

Environment: Climate and energy

Material impacts, risks and opportunities

Climate

Trelleborg's overall climate impact and targets and methods for reducing this impact are presented on pages 23–24 and in the section below. This impact is material mainly due to the emissions generated by the use of energy in production (Scope 1 and 2), and the overall emissions of material suppliers (most of Scope 3).

It is considered unlikely that the overall climate impact of the Trelleborg Group's operations would increase in the short and medium term – meaning that the risk profile for society at large would increase – particularly in light of Trelleborg's achievement of its previous climate targets and the new ambitious target and plan for a reduced carbon footprint described in the section on Trelleborg's science-based target (pages 23–24) in the period up until 2030.

An overview of climate risks including scenario descriptions according to the TCFD model is presented on pages 116–118.

Many of Trelleborg's products and solutions are clearly positive for society's efforts to combat climate change due to their ability to reduce energy consumption and emissions (see below and page 115). For example, Trelleborg's sealing solutions in moving mechanisms have the potential to reduce energy consumption, primarily by reducing friction.

Energy

The bulk of the Group's energy consumption – and thus its direct climate impact – is connected to fossil-fuel combustion for the production of steam (direct energy and emissions) and use of purchased electricity, steam and district heating.

Trelleborg already develops products in areas such as energy efficiency, renewable energy and solutions for safe extraction and transportation of energy, and components for wind, solar and hydro power.

Link to strategy and business model

For many years, Trelleborg has aimed to reduce carbon emissions from its own operations as part of its strategy. Nevertheless, in its strategy, Trelleborg is continuing to focus on further emission reductions related to production, primarily from natural gas and fossil-based electricity. In addition, emissions from the value chain, which represent a significant portion of Trelleborg's total carbon emissions, are directly linked to the strategy.

Time horizon for impacts

The problems caused by climate change are already fully visible in the global society and, unless there is a drastic reduction in global fossil fuel dependency in the short term, it is expected to have an even more pronounced negative global impact on society in the medium and long term.

It is against the background of this societal scenario that Trelleborg has pursued and steadily achieved its ambitious climate targets since 2007 (refer to page 23), and in 2023 adopted a new science-based target, meaning that it has been validated by an independent third party that by achieving the target, Trelleborg will contribute to limiting the global temperature increase in line with 1.5°C for Scope 1 and 2 and well below 2°C for Scope 3 (refer to page 23).

Own activities/Via the value chain

Trelleborg's own activities (Scope 1 and Scope 2) and the supplier footprint for purchased products and services along the value chain (part of Scope 3) are part of the overall climate impact of the operation.

Impacts on strategy and decision-making

Climate and energy issues are clearly material elements of Trelleborg's overall business strategy and decision-making, see, for example, pages 23–24.

Business response: approved actions and plans

Back in the early 2000s, Trelleborg launched an internal energy efficiency program, *Energy Excellence*, that is still ongoing within the framework of the *Manufacturing Excellence* initiative. In 2023, this program was complemented by an agreement with an external party to evaluate further energy efficiency potential at Trelleborg's sites, along with suitable associated measures. Self-generated electricity at the sites, mainly using solar panels, is a development that will continue where opportunities have been identified.

Trelleborg's response to the climate issue was one of the underlying factors that led to the discontinuation (completed in 2021) of the company's involvement in offshore oil and gas extraction products. The remaining indirect fossil fuel-related commitment is reported on page 112.

Furthermore, Trelleborg's science-based climate target, validated in December 2023, can be highlighted as an important milestone, as well as the company's continued clear innovation focus on energy-saving and emission-reducing products and solutions. Read more on page 23.

Short, medium and long-term financial impacts

Achieving the new climate target will have short and medium-term financial impacts in the form of continued costs for electricity certificates, contracts with local producers of renewable electricity, and investments mainly in self-generated solar energy, as well as in technology to replace the current infrastructure for the natural gas-powered energy used in production.

In the long-term, a number of new financial impacts could be relevant in relation to the clear developments taking place in Europe in sustainability-related laws and regulations, such as the Carbon Border Adjustment Mechanism.

