Environmental disclosures

The *Environmental Disclosures* section of this Sustainability Report describes Trelleborg's initiatives around material matters in the area concerning policies, actions, targets and outcomes for the year. The main issues are in climate and energy, pollution, and resource use and circularity. Some of the highlights of the year are listed below:

SIGNIFICANT EVENTS IN 2024 – ENVIRONMENTAL DISCLOSURES

Climate and energy

As regards the climate, Trelleborg achieved a 55-percent reduction in CO_2 emissions in Scope 1 and 2 compared with the base year 2021. The reduction is due to the increased share of purchased renewable/fossil-free electricity. Regarding Scope 3, Trelleborg improved data quality during the year. Read more about Trelleborg's science-based climate targets and outcomes for the year on pages 130 and 132.

The Group's total energy consumption decreased 4 percent year-on-year, primarily as a result of continued energy efficiency improvements. Read more about Trelleborg's efforts in Energy Excellence on pages 20 and 132, and transition plans for Scope 1 and 2 on page 130.

Pollution

Trelleborg is working continuously to prevent pollution from own operations. Efforts at the Group level to further survey and systematize management of hazardous chemicals were initiated in 2024 and will continue in 2025.

Resource use and circularity

Trelleborg's target is to achieve a level of 25 percent of bio-based and recycled materials by 2030. These efforts continued during the year, and in 2024 the Group achieved a level of 14 percent. Read more on pages 140–142.

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Environment: Climate and energy

Climate issues are high on the agenda for Trelleborg, as they are for most industrial companies. Science-based climate targets have therefore been established, and significant results were already achieved during the first year of reporting, 2024.

Material impacts, risks and opportunities

Trelleborg's impacts on the environment and people in the area of *Climate and energy* are linked primarily to CO_2 emissions from the use of fossil-based energy for own production processes, as well as CO_2 emissions from activities upstream in the value chain. Climate change remains a key issue on the global agenda, and over the medium and long term a risk for increased costs could emerge as a result of new climate-related national and international taxes and fees.

Through targeted initiatives and Group-wide programs for energy and climate efficiency, Trelleborg is pursuing active efforts to minimize the negative impacts and the financial risks in the area. The operation's exposure to climate-related risks is routinely evaluated using a resilience analysis, read more from page 135 onward.

	Affected parts of the value chain	Timeframe	Interaction with strategy and business model
Material impacts in Climate and energy			
CO_2 emissions in Scope 1, 2 and 3, and total CO_2 emissions.	Own operations and supply chain	Short – medium – long term	Overall, Trelleborg's type of industrial production and business model are energy-intensive. Own emissions (Scope 1 and 2), which are caused by the use of fossil-based energy and – above all – supply chain emissions (Scope 3, category 1) thus have *negative impacts* on climate change in society. Actions and resources aimed at reducing the company's negative climate impact through measures such as enhancing energy efficiency and the transition to renewable and fossil-free sources of energy are an integral part of Trelleborg's strategy.
Material financial risks in Climate and energy			
Financial effects of material transition risks in taxes and fees linked to carbon emissions, and in sustainability reporting.	Own operations	Medium – long term	Trelleborg addresses *material transition risks* related to increased climate-related taxes and fees as well as more stringent reporting requirements through strategic initiatives in reducing the climate impact of the operations throughout the value chain and improving the quality and coverage of internal reporting of energy and climate-related data, both for own operations and also the product side over time.
Material financial opportunities in Climate and energy			
The share of energy-saving and emission-reducing products in Trelleborg's range is expected to increase.	Customer chain	Short – medium – long term	Trelleborg's business strategy includes initiatives for innovative products and solutions that promote energy and climate efficiency among customers, which thus comprises *a financial opportunity* for the company.

Description of the materiality assessment process

Climate and energy has historically been one of the most central issues on Trelleborg's sustainability agenda. The previous materiality assessments showed that both internal and external stakeholders believe that Trelleborg's initiatives in energy efficiency and reducing CO_2 emissions are crucial.

The latest assessment showed that this area is material from three different perspectives: as a negative impact, a financial risk and a financial opportunity. This assessment is based on a close dialog with relevant Group functions (e.g. Excellence and Sustainability) and programs (e.g. Energy Excellence) as well as with the business areas and production units.

