often based locally and involve cooperation with neighbors, interest groups, authorities and sports clubs. In the case of sports clubs, there are many examples of how the company supports youth work, which also takes the form of sponsorship of disabled children, scouts, preschools and festivals.

Trelleborg does not sponsor political or religious organizations. Trelleborg's sponsorship guidelines state that sponsorship measures that benefit society and the regions in which we operate are prioritized. Sponsorship must support Trelleborg's values and strengthen its relationships with customers and other partners.

In the area of education, Trelleborg cooperates with several universities and schools, which involves regular contacts with researchers and students. Trelleborg's cooperative partners include Université de Nantes, France, Fachhochschule Koblenz, Germany, LUISS and Tor Vergata, Italy, Kettering University in Michigan, USA, Malta University, Malta and

the International Institute for Industrial Environmental Economics in Sweden.

Over the years, a large amount of research and many degree projects have been performed at Trelleborg's plants, with specializations in such areas as the environment. In addition, Trelleborg has a "learning partnership" with Lund University School of Economics and Management, involving the sponsorship of two postgraduate appointments.

Communication

One of the company's central communication goals is to contribute to Trelleborg acting as a good corporate citizen and, in line with this, communicate a relevant image of operations in this regard. Trelleborg's communication is regulated by the company's Communications Policy, which encompasses communication rules for the entire organization, including with the stock market. Communication must conform to applicable legislation, regulations and standards, be characterized by a close relationship with the company's stakeholders and be founded on regular contact, clarity and good ethics.

Trelleborg's Group-wide policy for employee participation in social media is based on the same fundamental values as other communication, and the policy regulates ethical behavior and focuses on those who represent the company in such channels as blogs and social networking.

Created and distributed value, environmental and health and safety related investments and costs

Trelleborg's operations generate a financial value that, to a great extent, is distributed among various groups of stakeholders, such as suppliers of goods and services, employees, shareholders, banks and other creditors, and to society in the form of taxes. The figures below relate to continuing operations for both 2009 and 2010. In 2010, the Group generated SEK 27,196 (24,797) M, of which SEK 24,795 (23,587) M was distributed among various groups of stakeholders, as shown in the diagram and specification below.

Distributed value 2010

Suppliers: Payment for material and services SEK 16,647 (15,505) M, Note 8.

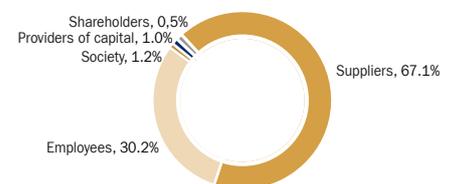
Employees: Salaries and benefits SEK 7,480 (7,407) M, Note 8.

Shareholders: Dividend paid in 2010 SEK 136 (0) M. Long-term dividend policy: 30-50 percent of net profit for the year.

Creditors: Interest expenses SEK 236 (411) M, Note 11.

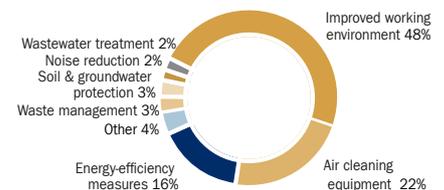
Society: Taxes paid SEK 294 (264) M.

Distributed value 2010

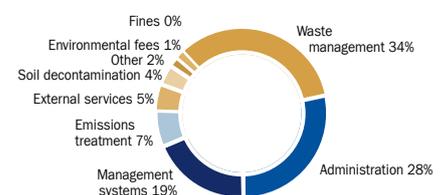


In 2010, a total of SEK 64 (70) M was invested in environmental, health and safety improvement measures. Environmental, health and safety costs amounted to SEK 134 (145) M. At the same time, environmental improvement measures generated cost savings of SEK 10 (35) M.

Distribution of environment, health and safety-related investments



Distribution of environment, health and safety-related expenses



Trelleborg and Save the Children



Räd Barnen

Cooperation extending over a number of years with Save the Children comprises yearly support, and forms part of Trelleborg's ambition to assume an increased global social responsibility by contributing to children's development and education. Trelleborg supports Save the Children's "Rewrite the future" program, which is a global initiative focused on securing education for children in conflict-affected countries.

Trelleborg stimulates diversity in Swedish business



Rosengård Invest, based in Malmö, is an investment company that was founded in spring 2009 by Trelleborg AB together with E.ON, Swedbank and Scandinavian Cap AB. The company focuses on raising venture capital for entrepreneurs who do not have a Swedish background and invests in new and existing companies in the Swedish market. Rosengård Invest aims, on a commercial basis, to contribute to greater integration, help create more jobs and improve the use of the resource represented by entrepreneurs who do not have an Swedish background.

Trelleborg and sport



The football team, Trelleborgs FF, has been sponsored for many years by the Trelleborg Group. In 2010, the team finished the season in fifth place in the Premier Division of the Swedish Football League. Additionally, Trelleborg primarily supports youth sports and a number of youth teams in sports including handball and ice hockey.

Some Trelleborg initiatives to take responsibility for society and the community



Trelleborg participated in SIFE activities in China

Trelleborg is a principal sponsor of SIFE (Students in Free Enterprise) in China. During April to May 2010, SIFE, which is a global non-profit organization active in over 40 countries, arranged a number of events in China focused on innovation and the common good. These include competitions for which Trelleborg representatives acted as jury members. Similar activities in which SIFE's student team initiates projects for local development are held worldwide.