Strategy and business model: resilience

The transition to a exclusively renewable/fossil-free energy infrastructure, in accordance with Trelleborg's vision to achieve net zero emissions in its own operations by 2035, is expected to proceed as planned (refer to page 23).

The long-term resilience in terms of climate footprint reduction, meaning the resilience of Trelleborg's strategy and business model, essentially depends on how substitute materials can eventually be developed for the polymer applications with unique material properties that the Group currently offers via its solutions. Trelleborg's goal is to use its advanced materials know-how to be first or early in the market to provide such applications that are significantly less dependent on fossil fuels.

Changes compared to the preceding period

The finalization of the divestment of the tire operation has led to a significant reduction in the Group's carbon footprint in absolute terms.

Trelleborg's new climate target, the science-based target validated by the SBTi panel in December 2023, replaces the previous "50 by 25" climate target (refer to page 23) which was achieved already in 2023. An important difference compared with all previous targets is that the new target is based on an absolute emission reduction. Furthermore, the new timeframe extends to 2030, and the target also includes emissions along the value chain in the category *Purchased goods and services*, which initially accounts for 80 percent of Scope 3 emissions.

POLICIES, ACTIONS AND RESOURCES – METRICS AND TARGETS

Sustainability matters	Adopted policies	Actions/resources	Metrics	Objectives
Climate change	Group Environmental Policy More detailed climate policy under development	Program for transition to fossil-free/renewable electricity (Scope 2) Investment plans for transition from natural gas to other energy sources (Scope 1)	Direct and indirect emissions in metric tons of CO ₂ per year Emissions intensity in metric tons of CO ₂ /SEK M	Trelleborg's science-based targets: absolute targets for reduction (-50 percent by 2030) of own emissions in Scope 1 and 2, and for emissions from Scope 3 – in the category Purchased goods and services (-25 percent by 2030), both targets with 2021 as baseline year. Refer to pages 23–24
			Proportion of renewable/fossil-free electricity (%) Self-generated electricity at the sites (kWh)	80 percent renewable/fossil-free electricity by 2025
Climate change	Group Environmental Policy	Supplier dialogue for reducing emissions along the value chain (Scope 3)	Supplier emissions per year (metric tons CO ₂)	Refer to pages 108 (Reporting principles) and 122 (Climate and energy)
Energy efficiency	Group Environmental Policy	Training programs/local coordinators in <i>Energy Excellence</i>	Direct and indirect energy consumption in GWh per year. Consumption intensity in GWh per SEK M	Internal energy optimization target of at least 3 percent per year