The perspective of the external stakeholders has also been integrated into the assessment. During the year, a number of key stakeholders such as investors and customers showed strong interest in Trelleborg's initiatives in *Climate and energy*; read more on page 124.

A detailed analysis of physical and transition-related climate risks is presented from page 135 and onward.

Transition plan for climate change

Trelleborg protects the essential – this is a promise that also covers the Group's sustainability efforts and solutions, which help improve the sustainability performance of customers' products in various ways. Climate change mitigation is a priority area in Trelleborg's comprehensive sustainability agenda. A strategic plan for transition to a sustainable operation has been developed in recent years and is directly linked to Trelleborg's science-based climate targets, energy efficiency initiatives and increasing the proportion of renewable energy.

The transition plan below has been approved by Trelleborg's Group Management and Board of Directors. Read more about how the transition plan is being implemented on pages 22 and 132.

Climate target in line with the Paris Agreement

A crucial milestone, from a decision-making perspective, in Trelleborg's transition plan for achieving climate neutrality was the preparation of Trelleborg's science-based climate targets for continued reduction of the operations' carbon footprint, which were validated by the Science Based Target initiative (SBTi) in December 2023. The work toward these targets continues to be supplemented with a clear innovation focus on energy-saving and emission-reducing products and solutions.

Trelleborg's science-based climate target for own CO_2 emissions in Scope 1 and 2 is a 50-percent absolute reduction by 2030, with 2021 as the base year. Trelleborg's science based climate target for Scope 1 and 2 is aligned with limiting global warming to 1.5°C, in line with the Paris Agreement.

For Scope 3, the target is to reduce absolute CO_2 emissions from the category of *Purchased goods and services* by 25 percent by 2030, with 2021 as the base year. The target for Scope 3 is linked to the "well below 2°C" scenario.

By 2035, Trelleborg's vision is to achieve net-zero emissions in its own operations.

Actions and investments

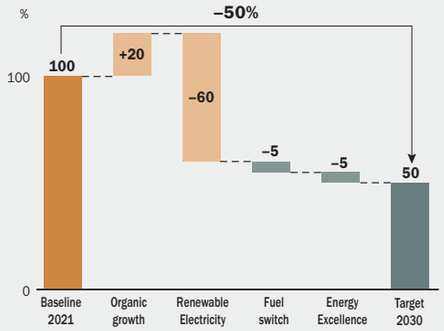
Actions for climate change mitigation and for drivers in the phase-out of fossil fuels are described below.

For Trelleborg's climate-related capital expenditure and financing reported as Taxonomy-aligned CapEx, as well as plans for adapting the Group to Taxonomy criteria, refer to the 2024 Taxonomy Report on pages 160–163.

The transition plan is adapted to Trelleborg's overall business strategy and financial planning, and is included in the operational implementation of the strategy as an integral part.

SCOPE 1 AND 2

Natural gas is the dominant source of emissions in Scope 1. In particular, natural gas is used for steam generation in production. Purchased electricity dominates as an emission source in Scope 2, but purchased district heating and steam are also used. Over the period, organic growth is expected to generate an accumulated increase of approximately 20 percent of the base year value.

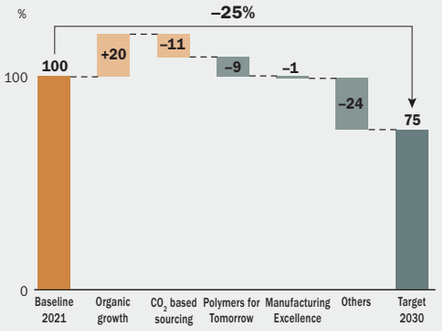


How the target will be achieved

- Transition to an increased share of renewable/fossil-free electricity – either through the purchase of certificates, or through direct agreements with electricity producers established in locations/countries with relevant electricity market structures – is expected to reduce emissions by 60 percent.
- Transition from natural gas to renewable energy sources is expected to yield a reduction of approximately 5 percent.
- 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 program. Continual actions to improve energy efficiency at the facilities are being taken in line with the program, whereby further efficiency potential will be identified and measures implemented. Read more on pages 20 and 132.
- Own production of renewable electricity, primarily via solar panels, is an action that has already been implemented at a number of plants. Investigations are in progress at additional production units.