Preschool for children in need in Sri Lanka

Child Action Lanka planned a child project in Kelaniya, near Trelleborg's facility in Sri Lanka. Trelleborg was looking for a suitable project to support in memory of Antonio Bianchi, an employee who passed away. The result was Antonio Bianchi's House, which opened in September 2010, and conducts preschool education for thirteen local children whose families would not normally have been able to afford such an opportunity. The center stands for teaching and individual support (many of the children lack stable homes), medical assistance and coaching in life skills including hygiene issues. The children go to school between 8.30 am and 12.30 pm, and are provided with breakfast and lunch. The plan is to expand operations to include even more children.



Reduction in negative environmental impact

Trelleborg is actively working with the identification and prevention of negative environmental impact from our industrial processes. For example, the business unit, Trelleborg Offshore, has measured waste and separated known potentially hazardous substances, utilized greener material, and used biodegradable alternatives to achieve a clear reduction in the negative impact of its operations as regards hazardous waste, mercury and solvents. All in line with the aim of taking a leading position in safe environmentally clean workplaces.



TEWC – an internal forum for dialogs

The Trelleborg European Works Council (TEWC) is a forum for open dialog and communication, which are crucial cornerstones of the relationship between leaders and employees at the Trelleborg Group. The last gathering of the forum was in May 2010 in Trelleborg, Sweden, and it consisted of 35 staff representatives from 14 European countries in addition to selected representatives of the company management. TEWC makes no decisions, but constitutes an important tool for monitoring general issues on the company's agenda and for the dissemination of Trelleborg's corporate culture.



World Expo in Shanghai enhanced solidarity

Trelleborg's employees in China were given three separate opportunities to visit the World Expo in Shanghai that ran from May to October 2010 and had more than 73 million visitors. Approximately 20 Swedish companies exhibited at the Swedish pavilion (3.6 million visitors) and Trelleborg was one of them. A two-day training seminar was conducted comprising information and group exercises for all employees in China. This provided the company with the opportunity to focus on innovation in the company and to strengthen solidarity. Additionally, Trelleborg arrangements included customer days for more than 400 customers and special student activities.

Risks in Corporate Responsibility area

The significant CR aspects in the overview below were identified and prioritized under the direction of the materiality analysis conducted in 2009, GRI principles, ISO 14001, laws and other requirements, internal and external expertise, and dialog with authorities and other stakeholders. For more information about risk assessment and our processes see sections in our online Annual Report:

- [Risk Management](#)
- [Internal Control](#)
- [Overview of governance in Trelleborg Group](#)



Risk area	Risks	Management	Primary stakeholders	Links
Competition legislation	Infringements damage the company, its reputation and brand. Customers and the company risk being affected financially, and the community may be charged with additional costs.	Trelleborg's Code of Conduct and related training for all employees contains specific sections dealing with competition issues. The Group has a specific program regarding competition law issues and a general whistleblower policy that can be used by all employees in respect of suspected improprieties. A thorough review and examination of distribution and agency agreements has been carried out in 2009 and 2010, and a new policy has been introduced. Procedures for approval of membership in organizations are in place. Since 2006, more than 70 training seminars in competition legislation have been held for the Group's managers and selected functions, of which many have taken place in 2010. These courses, which also address combating corruption, will continue in 2011. In 2010, as part of the settlement with the United States Department of the Navy, Trelleborg has implemented the Trelleborg Corporation Enhanced Compliance and Training Program to further strengthen knowledge of competition knowledge among Group employees in the US.	Customers, Suppliers, Employees, Community, Authorities	Target indicators and results in 2010, Competition, Competition investigations
Corruption	Infringements damage the company, its reputation and brand. Customers and the company risk being affected financially, and the community may be charged with additional costs.	Zero tolerance. Work on implementing the Code of Conduct continued by focusing more intensely on certain specific sections and by maintaining a high standard in the continuous implementation activities. Procedures for "Acceptance Letters" issued by the Group's President, whereby employees sign a letter each year to confirm that they will adhere to the Group's steering instruments, were introduced.	Customers, Community, Employees	Target indicators and results in 2010, Anticorruption, Code of Conduct
Values and Code of Conduct	Infringements damage the company, its reputation and brand. Customers and the company risk being affected financially and the community may be charged with additional costs. Clear and positive values and a Code of Conduct provide competitiveness and reduce risks.	Communication, training and monitoring of the Group's values and Code of Conduct. Mandatory for all employees. E-learning program and "Acceptance Letters" from President. Internal auditors have commenced training to be able to conduct Internal Code of Conduct audits. The second phase of the training program ends in March 2011.	Employees, Customers, Suppliers, Community, Shareholders, Authorities	Target indicators and results in 2010, Core values, Code of Conduct, Training and development
Assessment of suppliers	Significant CR-related risks that Trelleborg can influence by imposing requirements in connection with procurement.	Trelleborg's objective is to work only with suppliers who support our quality requirements and business principles. Evaluation of suppliers is primarily through joint Group self-evaluations. Unsatisfactory answers are investigated. Underperforming suppliers are given a deadline for remedial measures. An inventory of the Group's large suppliers, from an environmental and social responsibility perspective, has been ongoing since 2009. A new dimension will be added in 2011 in the form of an evaluation of overall risks, such as credit risks and the risk for production disruptions arising from natural disasters. In 2011, self-evaluations will become mandatory for every local purchasing unit through integration of the units in Trelleborg's obligatory "Procure-to-Pay" process.	Suppliers, Shareholders, Community	Target indicators and results in 2010, Suppliers