OUTCOME IN 2023 IN THE AREA OF ENVIRONMENT: CLIMATE AND ENERGY

Resources	Where?	Outcome 2023	Goals and main governance
CLIMATE	■	Both in total and relative to sales, CO ₂ emissions from continuing operations fell in 2023, which is primarily attributable to the ongoing transition to renewable/fossil-free electricity. Trelleborg's systematic measures for energy efficiency also contributed to the results, which at the end of the three-year period (2021–2023) yielded a decrease of 60 percent in CO ₂ emissions in relation to sales compared with the base value of 6.6 metric tons/SEK M from 2020.	Trelleborg presented new climate targets in 2023 for the period extending to 2030, following dialog with the Science Based Targets initiative. These targets also address Scope 3 emissions across the value chain. Read more on pages 23–24.
Total CO ₂ emissions from own operations	■	91,305 metric tons (109,477) from continuing operations, of which direct emissions amounted to 37,235 metric tons (41,058), and indirect emissions 54,070 metric tons (68,419). <i>For the Group, CO₂ emissions were 160,520 metric tons (317,464).</i>	CO₂ emissions
Own CO ₂ emissions relative to sales	■	2.7 metric tons per SEK M (3.6), a 27-percent improvement compared with last year for continuing operations. A clear improvement was made during 2023, mainly due to the continued transition to renewable electricity, but also via lower energy consumption. <i>For the Group, CO₂ emissions relative to sales were 4.1 metric tons per SEK M (7.1), compared with the baseline 10.9 metric tons/SEK M from 2020.</i>	
ENERGY	■	For continuing operations, total energy consumption was slightly lower than in the previous year. Improved energy efficiency compensated for an increase in consumption from completed acquisitions. Consumption relative to sales declined during the year.	
Energy consumption	■	Continuing operations total 548 GWh (557). The share of direct energy is 183 GWh (201), and the share of indirect energy is 364 GWh (356). <i>Energy consumption for the Group was 815 GWh (1,328).</i>	Energy efficiency has been a prioritized area for Trelleborg for some time through the <i>Energy Excellence</i> initiative, which is part of the <i>Manufacturing Excellence</i> program (refer to page 20). The internal target for the Group is to improve its energy efficiency by at least 3 percent annually. Local energy coordinators are trained via global training sessions, and a shared toolbox is available. Trelleborg also works proactively and systematically with external energy consultants, and is planning to implement joint solutions for renewable energy solutions in the future. The proportion of renewable/fossil-free energy is to gradually increase, both for direct and indirect energy, in line with the Group's climate target.
Energy consumption relative to sales	■	Continuing operations 0.016 GWh per SEK M (0.019). Energy consumption relative to sales declined approximately 14 percent. <i>For the Group, energy consumption relative to sales was 0.021 GWh per SEK M (0.030).</i>	
			Energy consumption

Symbols: ■ = Internal, all units ■ = Internal, all production units ■ = Internal, certain units □ = External, suppliers

OUTCOME IN 2023 IN THE AREA OF ENVIRONMENT: CLIMATE AND ENERGY

Resources	Where?	Outcome 2023	Goals and main governance																				
Renewable/fossil-free energy and renewable/fossil-free electricity	■	<p>36.0 percent (24.7) of total energy consumption from continuing operations is from renewable/fossil-free sources, a 45-percent increase mainly due to purchased renewable electricity and self-generated electricity at facilities.</p> <p>The proportion of fossil-free/renewable electricity of total electricity is 61.9 percent (46.4) from continuing operations. The self-generated electricity is produced from solar cells and amounted to 3,647 MWh (1,142), an increase of approximately 200 percent.</p> <p>For the Group, 26.9 percent (15.1) of total energy consumption was renewable/fossil-free. The proportion of renewable/fossil-free electricity of total electricity is 51.0 percent (28.6).</p>	<p>The proportion of renewable/fossil-free energy is to gradually increase, both for direct and indirect energy, in line with the Group's climate target. For renewable/fossil-free electricity, the target is to achieve 80 percent by 2025.</p> <p>Renewable/fossil-free energy, proportion of total energy</p> <table border="1"> <caption>Renewable/fossil-free energy, proportion of total energy</caption> <thead> <tr> <th>Year</th> <th>Proportion of total energy, %</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>10</td> </tr> <tr> <td>21</td> <td>18</td> </tr> <tr> <td>22</td> <td>25</td> </tr> <tr> <td>23</td> <td>36</td> </tr> </tbody> </table> <p>Renewable/fossil-free electricity, proportion of total electricity</p> <table border="1"> <caption>Renewable/fossil-free electricity, proportion of total electricity</caption> <thead> <tr> <th>Year</th> <th>Proportion of total electricity, %</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>15</td> </tr> <tr> <td>21</td> <td>32</td> </tr> <tr> <td>22</td> <td>47</td> </tr> <tr> <td>23</td> <td>62</td> </tr> </tbody> </table>	Year	Proportion of total energy, %	20	10	21	18	22	25	23	36	Year	Proportion of total electricity, %	20	15	21	32	22	47	23	62
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Environment: Pollution

Material impacts, risks and opportunities

Use of chemicals

The principal raw materials in Trelleborg's industrial processes are polymers (rubber, plastics, composites), metal components, as well as additives comprising softening agents (oils) and fillers such as carbon black, and vulcanizing agents (sulfur, peroxides). Trelleborg works continuously to ensure that we comply with relevant laws governing chemicals.