SCOPE 3

All potential Scope 3 emissions categories were analyzed in 2022 and 2023. A number of categories could be excluded because their CO_2 emissions were deemed to be negligible in the context, or close to zero. The *Purchased goods and services* category clearly dominates Trelleborg's Scope 3 emissions (along the entire value chain) and, according to an analysis performed, corresponds to approximately 80 percent of the total Scope 3 emissions for the base year 2021. Over the period, organic growth is expected to generate an accumulated increase of approximately 20 percent of the base year value.



How the target will be achieved

- Approximately 11 percent of Scope 3 emissions is expected to decrease through purchases of increasingly lower carbon intensity materials – a process in which preference is given to established suppliers that can demonstrate lower carbon intensity in their materials.
- A broad collaboration is under way in the Polymers for Tomorrow program, between Trelleborg, suppliers and start-ups, to identify alternative materials with lower carbon emissions that could potentially enable a reduction of approximately 9 percent in Scope 3 emissions. Read more on pages 23 and 141.
- Efforts at increasing efficiency in the production processes and to minimize waste are under way in Manufacturing Excellence, and could potentially reduce Scope 3 emissions by approximately 1 percent.
- In general, Scope 3 emissions from purchased goods and services are expected to be reduced by 24 percent through a dedicated supplier program that is under development. This will have a focus on collaboration to ensure that suppliers have plans and processes in place to reduce their carbon emissions.

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Policy or similar steering documents

The Group Environmental Policy contains a number of principles regarding climate change and energy consumption. According to this policy, Trelleborg is to work with climate targets in order to reduce its climate impact both from own operations and from emissions along the value chain. Energy efficiency and the energy mix are to be continually improved, and the proportion of renewable/fossil-free energy is to increase.

Purpose and materiality	Scope	Responsibility for implementation	Third-party standards and stakeholders	Availability
Group Environmental Policy				
Trelleborg's Environmental Policy indicates the Group's position in the area of *Environment*. The policy contains five key areas that reflect the key environmental topics for Trelleborg: » Energy and climate » Water » Biodiversity » Pollution » Circularity The policy describes the key principles of Trelleborg's strategy for managing the potential and actual negative impacts in these five areas.	Trelleborg aims to meet or exceed local environmental laws in all countries where it pursues operations. All significant production units will implement and maintain a certified environmental management system in accordance with ISO 14001. Environmental topics will be taken into account when constructing new buildings, or in conjunction with significant upgrades or additions to existing operations. Trelleborg will encourage external stakeholders such as suppliers, sub-suppliers and other business partners to adopt the principles in this policy.	Vice President Group Excellence & Sustainability is responsible for issuing this policy and for implementing the sections of this policy pertaining to energy and climate, water, biodiversity and circularity. Vice President Risk Management & Environment is responsible for implementing the section in this policy pertaining to pollution. Trelleborg's Group Function Heads, Business Area Presidents and Business Unit Presidents are responsible for the overall adherence to these policies within their respective areas of responsibility.	Applicable local laws and regulations where Trelleborg has its operations. Additional guidance on compliance with local laws and ordinances will be issued from time to time as annexes to this policy. The key stakeholders who are primarily affected by this policy are Trelleborg's employees, customers, suppliers, shareholders and local communities. The company will conduct an ongoing dialog with its stakeholders with the goal of ensuring that Trelleborg is exercising responsible citizenship and achieving success sustainably.	This policy will be part of induction training courses and ongoing training programs, and is published on the intranet page for policies. Vice President Group Excellence & Sustainability or Vice President Risk Management & Environment will provide further guidance on this policy or if breaches of the policy are suspected. Requests for clarification and inquiries from external stakeholders, including the media and analysts, should be addressed to Trelleborg Group Communications.

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Actions and resources

Actions linked to Trelleborg's Group Environmental Policy for *Climate and energy* are described below. These actions are presented according to driver for the phase-out of fossil fuels:

- **Renewable electricity purchased** in own production facilities is an ongoing program that is intended to increase the proportion of renewable electricity in total electricity consumption. In 2023, the decision was made to maximize the proportion of renewable/fossil-free electricity during 2024. By focusing efforts on purchasing certified renewable/fossil-free electricity at the local production units, Trelleborg has drastically improved its energy mix.
- **Energy Excellence program** is another initiative that is central to Trelleborg's climate initiatives. Energy Excellence is under way at all production units and is described on page 20. In 2024, additional activities were conducted as part of the Energy Excellence Boost project. Road maps for energy efficiency and CO_2 reductions were developed in this project.
- **Own production of renewable electricity**, primarily via solar panels, is an action that has already been implemented at a number of plants, and investigations are in progress at additional production units.
- **EXACT tool** is used to calculate and follow up on the initiatives in energy efficiency that are ongoing across the operation. Previously, the application was further developed with a new function that the units can use to calculate and accrue carbon savings. The tool provides effective support in Trelleborg's efforts in local efficiency projects, and promotes reduced CO_2 emissions.