Risk area	Risks	Management	Primary stakeholders	Links
Products and applications	In environments with an increased level of risk, products and applications may potentially entail risks for the company.	When developing new products, consideration is given to legal and customer requirements, product liability, and environmental health and safety aspects. In the Trelleborg Engineered Systems and Trelleborg Sealing Solutions business areas, a comprehensive and systemic identification and evaluation of risks in the production portfolio has taken place. Various criteria were assessed, including the product's vulnerability, the size of contracts and launching of new products and technologies. In the business units for offshore oil/gas, ship fenders and aviation, a risk management process – Contract Risk Pack – has been in place since 2009. This highlights the risks associated with the product, the application and the manufacturing process, and links them to the contractual risks. In 2011, these processes will be implemented in other business units in the Group. In line with this, auditors from the company's insurance company have carried out risk analyses in several units with a focus on product-related risks. This will also continue during 2011.	Community, Customers, Suppliers	Products, Sustainable solutions
Products and applications	Market opportunities: Increased interest in cleantech provides new opportunities for products in the areas of "sealing, damping, protecting." Trelleborg's products and applications often entail protection for people and the environment.	Through Trelleborg's primary task – to seal, damp and protect in demanding industrial environments – the operation's products and solutions contribute to the company's own development and community development in the environmental and work environment areas.	Community, Customers, Suppliers	Sustainable solutions
Legal suitability and quality of supplier agreements	Ensuring the legal suitability and quality of the Group's agreements	Several processes were initiated to better ensure the legal suitability and quality of the Group's agreements. The initiative is supported by the Group Legal Department but is being implemented on-site in the business units. Examples include the production of standard forms, the use of checklists for risk assessments and policies governing liability caps and signing procedures for agreements. The risk management process, Contract Risk Pack, is used to ensure the suitability of a contract with continued implementation during 2011. During the year, the structure in relation to contract reviews has been further strengthened with the implementation of an overall review process, which ensures that a large amount of contracts are reviewed in line with central guidelines. The guidelines, the "Eleven Commandments" relate to fundamental and prioritized contractual issues.	Suppliers, Shareholders	Risk management
Exposure to natural disasters	Natural disasters threaten plants and can entail production stoppages.	The action program produced as a result of the analysis conducted in 2010 has largely been implemented. The action program has been designed to reduce risks, by increasing plant protection, raising the awareness of local management and creating and improving procedures for being prepared in the event of a natural disaster. Examples of implemented actions are preparedness plans, overhaul of roof installations and installations of automatic shut-off for incoming gas.	Shareholders, Employees, Customers	Risk management
Environmental impact of accidents	If a plant were to be affected by an accident, this could have environmental consequences in the form of ground, air and water pollution.	Valuable information about the various risks at our plants is found in different parts of the Group. An improved process that views risks at a general and accumulated level facilitates a better assessment of the impact on the Group. Risk analyses are now conducted at plants in conjunction with property insurance and certification in accordance with ISO 14000, the collection and analysis of chemicals in REACH work, for example, and evaluations of operations as performed by local authorities. After an evaluation, those plants that are considered to have a potential risk for environmental impact have been involved in the risk work, and an action program has been introduced during 2010. In collaboration with the local environmental management, FM Global has identified important hazardous chemicals that exist, how they are used, stored and protected.	Shareholders, Employees, Customers, Community, Authorities	Target indicators and results in 2010, Risk management

Risk area	Risks	Management	Primary stakeholders	Links
Environmental impact	Inadequate procedures for the management of the operations' environmental aspects can potentially harm the environment and thus the company's reputation and community relationships.	The implementation of ISO 14000 certified environment management systems in all major production units. Internal recommendations for the management of specific environment risks. External and internal environmental audits. The target is to implement environmental management systems in 90 percent of the production units, with 85 percent having ISO 14 001 certification by 2011.	Community, Employees, Shareholders	Target indicators and results in 2010, Environment, Environmental management
Operation-critical plants	A stoppage at a critical plant could have financial and other consequences for customers and Trelleborg.	Two of the tools used are Business Impact Analysis (BIA), which studies the plant's current risks, and the strategy plan that assesses future opportunities and benefits. The action plan to be applied depends on the results obtained. Plants of high strategic value can, for example, be equipped with water sprinklers or local sprinkler protection in particularly critical plant areas to prevent disruptions to production. The process of improving implementation of continuity plans that enhance preparedness for the Group's operations continues. During the year, the ERM Board has produced a list of critical plants for special attention. In 2010, "Risk Dashboards" have been created for these critical plants and a plant-specific ID card, which describes the risk status of each unit. In addition, specific action plans were produced for 33 plants within the Group with the purpose of significantly raising the level of protection. Of these, the ambition is to raise 17 plants to a Highly Protected Risk (HPR) level, which is the highest risk classification.	Shareholders, Employees, Customers, Community	Risk management
Raw materials and energy consumption	Increased production costs in pace with rising energy and raw-material prices. Certain raw materials require long-distance transportation.	More efficient use of resources via process and product development through the reduction of waste, waste recycling and energy conservation. Supported by the implementation of the Manufacturing Excellence program (includes Energy Excellence). The program has in 2010 been especially successful when it comes to energy savings (see below).	Shareholders, Employees, Customers	Target indicators and results in 2010, Raw materials, Energy
Climate	Risk of extreme weather conditions and flooding. Possible property risks and disruption of energy supply, transportation, etc. Increased social requirements on the reduction of climate-impacting emissions.	In 2009, Trelleborg introduced a new climate strategy. The Group-wide energy-efficiency program – Energy Excellence – was introduced at all units and is focused on the following areas: heating/ventilation, energy production, lighting, compressed air, general energy governance and follow-up. In 2010, the program has generated distinct savings in the form of lower energy consumption and energy costs and reduced the Groups total carbon emissions.	Shareholders, Community	Target indicators and results in 2010, Trelleborg and the climate: opportunities and risks, Climate impact
Chemical handling	Growing demands on product performance and product safety. Increased restrictions and disclosure requirements on input components. Occupational risks and stringent requirements on safety measures in conjunction with the management of hazardous substances. Future requirements on phasing out and substitution with alternatives.	Mandatory evaluation of all chemicals with regard to the environment and health and safety. Recording of all risk chemicals. Fulfillment of requirements in EU REACH regulation. Identification and substitution of arduous chemicals. Internal company phase-out list under development. Activities to adapt the Group's operations to REACH continued in 2010, with focus on communication with suppliers and customers regarding REACH-related issues to ensure compliance.	Employees, Customers, Suppliers, Community, Authorities	Target indicators and results in 2010, Raw materials
Health and safety	Risk to the health and safety of the Group's employees. Injuries and illnesses are costly for the company and lead to losses in productivity.	The Group has its own program, Safety@Work, to assess occupational risks. Follow-up is conducted annually through self-assessments and audits. In 2010, the program continued to generate results in the process of developing the safety culture.	Employees, Community	Target indicators and results in 2010, Work environment – Health and safety
Recruit, develop and retain employees	Motivated employees and strong leadership are needed for a long-term, successful business.	Talent management, a focus on internal and local recruitment, leadership training and performance reviews. In 2010 a shared internal tool was used for the review process by approximately 2,800 employees, which is an important step in the right direction to making a uniform process for the entire Group.	Employees, Community	Target indicators and results in 2010, Talent Management