Emissions from own operations: Local regulations

Trelleborg's material impacts on the environment and people in the area of Pollution are mainly related to local objectives and regulations managed by the respective facility in coordination with the local environmental management system according to ISO 14001, hence Trelleborg's goal that all relevant units should have a certified environmental management system.

An example of a pollutant that has been significantly reduced (see below) is emissions from the use of VOC (solvents), used mainly for polymer coating and adhesion between materials. Refer to page 125.

Contaminated soil

Historically, it is primarily the handling of oil and solvents that has given rise to soil and groundwater contamination. Remediation of contaminated land is ongoing at some units, as reported on page 125.

Pollutants in the value chain

The production of suppliers could potentially be responsible for environmental pollution, for example, in connection with their processing of latex (the raw material for natural rubber) or in their production of synthetic rubber, carbon black and other rubber chemicals.

Link to strategy and business model

The limited extent of contaminated production units has been reported on an annual basis ever since Trelleborg's Sustainability Report was first issued.

Time horizon for impacts

Trelleborg's operations are chemical-based, and despite constantly reducing volumes of emissions of solvents, sulfur oxides and nitrogen oxides, Trelleborg's pollution prevention work remains a priority and is pursued at all relevant sites.

Own activities/Via the value chain

The manufacturing processes have several types of direct impact on the environment and people: climate impact, waste and emissions (mainly to air), water consumption and work accidents. Similar impacts as a result of Trelleborg's activities occur indirectly along the value chain, primarily in the supply chain.

Impacts on strategy and decision-making

See above under *Link to strategy and business model*.

Business response: approved actions and plans

Trelleborg works continuously to reduce the use of solvents within the framework of *Manufacturing Excellence*. As a chemical user, Trelleborg is affected by the EU REACH regulation. In addition to the local work with REACH compliance, strategic work related to chemicals continues to be carried out within the framework of the *Global Chemical Task Force*, a corporate-level team. During 2023, the *Global Chemical Task Force* provided support to local companies in chemical replacement projects, classification and reporting of used chemicals and generally with the follow up of European legislation on chemicals and the environment.

Short, medium and long-term financial impacts

The financial exposure to products dependent on solvents for their manufacture has, as indicated above, been radically reduced and will continue to be reduced.

Strategy and business model: resilience

No significant impacts for the resilience of the business model.



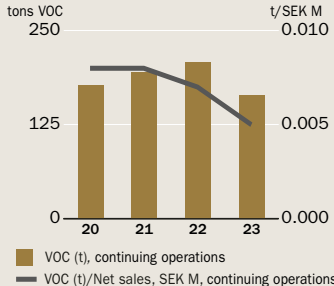









Changes compared to the preceding period

With the divestments in 2023 of the tire operation and printing blanket operation, the Group sharply reduced its exposure to solvent emissions.

POLICIES, ACTIONS AND RESOURCES – METRICS AND TARGETS

Sustainability matters	Adopted policies	Actions/resources	Metrics	Objectives
Environmental management systems	Group Environmental Policy (refer to page 114)	Local rules are addressed by each workplace.	Percentage of production units certified under environmental management systems	All relevant production units certified.
Contamination at suppliers		Questionnaires to suppliers		Compliance with current regulations.