Targets and outcomes

As mentioned above, Trelleborg has established science-based climate targets that have been validated by the Science Based Targets initiative; see more below and on page 130. These science-based climate targets were developed in close dialog with Trelleborg's management and internal experts. The climate targets have been approved by the Board.

- **The target for own operations (Scope 1 and 2)** is to reduce CO_2 emissions by 50 percent in absolute terms by 2030, from the base year 2021. In 2024, Trelleborg achieved a reduction of 55 percent in Scope 1 and 2 emissions compared with the base year, or a reduction of 38 percent from the preceding year. The key factor behind the change for 2024 was the increased proportion of renewable/fossil-free electricity, refer to the left side of this page.
- **For activities upstream in the value chain (Scope 3, *Purchased goods and services)*** the target is to reduce CO_2 emissions by 25 percent in absolute terms by 2030, from the base year 2021. During the year, Trelleborg established an internal framework for reporting activity data for the category *Purchased goods and services*. This work will continue in 2025 and further details will be presented in the upcoming reports.

Trelleborg's target for renewable/fossil-free electricity was developed with the intent of limiting Trelleborg's negative impact on the climate. In accordance with the Group's Environmental Policy, the target is intended to increase the proportion of renewable/fossil-free electricity to 80 percent by 2025. By gradually reducing the proportion of fossil fuels in direct and indirect energy consumption, Trelleborg is expected to clearly reduce its climate impact derived from its own operations.

CLIMATE AND ENERGY

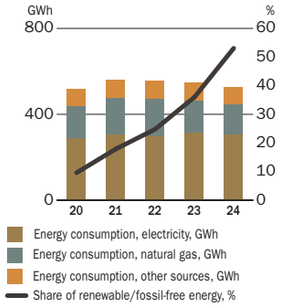
Target	Outcome 2024
–50% in Scope 1 and 2 in absolute terms from the base year 2021, by the end of 2030	–55% in Scope 1 and Scope 2 compared to the base year 2021
–25% in Scope 3, category *Purchased goods and services*, in absolute terms from the base year 2021, by the end of 2030	Internal reporting framework for activity data was established during the year

Energy consumption and mix [1]

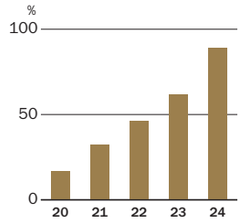
The table below summarizes the outcome of Trelleborg's energy consumption and energy mix for 2024.

Use of:	2024	2023	Change	Commentary
Natural gas, MWh	140,214	152,011		
Propane, MWh	12,584	12,210		
Oil, MWh	13,409	15,477		
Electricity from non-renewable sources, MWh	32,761	119,087		
District heating, steam from non-renewable sources, MWh	46,813	51,604		
Total fossil energy consumption, MWh	**245,781**	**350,389**	–30%	The decrease in the use of fossil energy is a direct result of the increased share of renewable and fossil-free electricity as well as local efficiency projects, including upgrades of production equipment.
Nuclear energy, MWh	21,104	25,220		
Electricity from renewable sources, MWh	252,287	168,401		
Biomass and biogas, MWh	308	406		
Consumption of self-generated renewable energy, MWh	4,518	3,147		
Total consumption of renewable and fossil-free energy, MWh	**278,217**	**197,174**	41%	The increase in the proportion of renewable/fossil-free energy is due primarily to the newly established procedure for purchase of certified renewable electricity. This proportion increased markedly – despite an acquisition that was completed during the year with a poorer energy mix than the rest of Trelleborg.
Total energy consumption, MWh	**523,998**	**547,563**	–4%	Total energy consumption is decreasing somewhat owing to a divestment completed at the end of 2023 as well as measures to enhance energy efficiency.
Total energy consumption relative to sales, MWh/SEK M	*0.015*	*0.016*	–6%	
Share of fossil sources in total energy consumption, %	*47%*	*64%*		
Share of nuclear sources in total energy consumption, %	*4%*	*5%*		
Share of renewable sources in total energy consumption, %	*49%*	*31%*		
Share of renewable/fossil-free electricity of total electricity consumption, %	**89%**	**62%**		The increase in the share of renewable/fossil-free electricity is due primarily to the newly established procedure for purchase of certified renewable electricity. This proportion increased markedly despite the acquisition of units with a poorer energy mix that was completed during the year.