Index

The overview below illustrates how GRI's guidelines correspond to the various sections of Trelleborg's CR report. A complete GRI index is available at www.trelleborg.com/cr. Parentheses denote partially reported GRI indicators. In addition, the table gives a general overview of the link to the UN Global Compact, to which Trelleborg is a signatory, and the connection to the ISO 26000 standard, which has not yet been applied in its entirety to Trelleborg. [www](http://www.trelleborg.com)

Area	GRI indicators	Pages in Annual Report	Connection to principles in UN Global Compact	Connection with ISO 26000
Management and Reporting				
Management approach and controls	Governance (EC), EN, LA, SO, HR, PR	16-21, 48-51, 53-54, 62	1-10	6.2-6.8
CEO's comments	1.1	2-3, 52		6.2
Sustainability audit, sustainability-related impacts, risks and opportunities	1.2	34-35, 52, 54, web		6.2
Profile of organization	2.1-2.10	Cover, 1, 14-15, 19, 24, 26, 28, 30, 55, 58, 75, 85-86, 90, 95, 105, 110-113		6.2
Report parameters, scope and boundary of the report	3.1-3.11	52-53, 55, 110		
Index for GRI, Global Compact & ISO 26000	3.12	64		
Assurance	3.13	52, 65		7.5.3
Governance of sustainability activities	4.1-4.9, (4.10), 4.11	16-19, 34, 40-49, 52-53, 59-60	1-10	6.2, 7.5.3
External commitments	4.12-4.13	52-53, 55, 60, 62, 64	1-10	6.2
Stakeholder dialog	4.14-4.17	55		6.2
Environment				
Material	(EN1), (EN2)	57	8-9	6.5
Energy	EN3, EN4	54, 56	8	6.5
Climate impact	EN16, (EN18)	54, 56-57	7-9	6.5
Emissions and waste	EN20, EN22, EN23	54, 57	8	6.5
Transports	(EN29)	60	8	6.5, 6.6.6
Water	(EN8), (EN21)	54, 57	8	6.5
Biological diversity	(EN11), (EN12)	Web	8	6.5
Products	(PR1), PR3, (EN26)	60-61	1, 7-9	6.5, 6.6.6, 6.7
Workplace and society				
Human rights	(HR2), HR3-HR7	54, 58-60	1-6	6.3, 6.4
Working conditions and whistleblower policy	LA1, (LA2), LA4, LA5	54, 58, 85	1, 3, 6	6.3.10, 6.4
Diversity and gender equality	(LA13)	54, 58	1, 6	6.3, 6.4
Health and safety	LA6, LA7	54, 58-59	1	6.4
Talent Management	LA10, (LA12), (EC7)	54, 59	6	6.4, 6.8
Anticorruption and competition issues	(S02), S03, S04, S07, S08	36, 54, 59-60, 72	10	6.6, 6.8.7
Social commitment and position statement	S05	62	1-10	6.6, 6.8.3
Economics				
Socio-economic performance	EC1, EC3, EC4	62, 83, 88		6.8
Total health and safety-related and environmental expenditures and investments	EN30	62	7-9	6.5
Opportunities and risks related to climate change	(EC2)	34-36, 56-57, web	7	6.5.5
Fines and sanctions for noncompliance	EN28	57	8	6.5

GRI index

Trelleborg's Corporate Responsibility Report for 2010 complies with the Global Reporting Initiative guidelines (version G3).

The following index shows where information can be found, with

- links to the CR report at www.trelleborg.com/cr
- the 2010 Annual Report at <http://www.trelleborg.com>, and
- page references to the printed version of the Annual Report.

The index only lists the GRI core indicators and the additional indicators that Trelleborg has selected to report. Additional indicators are in italics.