OUTCOME IN 2023 IN THE AREA OF ENVIRONMENT: POLLUTION

Resources	Where?	Outcome 2023	Goals and main governance
EMISSIONS		Emissions of volatile organic compounds (VOC) from continuing operations decreased by 21 percent during the year. Emissions of sulfur dioxide increased by 14 percent, and emissions of nitrogen oxides decreased by 8 percent.	Reducing VOC is a priority from both an environmental and a health perspective. Emissions of VOC are defined according to EU standards.
VOC		Continuing operations: 164 metric tons (208) Group: 281 metric tons (612)	VOC emissions  <p>tons VOC</p> <p>t/SEK M</p> <p>250</p> <p>125</p> <p>0</p> <p>20 21 22 23</p> <p>0.010</p> <p>0.005</p> <p>0.000</p> <p>■ VOC (t), continuing operations</p> <p>— VOC (t)/Net sales, SEK M, continuing operations</p>
VOC relative to sales		Continuing operations: 0.005 metric tons per SEK M (0.007) Group: 0.007 metric tons per SEK M (0.014)	
Sulfur dioxide		Continuing operations: 8 metric tons (7) Group: 19 metric tons (65)	
Nitrogen oxides		Continuing operations: 15 metric tons (16) Group: 28 metric tons (53)	
COMPLIANCE (ENVIRONMENTAL)		For continuing operations, 1 case (1) of fines or sanctions for breaches of environment or OHS-related laws and regulations was reported, totaling SEK 4,201,000 (100,000). For the Group, 1 case (1) of fines or sanctions for breaches of environment or OHS-related laws and regulations was reported, totaling SEK 4,201,000 (100,000).	
Environmental management systems		At the end of 2023, 68 units (63) in continuing operations were certified under ISO 14001, corresponding to 65 percent (66) of all relevant facilities. For the Group, 88 units (83) were certified under ISO 14001, corresponding to 70 percent (70) of all relevant facilities.	The goal is that all major production units will have an ISO 14001-certified environmental management system.
Unplanned emissions		For continuing operations, 0 cases (0) of unplanned emissions were reported during the year. For the Group, 0 cases (0) of unplanned emissions were reported during the year.	All licensed operations are subject to local governance, also using ISO 14001 environmental management systems.
Remediation of contaminated soil		At the end of 2023, the remediation of contaminated soil for continuing operations was ongoing at 4 units (3). Another 11 facilities (10) are expected to require remediation, although the extent has not yet been determined. Provisions for environmental liabilities amounted to SEK 341 M (72). For the Group, the remediation of contaminated soil was ongoing at 8 units (6) at the end of 2023. Another 11 facilities (10) are expected to require remediation, although the extent has not yet been determined. Provisions for environmental liabilities amounted to SEK 341 M (72).	Trelleborg is also active as one of several parties in additional cases of remediation, although with marginal liability for costs.
Environmental studies	 	In continuing operations, 12 environmental studies (6) were carried out at the various facilities. For the Group, 12 environmental studies (6) were carried out.	Environmental studies are conducted to assess and outline the environmental impact of the facilities and identify potential environmental liabilities for the company in question, often in connection with acquisitions or closures.

Symbols:  = Internal, all units  = Internal, all production units  = Internal, certain units  = External, suppliers or acquisition candidates

Environment: Water and marine resources

Material impacts, risks and opportunities

Trelleborg’s dependence on water for its manufacturing has historically primarily related to water use for cooling and cleaning.

As water does not constitute a critical part of the products themselves, the overall water dependency is therefore considered to be limited, but it is nonetheless important to reduce the total water use of the Group. In areas facing water scarcity, this of course becomes even more important.

It is also in such water-stressed zones that the risks to the immediate environment are greatest – competition for scarce water resources may arise in relation to the needs of the local population and agriculture. For Trelleborg, such facilities are mainly located in such areas as the Mediterranean region (particularly Malta), India, eastern China and western USA.

In terms of the opportunities this presents, Trelleborg has many types of water management solutions, an area that can be expected to grow in importance for global society and Trelleborg’s markets.

Link to strategy and business model

No major impacts related to water demand are considered to exist for the strategy and business model other than for the location of new production facilities, where water-stressed areas should be avoided.

Time horizon for impacts

Acute water stress already affects a number of areas globally, and the extent and number of such areas can be expected to increase in the medium and long term.

Own activities/Via the value chain

The main impacts are in own operations.

The only identified impacts in the value chain are at the cultivation level for the natural rubber, where water access is a necessity.

Impacts on strategy and decision-making

It is essential to regularly map water stress globally for Trelleborg’s existing production facilities, and to always consider the location of planned greenfield projects, as well as facilities added through acquisitions using due diligence measures.