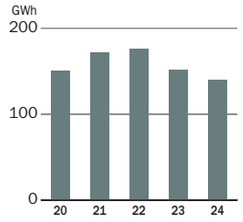
ENERGY CONSUMPTION



RENEWABLE/FOSSIL-FREE ELECTRICITY, PROPORTION OF TOTAL ELECTRICITY



ENERGY CONSUMPTION, NATURAL GAS



[1] Data is collected at the company level by gathering information from invoices and energy measurement systems, or through documented assumptions. Regarding the use of energy measurement systems, the ambition is for all units to have a system for automatic collection of energy consumption data on site in the near future, as part of the Energy Excellence program; refer to pages 20 and 132.

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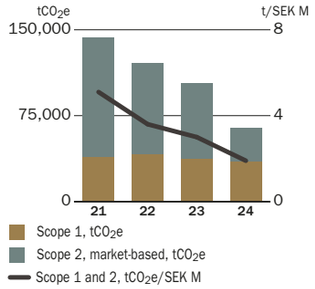
CO_2 emissions in Scope 1, 2 and 3, and total CO_2 emissions [1]

The table below summarizes the outcome of Trelleborg's CO_2 emissions for 2024.

Emissions	2021, base year	2023	2024	Change against 2023	Commentary
Scope 1					
CO_2 emissions in Scope 1, tCO_2e	38,976	37,235	34,424	–8%	The decrease in CO_2 emissions in Scope 1 was due primarily to the drop in consumption of fossil energy – including natural gas and oil – as a result of production equipment upgrades.
Scope 2					
Location-based CO_2 emissions in Scope 2, tCO_2e	106,867	107,085	104,010	–3%	Location-based CO_2 emissions in Scope 2 declined somewhat as a result of the decrease in total energy consumption.
Market-based CO_2 emissions in Scope 2, tCO_2e	104,479	65,601	29,567	–55%	The significant decrease in market-based CO_2 emissions in Scope 2 is due to the increased share of certified renewable electricity.
Scope 3					
CO_2 emissions in Scope 3, category 1: *Purchased goods and services*, tCO_2e	–	–	800,000	–	The predominant category in Scope 3, *Purchased goods and services*, accounted for 80 percent of total emissions in the base year 2021. Since then, these emissions have decreased owing to improved emission factors and activity data, refer further to page 118. Since the implemented improvements to the data and factors have a significant impact on the calculations, in 2025 Trelleborg will correct the base year values for 2021 in accordance with the guidelines in SBTi.
Total emissions					
Total CO_2 emissions, location-based, tCO_2e	–	–	938,434	–	Total market-based CO_2 emissions for 2024 were lower than total location-based CO_2 emissions owing to the increased share of renewable and fossil-free electricity.
Total CO_2 emissions, market-based, tCO_2e	–	–	863,991	–	

THE GROUP'S TOTAL CO_2 EMISSIONS, SCOPE 1 AND 2



[1] Scope 1 CO_2 emissions are calculated using fuel-specific emission factors from DEFRA. For the method of data collection and emission factors, refer to page 118.
As regards the EU Emissions Trading Scheme and other relevant schemes, CO_2 emissions in Scope 1 from Trelleborg's production units were within the established national threshold values in 2024.

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Resilience analysis and climate scenarios

The resilience analysis concerning the climate described in this section encompasses Trelleborg's own operations, downstream in the supply chain and parts of the customer chain. The latest double materiality assessment showed that increased carbon taxes and other fees, as well as the ongoing tightening of climate-related regulations and reporting requirements, could all together entail material transition risks. Physical climate-related risks have long been an integral part of the company's risk management process (read more about Trelleborg's ERM processes on pages 50–54). In general, the physical risks are considered to be less material to the operations than the transition risks, but they are significant nonetheless. For these reasons, Trelleborg also needs to proactively transition to a more low-carbon and resilient business model.