Reported: ●
Partially reported: ◐
Not reported: ○

Indicators	Annual Report	Report status
1. STRATEGY AND ANALYSIS		
1.1 Foreword: President and CEO Peter Nilsson on corporate responsibility	2-3, 52	●
1.2 Sustainability-related impacts, risks and opportunities	34-35, 54	●
2. ORGANIZATIONAL PROFILE		
2.1 Name of the organization	cover	●
2.2 Primary brands, products and/or services	24, 26, 28, 30	●
2.3 Operational structure	cover, 14, 90	●
2.4 Location of headquarters	cover	●
2.5 Countries where the Group operates	cover, 85-86, 111-113	●
2.6 Nature of ownership	cover	●
2.7 Markets served	cover, 14-15, 24, 26, 28, 30	●
2.8 Scale of the reporting organization	cover, 1, 15, 58, 75, 105	●
2.9 Significant changes during the reporting period	1, 19, 95	●
2.10 Awards received during the reporting period	55, 110	●
3. REPORT PARAMETERS		
3.1 Reporting period	53	●
3.2 Date of most recent report	52-53	●
3.3 Reporting cycle	web	●
3.4 Contact persons	110	●
Scope and boundary of report		
3.5 Process for defining report content	53, 55	●
3.6 Boundary of the report	53	●
3.7 Specific limitations on the scope or boundary of the report	53	●
3.8 Reporting of entities that can affect comparability from period to period and/or between organizations	web	●
3.9 Data-measurement techniques and the bases of calculation	53	●
3.10 Explanation of the reasons for and effect of any restatements of information	53	●
3.11 Significant changes in the scope, boundary or measurement methods	53	●
Contents according to GRI		
3.12 GRI Index	55, 64	●
3.13 Policy and current practice regarding external verification	52, 65	●
4. GOVERNANCE, COMMITMENTS AND STAKEHOLDER RELATIONSHIPS		
4.1 Governance structure of the organization	40-41, 48-49, 53	●
4.2 Chairman's position	web	●
4.3 Number of independent, non-executive Board members	43	●
4.4 Mechanisms for shareholders and employees to provide recommendations or directions to the Board or management	web	●
4.5 Linkage between compensation to Board members, senior executives and managers and the organization's performance in terms of financial and non-financial targets	40-49	●

Indicators	Annual Report	Report status
4.6 Processes in place for the Board to ensure that conflicts of interest are avoided	42	●
4.7 Processes for determining the qualifications and expertise of Board members	42	●
4.8 Statement of mission, values, code of conduct and principles relevant to sustainability performance, and their status	16-19, 59	●
4.9 The Board's procedures for overseeing how the Board addresses and handles financial, environmental and social issues, and how well these are implemented	34, 52-53	●
4.10 Processes for evaluating the Board's performance, particularly with regard to financial, environmental and social issues	42	◐
Commitments to external initiatives		
4.11 Explanation of how the Group addresses the precautionary approach	60	●
4.12 Externally developed economic, environmental and social charters, principles or other initiatives to which the Group subscribes or endorses	52-53, 60, 62, 64	●
4.13 Memberships in associations (such as industry organizations) and/or international advocacy organizations	53, 55	●
Stakeholder engagement		
4.14 List of stakeholder groups engaged by the Group	55	●
4.15 Basis for identification and selection of stakeholders	55	●
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	55	●
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to these	55	●

5. MANAGEMENT APPROACH AND PERFORMANCE INDICATORS

ECONOMIC PERFORMANCE INDICATORS		
Disclosure on Management Approach	16-21, 48-51, 53-54, 62	◐
Economic Performance		
EC1 Direct economic value generated and distributed	62	●
EC2 Financial implications and other risks and opportunities due to climate change	34-35, 56-57	◐
EC3 Coverage of the organization's defined-benefit plan obligations	83	●
EC4 Significant financial assistance received from government	88	●
Market presence		
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation		○
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	59	◐
Indirect Economic Impacts		
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit		○

ENVIRONMENTAL PERFORMANCE INDICATORS

Disclosure on Management Approach	16-21, 48-51, 53-54	●
Material		
EN1 Materials used by weight or volume	57	◐
EN2 Percentage of materials used that are recycled input materials	57	◐
Energy		
EN3 Direct energy consumption by primary energy source	56	●
EN4 Indirect energy consumption by primary energy source	56	●
Water		
EN8 Total water withdrawal by source	57	◐
EN10 Percentage and total volume of water recycled and reused.		○

Indicators	Annual Report	Report status
Biodiversity		
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		☹
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		☹
Emissions, Effluents and Waste		
EN16 Total direct and indirect greenhouse-gas emissions by weight	56-57	●
EN17 Other relevant indirect greenhouse-gas emissions by weight		○
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	56-57	☹
EN19 Emissions of ozone-depleting substances by weight		○
EN20 NO, SO, and other significant air emissions by type and weight	57	●
EN21 Total water discharge by quality and destination	57	☹
EN22 Total weight of waste by type and disposal method.	57	●
EN23 Total number and volume of significant spills	57	●
Products and Services		
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	60	☹
EN27 Percentage of products sold and their packaging materials that are reclaimed by category		○
Compliance with laws and regulations		
EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	57	●
Transport		
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	60	☹
Overall		
EN30 Total environmental protection expenditures and investments by type	62	●

PERFORMANCE INDICATORS FOR LABOR PRACTICES AND DECENT WORK

Disclosure on Management Approach	16-21, 48-51, 53-54	●
LA1 Total workforce by employment type, employment contract, and region, broken down by gender	58, 85	●
LA2 Total number and rate of new employee hires and employee turnover by age group, gender, and region	58	☹
Labor/management relations		
LA4 Percentage of employees covered by collective bargaining agreements	58	●
LA5 Minimum notice period(s) regarding significant operational changes	58	●
Occupational health and safety		
LA6 Percentage of workforce represented in formal work-environment committees	58	●
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	58-59	●
LA8 Action program relating to serious diseases		○
LA10 Average hours of training per year per employee by gender, and by employee category	59	●
LA11 Programs for skills management and lifelong learning		○
LA12 Percentage of employees receiving regular career development reviews	59	☹
LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	58	☹
LA14 Ratio of basic salary of men to women by employee category		○