Business response: approved actions and plans

An internal analysis was launched at Group level in 2023 to update the map globally with regard to water-stressed zones.

Short, medium and long-term financial impacts

Positive impacts of the major water savings as shown in the 2023 outcome below.

Strategy and business model: resilience

The assessment is that the strategy and business model will not require any major changes based on the identified impacts and risks in the Water area.



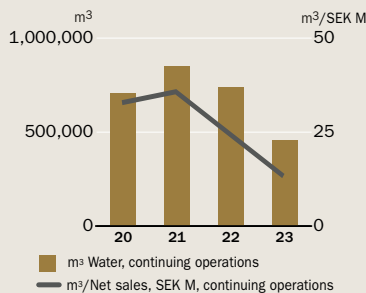


Changes compared to the preceding period





Water use has been sharply reduced during the period, mainly due to the divestment of the tire operation and investments in a new cooling system at the Swedish production unit in Ersmark.

POLICIES, ACTIONS AND RESOURCES – METRICS AND TARGETS

Sustainability matters	Adopted policies	Actions/resources	Metrics	Objectives
Water use	Group Environmental Policy (refer to page 114)	Water is a key local issue and local action plans are developed accordingly	Water use in metric tons/year Water intensity in metric tons/SEK M	Minimization
Water use in water-stressed areas	Group Environmental Policy (refer to page 114)	Mapping of water-stressed areas	Proposal: Share of total water use, %	Proposal: No greenfield projects in water-stressed areas

OUTCOME IN 2023 IN THE AREA OF ENVIRONMENT: WATER

Resources	Where?	Outcome 2023	Goals and main governance
WATER		In 2023, water use, meaning water for production and sanitary water, declined sharply in absolute terms, despite higher production volumes. Relative to sales, the decline in use was even more pronounced. Much of the decrease is the result of investments in a new cooling system at the Swedish production unit in Ersmark.	Even if water use is one of the general environmental key figures reported for all plants, a decrease in consumption is most crucial in water-stressed areas, or where water stress can be expected. Refer to text above for more information.
Water use		Continuing operations: 454,481 m ³ (736,915) Group: 935,689 m ³ (2,272,760)	Water use 
Water use relative to sales		Continuing operations: 13.3 m ³ per SEK M (24.5) Group: 23.8 m ³ (50.9)	
Water withdrawal		Continuing operations: 89 percent municipal water (53) 2 percent from the company’s own wells (2) 4 percent surface water (rivers, lakes, etc.) (42) 5 percent other sources (3) Group: 76 percent municipal water (61) 20 percent from the company’s own wells (24) 2 percent surface water (rivers, lakes, etc.) (14) 2 percent other sources (1)	

Symbols:  = Internal, all units  = Internal, all production units  = Internal, certain units  = External, suppliers

Environment: Resource use and circular economy

Material impacts, risks and opportunities

Waste

Hazardous waste, rubber waste and other non-hazardous waste are Trelleborg's three major waste categories. Waste treatment methods are to continuously improve in order to minimize Trelleborg's negative impact from waste generation. Continuously reducing and recycling waste in production has long been a key factor in Trelleborg's efforts to improve resource efficiency under its *Manufacturing Excellence* program. The vision for these efforts is to make progress toward the goal of Zero Waste, as well as a gradual annual reduction in all hazardous waste.

Fossil-based raw materials

As described under the area *Climate and energy* (page 122), Trelleborg is dependent on fossil-based raw materials such as various types of polymers and the filler carbon black, which taken together could emerge as a risk in terms of demand in the medium and long term.

However, society's desire to transition away from fossil-based materials has, in the initial phase, mainly been directed to the use of short-life products, often disposable consumer goods (plastic bags and straws are examples). More advanced and long-lasting industrial polymer applications and more specialist properties are, for natural reasons, not a priority in society's transition since additional research and development is generally required to replace them or, at least as a first step, to recycle the materials.

Finished rubber products present a particular recycling challenge compared with many metals and plastics, for example, since during the vulcanization stage of the production process they form longer molecular chains that cannot easily be used as recycled raw materials.