An analysis of Trelleborg's climate-related risks and opportunities including future climate scenarios with their respective financial impacts provides the basis for and variations of a potential future description for the Group to base its actions on.

Regulatory pressure is expected to increase over the medium and long term in all regions where Trelleborg operates, most clearly in the European Union. Trelleborg's current target for reducing carbon emissions has been set for 2030, which is in line with the time horizons in the resilience analysis. Ongoing actions (pertaining to purchased and self-generated renewable electricity, and the Energy Excellence program) are described on page 132 and are expected to strengthen Trelleborg's resilience. The resources that are required to efficiently implement the actions are described on pages 130 and 132. Over the somewhat longer term, existing assets with locked-in greenhouse gas emissions such as natural gas-driven boilers will also be evaluated and could be replaced with more climate-efficient solutions.

The climate-related scenario analyses presented below have been designed in accordance with the guidelines in the Task Force on Climate-related Financial Disclosures (TCFD). A TCFD index is available at www.trelleborg.com.

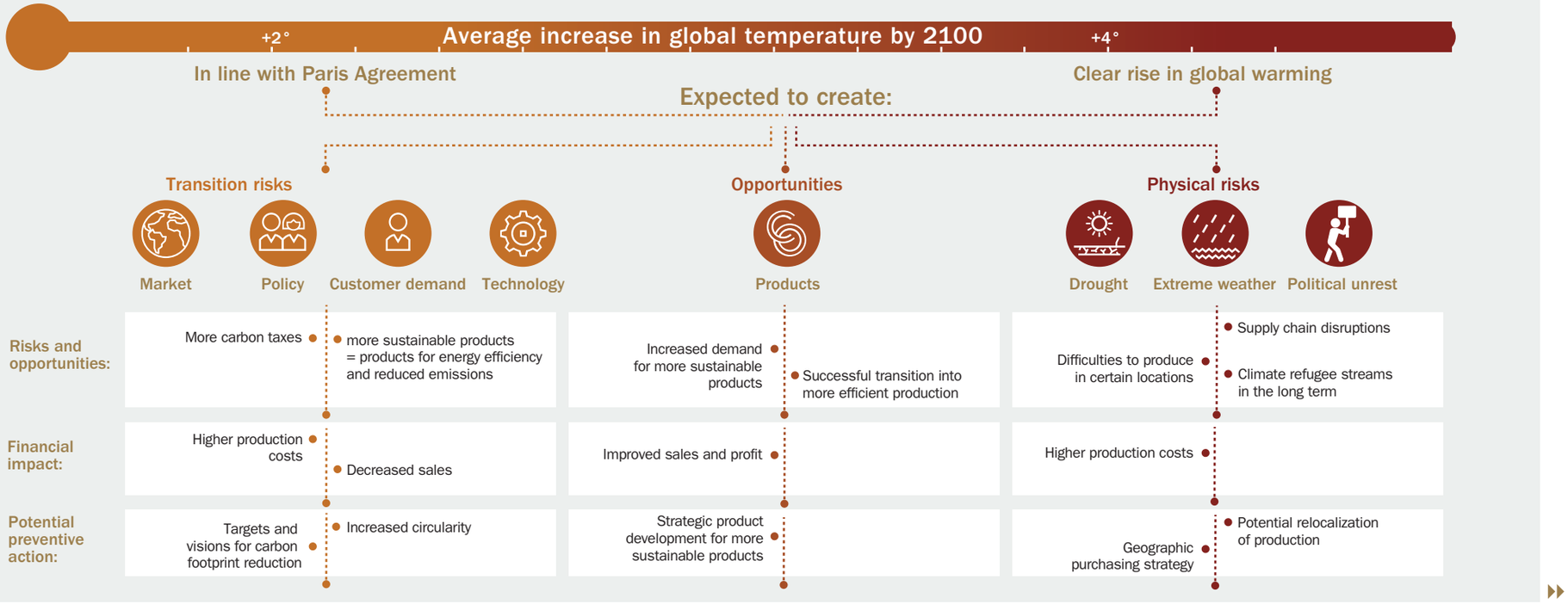
The analysis is developed further on an annual basis, most recently in connection with Trelleborg's double materiality assessment conducted in 2023–2024, read more on pages 126–127.