Indicators	Annual Report	Report status
PERFORMANCE INDICATORS FOR HUMAN RIGHTS		
Disclosure on Management Approach	16-21, 48-51, 53-54	●
Investment and procurement practices		
HR1 Percentage and total number of significant investment agreements that have undergone human-rights screening		○
HR2 Percentage of significant suppliers that have undergone human-rights screening, and actions taken	60	◡
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	58-59	●
HR4 Total number of incidents of discrimination and corrective actions taken	58	●
Freedom of association and collective bargaining		
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken	58	●
HR6 Operations identified as having significant risk for incidents of child labor and actions taken	58	●
HR7 Operations identified as having significant risk for incidents of forced labor and actions taken	58	●
PERFORMANCE INDICATORS FOR SOCIETY		
Disclosure on Management Approach	16-21, 48-51, 53-54	●
S01 Programs and practices that assess and manage the impacts of operations on society/communities		○
S02 Percentage and total number of business units analyzed for risks related to corruption	36, 59-60	◡
S03 Percentage of employees trained in anti-corruption policies and procedures	36, 59-60	●
S04 Actions taken in response to incidents of corruption	36, 59-60	●
S05 Public policy positions and participation in lobbying	62	●
Anti-competitive behavior		
S07 Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcome	60, 72	●
S08 Monetary value of fines and number of sanctions for noncompliance with laws and regulations	60, 72	●
PERFORMANCE INDICATORS FOR PRODUCTS		
Disclosure on Management Approach	16-21, 48-51, 53-54	●
PR1 Life-cycle stages in which health and safety impacts of products and services are assessed and the percentage of products and services subject to such procedures	60	◡
Product and service labeling		
PR3 Type of product and service information required by procedures, and percentage of products and services subject to such information requirements	60	●
PR6 Programs for adherence to standards and voluntary codes concerning market communications		○
PR9 Monetary value of fines for noncompliance with laws and regulations concerning products and services		○

UN Global Compact principles

Trelleborg is a signatory to the United Nations Global Compact, a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labour, environment and anti-corruption. Trelleborg's Code of Conduct serves as an important tool in the Group's Corporate Responsibility work and implementation of UN Global Compact principles 1-10. The Group's whistle-blower policy ensures every employee the right to report suspicions of serious breaches of laws or regulations without any repercussions (see page 3 in this report).

Human rights: Principle 1-2

Principle	Reference to GRI G3 performance indicators
1: Businesses should support and respect the protection of internationally proclaimed human rights.	(HR2), HR3, HR4, HR5, HR6, HR7, LA4, LA6, LA7, (LA13), SO5, (PR1)
2: Businesses should make sure that they are not complicit in human rights abuses.	(HR2), HR3, HR4, HR5, HR6, HR7, SO5

Examples of initiatives that actively promote human rights are:

- Target indicators (see page 2)
- Human Rights (see page 7)
- Child and forced labour (see page 7)
- Diversity and equality (see page 7)
- Responsibility for customers and suppliers (see page 9)

Labour: Principle 3-6

Principle	Reference to GRI G3 performance indicators
3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	LA4, LA5, (HR2), HR3, HR5, SO5
4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	(HR2), HR3, HR7, SO5
5: Businesses should uphold the effective abolition of child labour.	(HR2), HR3, HR6, SO5
6: Business should uphold the elimination of discrimination in respect of employment and occupation.	(LA2), (LA13), (HR2), HR3, HR4, (EC7), SO5

Examples of initiatives that actively promote labour standards are:

- Target indicators (see page 2)
- Workplace relationships (see page 7)
- Child and forced labour (see page 7)
- Diversity and equality (see page 7)
- Responsibility for customers and suppliers (see page 9)
- TEWC - an internal forum for dialogs (see page 11)

Environment: Principle 7-9

Principle	Reference to GRI G3 performance indicators
7: Businesses should support a precautionary approach to environmental challenges.	(EC2), (EN18), (EN26), EN30, SO5
8: Businesses should undertake initiatives to promote greater environmental responsibility.	(EN1), (EN2), EN3, EN4, (EN8), (EN11), EN12, EN16, (EN18), EN20, (EN21), EN22, EN23, EN24, (EN26), EN28, (EN29), EN30, SO5, PR3
9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	(EN2), (EN18), (EN26), EN30, SO5

Examples of initiatives that actively promote environmental responsibility are:

- Target indicators (see page 2)
- Environmental responsibility (see page 5)
- Climate strategy (see page 5)
- Responsibility for customers and suppliers (see page 9)
- Trelleborg's solutions protect the environment and people (see page 10)
- Reduction in negative environmental impact (see page 11)

Anti-corruption: Principle 10

Principle	Reference to GRI G3 performance indicators
10: Businesses should work against corruption in all its forms, including extortion and bribery.	(SO2), SO3, SO4, SO5

Examples of initiatives that actively promote anti-corruption are:

- Target indicators (see page 2)
- Code of Conduct – whistle-blower policy (see page 3 and 8)
- Sound business ethics (see page 9)
- Responsibility for customers and suppliers (see page 9)

UN Global Compact Advanced criteria

Trelleborg have been part of the UN Global Compact Programme since 2007. In April 2009 our Communication on Progress (COP) was featured in the Global Compact's Notable COP Program to serve as an illustrative and inspirational example for other participants. Trelleborg's intention is to continue the development of our Corporate Responsibility performance and disclosure.

The Global Compact Differentiation Programme categorizes business participants based on their level of disclosure on progress made in integrating the Global Compact principles and contributing to broader UN goals. The GC Advanced level aims to create a higher standard for corporate sustainability performance and disclosure.