Some progress has been made in the recycling of rubber products – rubber granules or rubber powder, usually ground down end-of-life products, can be used for certain purposes in rubber compounds to a limited extent without diminishing the properties of the product. Furthermore, carbon black can be recycled in a pyrolysis process during which mainly end-of-life tires are heated, which forms hydrogen, metals and oil, alongside carbon black.

The area of process oils has shown promising progress in trials using bio-based oils to replace petroleum oils.

For textiles used, for example, in Trelleborg's solutions based on polymer-coated fabrics, it has been seen that certain materials that are still essentially petroleum-based, but with a lower carbon footprint, are in many cases preferable to bio-based materials due to the higher total carbon footprint of the latter along the value chain.

Link to strategy and business model

Trelleborg's strategy to meet the target of being a "sustainability leader in its industry" is to reduce both the total waste volumes as described above and to increase the use of bio-based and recycled materials at a leading rate for the industry.

Time horizon for impacts

Technological advances to replace fossil-based materials in Trelleborg's solutions vary depending on the category of material, for the reasons stated

above. Except for the areas described above for which progress has started to be made, most areas will not be relevant until the medium or long term.

Own activities/Via the value chain

Generally speaking, this is naturally a matter of using materials to the greatest extent possible – and minimizing all waste – in all of Trelleborg's own production processes, which is precisely the aim of the *Manufacturing Excellence* program (refer to page 20). Zero waste is the vision stipulated in the program.

As described previously, improving circularity also largely involves reducing the carbon footprint in the value chain for the materials in the solutions that Trelleborg provides.

Impacts on strategy and decision-making

The *Polymers for Tomorrow* program was launched in 2021 to systematically analyze the situation for Trelleborg's most important categories of raw materials and to plan increased use of low-carbon materials to achieve the target of 25 percent bio-based/recycled materials by 2030.

Some continuing challenges in terms of definitions and measurement-taking in 2023 have meant that in Trelleborg's opinion, the annual outcome is not yet certain. It is not expected to be possible to publish data until 2024 at the earliest.

Business response: approved actions and plans

Trelleborg's divestment of the tire operation in 2023 has considerably reduced the company's total use of materials (and energy use, refer to page 123), and also reduced the company's exposure to recycling issues related to rubber material.

Short, medium and long-term financial impacts

Allocating certain resources to investigating materials and development collaborations with various organizations and suppliers to increase the share of bio-based/recycled material in Trelleborg's solutions is required in the short and medium-terms as an investment in the ambition to be a sustainability leader in the industry. In the short term, new material alternatives may also increase raw material costs.

Strategy and business model: resilience

Trelleborg's engineered polymer solutions are based on premium performance and advanced material know-how, making them difficult to replace in the short term. At the same time, the company's applications experts work actively in each customer segment to identify even better materials for the solutions from a circularity and sustainability perspective.

The resilience of the business model increases significantly with the lower dependence on materials and energy and the lower exposure to tire recycling.

Changes compared to the preceding period

A strategic decision has been taken that the share of recycled or bio-based raw materials is to amount to 25 percent by the end of 2030.

POLICIES, ACTIONS AND RESOURCES – METRICS AND TARGETS

Sustainability matters	Adopted policies	Actions/resources	Metrics	Objectives
Waste	Group Environmental Policy (refer to page 114)	Minimizing waste	Waste in metric tons and metric tons/SEK M Waste management	No quantified target – minimizing waste and gradually reducing all hazardous waste. Responsible management
Circularity		Group initiative <i>Polymers for Tomorrow</i>	Percentage of recycled/bio-based raw materials	Percentage of recycled/bio-based raw materials 25 percent by 2030

