

DIVERSITY PROVIDES OPPORTUNITIES

A significant factor in Trelleborg's value creation is the expertise and diversity of its employees.



Trelleborg works to achieve a balanced mix of ethnicities, ages and genders, taking into consideration the type of operation being pursued.

The draft for a new *Diversity Policy*, which is scheduled to be adopted in the first half of 2018, recognizes that diversity is a strength for the Group. Enhanced diversity and inclusion has the potential to further drive Trelleborg's performance and results, both at team level and individually. Better customer communication and problem solving are only a few such examples.

Diversity and inclusion are generally seen as important elements in situations such as recruitment, training, evaluation, pay structures and succession planning. Trelleborg should therefore continue the work started to identify and establish key figures in the focus area of Diversity, for continuous follow-up and reporting, for example via the annual report.

Questions in future employee surveys (from 2018 and onwards) will include the theme of Diversity.

Alongside the fundamental rules against special treatment and discrimination in the Code of Conduct (see page 19), the company values knowledge wherever it is found, with no other criteria than the fundamental view that all people are equal and have the same rights. Refer also to discrimination on pages 19 and 21.

Ethnicity. A basic rule is that the company's senior management and other managers should have local roots, which naturally leads to ethnic diversity in the management of a company that operates in more than 40 countries.

At year-end 2017, management at levels 1–3 of the company (senior management team and those in senior positions in the business areas) comprised 13 different nationalities (13). See also the table on page 27.

Age. A core issue for all knowledge organizations, including Trelleborg, is the ability to recruit young talent.

Trelleborg has for a number of years

focused on the younger generations – employees born 1980 and later (Generation Y), and different initiatives have been carried out, such as a global survey and workshops.

For the first time, two graduate programs will start in 2017–2018 within a six-month interval. This indicates a clear commitment to younger employees – normally one program is started per year.

The Group's intranet is constantly being developed using feedback from younger employees in order to make it more user-friendly and in line with contemporary expectations for functionality and technology. Regular courses are held focusing on ways to use the intranet.

Gender. In an engineering-dominated company like Trelleborg, efforts to achieve a more even gender balance present challenges that require work at all levels. Higher Group and business area levels remain dominated by men, but the gender distribution is significantly more balanced in the business operations.

ADDITIONAL DIVERSITY INITIATIVES IN 2017–2018

During 2017 and at the beginning of 2018, a series of initiatives were implemented within the Diversity focus area, in addition to the drafting of a Group Diversity Policy. These included:

- » A survey on the theme of diversity was completed by more than 400 employees in the spring of 2017.
- » As a continuation of the survey, a global workshop was held in May 2017 with participants from all business areas and from the central staff functions. Balance was sought in terms of nationality, gender, age, organizational affiliation, seniority and type of experience. Even though age, gender and ethnicity were the main topics for

discussion, other forms of discrimination experienced, such as disability and sexual orientation, were also discussed – other areas that the company must address.

- » In 2018, online training for the entire organization will be held on this topic, to increase awareness of the importance of diversity.
- » A special diversity element was included in the training sessions for all HR managers. This work began in 2016, and was further developed in 2017. Focus was maintained on unconscious bias and how one can avoid being influenced by this, for example when selecting candidates during the recruitment process, which in the long

term should result in a workforce even more characterized by diversity.

- » In 2018, managerial skills and behavior will be reviewed to ensure that the organization's managers are aware of what is expected of them with respect to diversity issues.
- » The introduction program in 2017 for new managers contained 32 percent women, compared with 27 percent in the preceding year.
- » For the first time, the TIMP I training course (for first-line managers) will be held in Chinese in 2018. Historically, this has always been held in English.

A key figure was introduced that measures the proportion of women at management levels 4 and 5 in the company (refer to table with diagrams below), with the ambition to raise the percentage of women managers at these levels from year to year, and over time create a better gender-balanced recruitment base at higher levels.

Efforts to achieve an improved gender

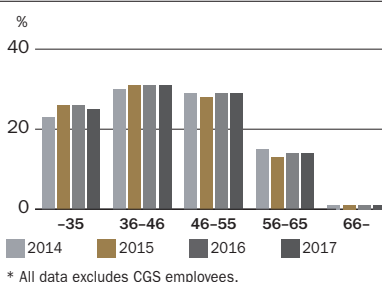
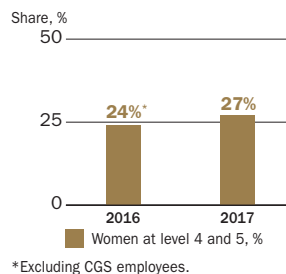
balance include actively seeking women candidates for all executive and managerial positions, and for all of the Group's training and development programs, particularly its leadership programs.

Trelleborg has also put new emphasis on Employer Branding, meaning the type of employer the company is and how we want to be perceived, both internally and exter-

nally. To this end, a motto has been written that reflects Trelleborg's promise as an employer as part of an initiative to increase focus on attracting, retaining and developing talented people. This motto – *Shaping industry from the inside* – is used internally and externally, in both digital channels and in print as well as at career days, trade fairs and other events.

Outcome in brief for 2017 in the area of Diversity

Diversity	Where?	Outcome 2017	Description of goals and management approach
Ethnicity	■ ■ ■ ■ ■	13 nationalities (13) are represented in management at levels 1–3. The situation in relation to this distribution of nationalities is stable.	Senior management and other managers must have a local roots.
Gender	■	At management levels 4 and 5 in Trelleborg's units, where level 4 corresponds a position reporting to a business area president, the proportion of women is 27 percent (24), an improvement on the preceding year. For the organization as a whole, the proportion of women is 24 percent (24). 10 percent of Group Management are women (9), and 38 percent (33) of the Board of Directors are women.	The company is endeavoring to achieve a more even gender balance. The share women at management levels 4 and 5 is to continuously increase.
Age	■	The age distribution for salaried employees at Trelleborg remained stable during the 2014–2017* measurement period.	The company is endeavoring to achieve a balanced age distribution for the type of operation conducted by Trelleborg.



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