► GC Advanced level and how it correlates to the Corporate Responsibility work of Trelleborg

CRITERION 1: The COP describes C-suite and Board level discussions of strategic aspects of Global Compact implementation

Reference:

COP: 1-3, 13-15

Annual Report: 34-36, 40, 52-54

CR Web: CEO comments, Risks in Corporate Responsibility area

CRITERION 2: The COP describes effective decision-making processes and systems of governance for corporate sustainability

Reference:

COP: 1, 3

Annual Report: 48-53

CR Web: CEO comments, Governance and organization of Corporate Responsibility work, Environmental Policy and Climate Strategy

CRITERION 3: The COP describes engagement with all important stakeholders

Reference:

COP: 4

Annual Report: 55

CR Web: Stakeholder dialog, Case stories

CRITERION 4: The COP describes actions taken in support of broader UN goals and issues

Reference:

COP: 1-12

Annual Report: 48-63

CR Web: Strategy, Governance and organization of Corporate Responsibility work, Case stories

CRITERIA 5, 9, 13, 17: The COP describes robust commitments, strategies or policies in each of the four issue areas (human rights, labour, environment, anti-corruption)

Reference:

COP: 2, 4-9

Annual Report: 48-51, 54-60

CR Web: Governance and organization of Corporate Responsibility work, Environmental Policy and Climate Strategy

CRITERIA 6, 10, 14, 18: The COP describes effective management systems to integrate the principles in each of the four issue areas (human rights, labour, environment, anti-corruption)

Reference:

COP: 3-9, 13-15

Annual Report: 34-36, 48-51, 53, 55-60

CR Web: Governance and organization of Corporate Responsibility work, Environmental Policy and Climate Strategy

CRITERIA 7, 11, 15, 19: The COP describes effective monitoring and evaluation mechanisms in each of the four issue areas (human rights, labour, environment, anti-corruption)

Reference:

COP: 1-3, 5-9, 23-24

Annual Report: 50-51, 50-54, 56-60

CR Web: Strategy

CRITERIA 8, 12, 16, 20: The COP contains standardized performance indicators (including GRI) in each of the four issue areas (human rights, labour, environment, anti-corruption)

Reference:

COP: 1-12, 16-20, 23-24

Annual Report: 52-62, 65

CR Web: CEO comments, GRI and verification, Environment, Workplace, Customers & suppliers, Society

CRITERION 21: The COP describes implementation of the Global Compact principles in the value chain

Reference:

COP: 2-4, 9

Annual Report: 53-55, 60

CR Web: Customers & suppliers, Society

CRITERION 22: The COP provides information on the company's profile and context of operation

Reference:

COP: 23

Annual Report: Cover-22, 110-113

Web: www.trelleborg.com

CRITERIA 23: The COP incorporates high standards of transparency and disclosure

Reference:

COP: 1-3, 9, 16, 24

Annual Report: 52-54, 60, 64-65

CR Web: Strategy, About our report, GRI and verification

CRITERIA 24: The COP is independently verified by a credible third party

Reference:

COP: 1, 24

Annual Report: 52, 65

CR Web: CEO comments, GRI and Verification

Scope and reporting principles

Scope

The Trelleborg Group's Corporate Responsibility Report is published annually in conjunction with the annual report and covers commitments related to the environment, health, safety and social issues, including business ethics. The aim is that the report shall give an accurate overview of the Group's status and activities in the above areas, as well as their business-related consequences. The intended target groups are shareholders, investors, employees, customers and suppliers, authorities, interest groups, the media and local stakeholders.

Unless stated otherwise, the data presented refers to calendar year 2010. The figures for the preceding year (2009) are shown in parentheses. The report covers Trelleborg's production facilities in total 113 (128) sites. A complete list of the sites included is provided on this page under the heading "Plants included."

Reporting principles

Each plant supplies data in accordance with the Group's standard for Corporate Responsibility reporting, and each plant manager is responsible for quality-assuring the data provided. In addition, further quality controls are performed by the Group's relevant staff functions before the information is assembled.

This report is externally assured by PwC, which conducted a limited review of the entire report on Trelleborg's Corporate Responsibility work in 2010 with a focus on the most significant CR issues. The assurance report is to be found on page 24 in this report.

The report complies with the GRI (Global Reporting Initiative) guidelines for sustainability reporting, version G3. PwC confirms the self-assessment that places Trelleborg on level B+. Further information regarding the review for 2010 is available at www.trelleborg.com/CR. The environmental and sustainability and CR reports from prior years are also available from this website.

Production plants included in Trelleborg's Corporate Responsibility Report 2010

Trelleborg Engineered Systems

Australia	Brisbane, East Bentleigh
Estonia	Kuressaare
Finland	Kiika, Keikyä
France	Cernay, Clermont-Ferrand, Mirambeau, Sancheville, Steinbach
China	Shanghai II, Qingdao, Wuxi II
Italy	Lodi Vecchio
Lithuania	Tauragė
Netherlands	Ede, Hoogeveen, Ridderkerk
Norway	Mjøndalen
Poland	Skoczow
Singapore	Singapore
Spain	Izarra, Santander
UK	Knareborough, Barrow-in-Furness, Leicester, Manchester, Skelmersdale
Sweden	Bålsta, Trelleborg I ¹⁾ , Trelleborg II ²⁾ , Örebro, Havdhem, Bor, Forsheda, Värnamo II ³⁾
Czech Republic	Lesina
Germany	Grossheubach, Lathen
US	Amelia, Aurora, Bristol, Clearbrook, Houston I, Houston II, Mansfield, Milford, Morristown, Park Hills, Randolph, Rutherfordton, Spartanburg, Streetsboro, Winchester

Trelleborg Automotive

Brazil	Guarulhos
France	Modyn, Prodyn, Chemaudin, Poix-Terron, Witry-Lès-Reims, Rethel
India	Noida
China	Wuxi
Mexico	Toluca
Romania	Dej
Spain	Burgos, Cascante, Martorell, Pamplona
Sweden	Gävle, Kalmar I ⁴⁾
South Korea	GyungBuk
Czech Republic	Mladá Boleslav
Turkey	Çerkesköy
Germany	Breuberg
US	Benton Harbor, Carmi I ⁵⁾ , Carmi II ⁶⁾ , Morganfield I, Dawson Morganfield II, Salisbury, Sandusky, South Haven