» The introductory graphic summary below, with commentary, presents the most important results of the analysis. Most of the risks and opportunities are within 1 to 5 years unless otherwise stated.

» The analysis of both scenarios is based on two of the UN Intergovernmental Panel on Climate Change's (IPCC) forecasts (Representative Concentration Pathways, RCP) on how carbon concentrations in the atmosphere may increase by 2100:

- A 2°C increase in average temperature means a limited increase in carbon concentration (RCP 2.6); whereas
- A 4°C increase in average temperature means a major increase (RCP 8.5).

GRAPHIC SUMMARY OF THE 2024 SCENARIO ANALYSIS



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Scenario analysis: two different scenarios

Climate-related risks and opportunities		+2°C increase in temperature (average)	+4°C increase in temperature (average)
		Scenario 1: In line with the Paris Agreement (under 2°C) Rapid transition to low-carbon society. The climate impact of this scenario is based on the IPCC's RCP 2.6 scenario. The scenario is characterized by unification in international politics on transition, and halving total greenhouse gas emissions by 2050 is achieved successfully. Global warming limited to 2°C by 2100, which limits damage. Political decisions, taxes and regulations on carbon emissions are introduced. Large-scale renewable energy and technological improvements are introduced. Rapid transitions in community infrastructure take place.	**Scenario 2: Clear rise in global warming (+4°C)** Slow transition in society. The climate impact of this scenario is based on the IPCC's RCP 8.5 scenario. The scenario is characterized by the moderate tempo of political climate initiatives and cooperation and with cooperative difficulties internationally. Operations in society remain dependent on fossil fuels. Carbon emissions continue and result in a 4°C increase in the global temperature by 2100. Periods of drought, a clear rise in sea levels, more fires and cases of extreme weather, such as flooding, cause problems in themselves and lead to refugees flows.
	Timeframe	***Exposure and response***	***Exposure and response***
Transition risks			
Transition risks related to new reporting requirements in climate and sustainability.	Short term – current risk	**High risk** Society's objective of limiting the increase in temperature to 2°C leads to stricter regulations and monitoring. The scope of carbon regulations and other sustainability reporting requirements can be expected to increase in different parts of the world. In this scenario, where states collaborate to limit climate change, a standardization of the various national or regional regulations could be likely over the long term, which could reduce costs for a company that operates internationally. The situation in this regard remains difficult to assess.	**High risk** A scenario in which the increase in temperature approaches 4°C and where it transpires that there is a lack of global political will to jointly limit climate risks through standardization of national regulations. For those parts of the Trelleborg Group that operate internationally, the situation is impacted by different reporting requirements prevailing in different regions, which leads to increased costs for regulatory compliance for the Group as a whole.
Transition risks related to new carbon taxes and fees.	Medium term	**High risk** With a +2°C target for society, carbon taxes and fees for the operations will increase and have an ever greater impact. At present in the Trelleborg Group, the risks are greatest for the Eurocentric operations since it is in this part of the world that developments in this direction are proceeding the most rapidly.	**High risk** The relative risk for increased carbon tax and fee-related costs would increase if the rest of the world followed the example of the EU over the long term. However, the organization is continuously increasing its preparedness for forthcoming climate regulations, as it is for hikes in raw materials price due to corresponding higher costs among suppliers. Monitoring political developments on an annual basis is becoming important.
Transition risks related to changes in demand, with customers avoiding fossil materials.	Medium – long term	**Moderate risk** Advanced customers in the aerospace, automotive and construction industries are already expressing demands on the products they purchase with regard to low-carbon content and recyclability, which – if they do not accept higher prices at the same time – could lead to pressure on profitability for Trelleborg. Decreased carbon footprint via Trelleborg's efforts toward achieving science-based climate targets and a net zero vision for own operations as well as actions for increased circularity are important and comprehensive changes that are ongoing in the company.	**Low risk** A scenario in which the increase in temperature approaches 4°C, with low demand for circular, climate and energy-efficient products and solutions, entails low financial risks for Trelleborg.

