



Statement about forced labor, trafficking and child labor, June 2018

Zero tolerance – official objective and Code of Conduct statement

Trelleborg acknowledges that forced labor and human trafficking (Modern Slavery) is a global and growing issue for the company to address and regularly report on – with a focus not only on our own operations but also on our supply chain. Child labor is also part of this commitment. Year-to-year performance will continue to be described in our [Annual Report](#) and in our [Corporate Responsibility Report](#)

In our Annual Report, we state as an official objective for the Group that zero tolerance applies to forced labor, as well as to child labor. And ever since our Corporate Responsibility reporting on Group level – according to GRI guidelines – started in 2007, no (0) such cases have been identified in our own operations. Since 2008, Trelleborg's Corporate Responsibility Report has been reviewed and verified every year by an external third-party.

The [Trelleborg Code of Conduct](#) just as clearly states that we do not allow illegal, forced or child labor in our own operations or in the operations of our suppliers, sales agents, distributors and consultants.

Implemented everywhere – also in our supply chain

Our current Code of Conduct applies to everyone in the organization, and Code of Conduct training has been renewed for every Trelleborg employee from 2017. For new employees, Code of Conduct training is a mandatory requirement, and 83 percent of all of our employees received Code of Conduct training during 2017. Internal Code of Conduct breaches are always investigated and treated as disciplinary matters.

Trelleborg suppliers, at a level corresponding to more than 80 percent of the relevant global annual purchasing spend, complete Corporate Responsibility self-assessments (5-year validity) including the above reference to forced and child labor in their operations. The logic behind the 80 percent target is to focus resources on recurring supplier relationships rather than on one-off or short-term suppliers.

These CR self-assessments, based on the Trelleborg Code of Conduct, aim to ensure compliance with applicable laws and regulations and set forth the minimum standard of business behavior expected of our suppliers so that they act in a way that is ethical and responsible. Supplier non-compliance becomes subject to a dialogue about improvement, and if no improvements are made, it could in the worst case lead to the termination of our relationship with that supplier.

Our CR self-assessments also require suppliers to, in their turn, monitor their own suppliers, contractors, joint-venture partners, and other major business associates for commitment to environmental and social responsibility.

All our suppliers are also encouraged to align with the UN Global Compact – particularly relevant are its Principles 4 (Eliminate Forced labor) and 5 (Abolish Child labor).

Current risk scenarios and proactive measures

Following our risk analysis based on third-party expertise, risks for forced labor/trafficking as well as for child labor are mainly perceived to be found in the supply chain of natural rubber at the farm/grower level. Farms/growers are not first tier suppliers for Trelleborg. However, we do ask our first tier suppliers to apply the same rules in their turn with their suppliers: screening and investigating. We are aware that there is a fine line between actual forced labor, and merely poor labor practices. In line with our aspirations to be a good corporate citizen, however, we aim to address both things.

We ask our suppliers to guarantee that in their company, the minimum age for employment is not less than the age of completion of compulsory schooling and, in any case, no less than 15 years of age. We also ask them to monitor their own suppliers for the same type of responsibility as we do.

If a case should anyhow appear in our supply chain, our goal is crystal clear: we want to ensure that children are protected against harmful work, and that working does not keep them away from their schools or education. In all cases it is the best interests of the child that should guide rehabilitation, and this can only be determined by talking to the children and their families.

Trelleborg organizes Code of Conduct-related training with a focus on forced labor/child labor for buyers and suppliers – including meetings held in 2014–15 in Sri Lanka with more than 1,000 supplier/farmer representatives, and in 2016 in Singapore with the biggest traders of Indonesian/Thai rubber. A similar meeting, focused on our expectations on natural rubber suppliers in March 2017 in Prague, took place with traders supplying from African countries.

Our ambition is to continue our committed and proactive work in the challenging areas of forced labor, trafficking and child labor.

Trelleborg, 30 June 2018



Peter Nilsson

President & CEO