Trelleborg Sealing Solutions

Brazil	São Paulo
Denmark	Helsingør
France	Condé-sur-Noireau
China	Shanghai
India	Bangalore
Italy	Livorno, Torino, Modena
Malta	Hal-Far
Mexico	Tijuana
Poland	Czechowice-Dziedzice, Bielsko-Biala
UK	Bridgewater, Rotherham, Cadley Hill, Tewkesbury
Sweden	Ersmark
US	Broomfield, Fort Wayne, Fort Wayne, Hudson Medical, Northborough, Streamwood

Trelleborg Wheel Systems

Italy	Tivoli
Latvia	Liepaja
Sri Lanka	Kelanyia, Malwana
Sweden	Sävsjö, Trelleborg
US	Hartville

- 1) The main factory, Trelleborg,
- 2) Trelleborg Industrial Hose, Trelleborg,
- 3) Trelleborg Industrial Profile, Värnamo,
- 4) Kalmar I the former Kalmar I + Kalmar II,
- 5) Carmi Mixing plant,
- 6) Carmi Moulding plant.

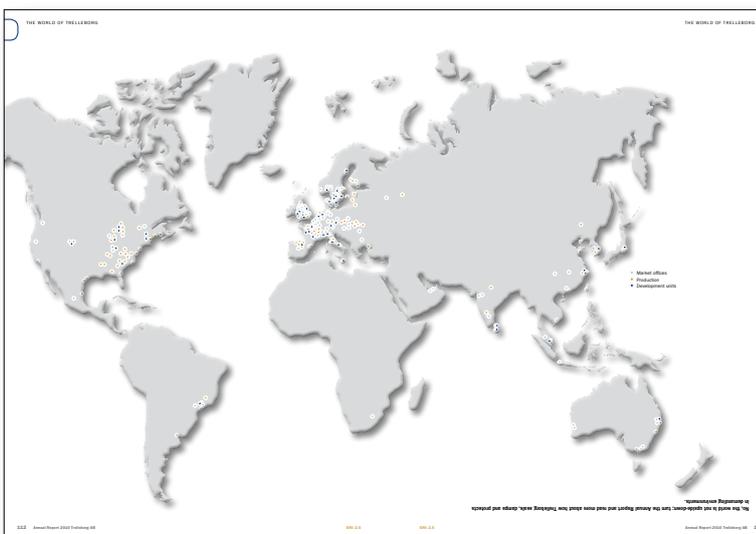
About Trelleborg

Trelleborg is a global industrial group whose leading positions are based on advanced polymer technology and in-depth applications know-how. Trelleborg develops high-performance solutions that seal, damp and protect in demanding industrial environments. The Trelleborg Group had annual sales during 2010 of approximately SEK 27 billion, with about 20,000 employees in more than 40 countries. The Group comprises four business areas: Trelleborg Engineered Systems, Trelleborg Automotive, Trelleborg Sealing Solutions and Trelleborg Wheel Systems. The Trelleborg share has been listed on the Stockholm Stock Exchange since 1964 and is listed on the OMX Nordic List, Large Cap. More information is available at www.trelleborg.com

Trelleborg locations



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Assurance report

Auditor's Report on review of Sustainability Report

To the readers of the Trelleborg AB Annual Report

We have been engaged by the management of Trelleborg AB (publ) to review the "Corporate Responsibility" (Sustainability Report) of the Trelleborg Annual Report for the year 2010. The Board of Directors and Executive Management team are responsible for the company's activities regarding environment, health & safety, social responsibility, and sustainable development, and for the preparation and presentation of the sustainability report in accordance with applicable criteria. Our responsibility is to express a conclusion on the sustainability report based on our review.

The scope of the review

We have performed our review in accordance with RevR 6 Assurance of Sustainability Reports issued by Far. A review consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards in Sweden. The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The criteria on which our review is based are the parts of the Sustainability Reporting Guidelines G3, published by the Global Reporting Initiative (GRI), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the company has developed and disclosed. We consider these criteria suitable for the preparation of the Sustainability Report.

Our review has, based on an assessment of materiality and risk, included e.g. the following procedures:

- update of our knowledge and understanding of Trelleborg's organization and activities,
- assessment of suitability and application of the criteria regarding the stakeholders' need for information,
- assessment of the outcome of the company's stakeholder dialogue,
- interviews with management at group level and at selected business units in order to assess if the qualitative and quantitative information stated in the Sustainability Report is complete, accurate and sufficient,
- examination of internal and external documents in order to assess if the information stated in the Sustainability Report is complete, accurate and sufficient,
- evaluation of the design of systems and processes used to obtain, manage and validate sustainability information,
- analytical procedures of the information stated in the Sustainability Report,
- assessment of the company's declared application level according to the GRI guidelines,
- assessment of the overall impression of the Sustainability Report, and its format, taking into consideration the consistency of the stated information with applicable criteria,

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the information in the Trelleborg "Corporate Responsibility" section of the Annual Report has not, in all material respects, been prepared in accordance with the above stated criteria.

Trelleborg, 15 February 2011
PricewaterhouseCoopers AB



Eric Salander

Authorised Public Accountant



Fredrik Ljungdahl

Expert Member of Far

” Our products and services help our customers to protect people, processes and the environment, thus contributing to the development of a sustainable society. I am proud to be able to say that in this and other ways, we take responsibility for the future ”

Peter Nilsson, President and CEO