OUTCOME IN 2023 IN THE AREA OF ENVIRONMENT: RESOURCE USE AND CIRCULAR ECONOMY

Resources	Where?	Outcome 2023	Goals and main governance															
WASTE	■	The amount of waste increased marginally in absolute terms but decreased in relation to sales. The increase from completed acquisitions was offset by process efficiencies.	Waste minimization is an expressed goal in the <i>Manufacturing Excellence</i> initiative, which is pursued in all production units, refer to page 20. The volume of hazardous waste is to gradually decrease.															
Waste volume	■	Continuing operations: 28,942 metric tons (28,570). Of the total volume, rubber accounted for 28 percent (26). Hazardous waste for continuing operations totaled 2,283 metric tons (2,318), a decrease of 2 percent since the preceding year. <i>Group: 35,017 metric tons (48,427). Of the total volume, rubber accounted for 30 percent (32). Hazardous waste for the Group in total was 2,890 metric tons (4,731).</i>	According to the local waste management plans, third-party suppliers that handle waste are to be selected on the basis of their compliance with contractual and legal specifications, and all waste that leaves the plants is to be weighed and documented. Alternatively, the waste's density and volume must be calculated, for example, using supplier invoices, the organization's internal invoicing and accounting system, or data from the purchasing departments.															
Waste volume relative to sales	■	The total amount of waste for continuing operations was 0.8 metric tons relative to sales (0.9), a decrease of 10 percent. <i>Group: 0.9 metric tons per SEK M (1.1).</i>	Reporting of waste-related indicators (waste volume and treatment methods) is done by Trelleborg entities on a semi-annual basis. The reported data is reviewed both on local, Business Area- and Group-level.															
Waste management	■	Continuing operations non-hazardous waste: Internal material recycling 153 metric tons (89) External material recycling 11,950 metric tons (12,705) Energy recovery 5,014 metric tons (4,449) Landfill 6,677 metric tons (6,850) Incineration 1,054 metric tons (1,055) Other disposal 1,810 metric tons (1,103) Continuing operations hazardous waste: Internal material recycling 4 metric tons (4) External material recycling 589 metric tons (582) Energy recovery 722 metric tons (849) Landfill 101 metric tons (71) Incineration 447 metric tons (394) Other disposal 420 metric tons (418) <i>Group, non-hazardous waste:</i> <i>Internal material recycling 292 metric tons (532)</i> <i>External material recycling 15,714 metric tons (24,875)</i> <i>Energy recovery 5,494 metric tons (5,827)</i> <i>Landfill 7,445 metric tons (9,147)</i> <i>Incineration 1,151 metric tons (1,301)</i> <i>Other disposal 2,030 metric tons (2,013)</i> <i>Group, hazardous waste:</i> <i>Internal material recycling 4 metric tons (4)</i> <i>External material recycling 960 metric tons (1,342)</i> <i>Energy recovery 839 metric tons (1,728)</i> <i>Landfill 107 metric tons (102)</i> <i>Incineration 511 metric tons (634)</i> <i>Other disposal 469 metric tons (921)</i> The distribution between methods for handling non-hazardous waste and hazardous waste is presented in the diagram to the right. By definition, internal material recycling is conducted on site.	<p>Waste volume</p> <table border="1"> <caption>Waste volume data</caption> <thead> <tr> <th>Year</th> <th>Waste (t), continuing operations</th> <th>Waste (t)/Net sales, SEK M, continuing operations</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>~25,000</td> <td>~0.9</td> </tr> <tr> <td>21</td> <td>~30,000</td> <td>~1.1</td> </tr> <tr> <td>22</td> <td>~25,000</td> <td>~0.8</td> </tr> <tr> <td>23</td> <td>~28,000</td> <td>~0.8</td> </tr> </tbody> </table> <p>Waste management</p> <p>Legend for Waste management:</p> <ul style="list-style-type: none"> Internal material recycling External material recycling Energy recovery Landfill Incineration Other disposal 	Year	Waste (t), continuing operations	Waste (t)/Net sales, SEK M, continuing operations	20	~25,000	~0.9	21	~30,000	~1.1	22	~25,000	~0.8	23	~28,000	~0.8
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Symbols: ■ = Internal, all units ■ = Internal, all production units ■ = Internal, certain units □ = External, suppliers