Climate-related risks and opportunities		+2°C increase in temperature (average)	+4°C increase in temperature (average)
	Timeframe	***Exposure and response***	***Exposure and response***
Physical risks			
Climate risks in some locations.	Long term	**Moderate risk** Overall, physical climate-related risks are deemed to be moderate for Trelleborg. Some locations may be vulnerable to physical climate risks, but in total a 2°C increase in temperature would not entail any obviously material financial risks. The potential relocalization of production due to physical climate risks is made easier due to Trelleborg having production sites in various relevant parts of the world.	**Moderate risk** Physical climate risks could potentially spread to regions that were previously not high-risk zones in pace with temperatures increase by up to 4°C, which could lead to an increase in the following risks: *Extreme weather* – climate change increases the frequency and intensity of extreme events such as hurricanes, flooding, drought and heat stress. This could lead to damage to society's infrastructure and functions, as well as fatalities. *Migration* – when extreme weather becomes more common, it often compels people to move from their homes, temporarily or permanently depending on the severity of the events and what possibilities the afflicted areas have for recovery. For example, prolonged periods of drought could lead to the destruction of agricultural communities, and their inhabitants being forced to migrate in the search for better living conditions.
Disruptions of the supply chain can be expected to increase going forward.	Medium term – Long term	**No risk, or limited risk** No disruptions or limited disruptions of own production and the supply chain.	**High risk** Climate-related costs in the supply chain, via both taxes and duties, and any unplanned emission risk increasing material costs for Trelleborg. Even an increase of 4°C in the average temperature could lead to acute supply chain disruptions and thus entail financial risks for Trelleborg. Disruptions that occur – with associated delays and higher costs – will be negative for production and sales. They could also lead to a need for new suppliers, which leads to new costs in the form of supplier assessments. Frequent disruptions could impact reliability in deliveries and thereby customer confidence. The potential relocalization of production due to supply chain disruptions is made easier due to Trelleborg's production sites in various relevant parts of the world.
Opportunities			
The share of energy-saving and emission-reducing products in Trelleborg's range is expected to increase.		Trelleborg's innovative engineered solutions increase energy efficiency for both customers and end users, and also indirectly decreases their CO_2 emissions. Both larger markets and higher market shares are achievable opportunities, partly by increases in the use of recycled and bio-based raw materials, a development that is supported by the Group-wide Polymers for Tomorrow group to reduce the carbon content in Trelleborg's products and stay a step ahead of the competition. New materials and new technical solutions are being monitored.	Demand for the products in this scenario may be accompanied by a certain amount of lag compared with a +2°C scenario, but at present nothing indicates that this will not be a future need.

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Environment: Pollution

Materiality in *Pollution* is primarily managed locally through compliance with laws and permits, and through remediation of historically polluted land at a small number of units. The clear decrease in exposure to solvents is worth noting.

Material impacts, risks and opportunities

Trelleborg's impacts on the environment and people in *Pollution* are mainly related to local objectives and regulations managed by the respective production unit in coordination with the local environmental management system according to ISO 14001.

Historically, the processing of primarily oil and solvents has given rise to pollution of soil and groundwater at a small number of factory sites. Remediation of contaminated land is under way at some units, which is accounted for in the annual reporting.

In general, Trelleborg is working systematically to minimize the potential negative impacts on the environment and people that can be caused by the chemicals used in its production processes. One example of pollution that has been significantly reduced is emissions from the use of solvents for polymer coating and adhesion between materials. Solvents have long been regarded as substances whose use in operations is to be minimized. With the completed divestments in 2023 of Trelleborg Wheel Systems and Trelleborg Printing Blankets, exposure to solvents in the manufacture of products decreased markedly for Trelleborg and the current level can no longer be regarded as material.

	Affected parts of the value chain	Timeframe	Interaction with strategy and business model
Potential material impacts in Pollution			
Use of chemicals in production processes and end products.	Own operations	Short – medium – long term	The use of chemicals in Trelleborg's production processes entails a *potential negative impact* in *Pollution*. There have been continual efforts throughout the Group for many years to prevent the risk of unplanned emissions of chemicals.

Description of the materiality assessment process

Trelleborg's impact on the environment and people, as well as financial risks linked to the company's use of chemicals was evaluated in the double materiality assessment that was carried out in 2023 and 2024; refer to pages 126–127. Both own operations and supply chain were included in the assessment.

The principal raw materials in Trelleborg's own industrial processes include polymers, rubber compounds, steel and webbing. Moreover, a number of chemicals are also used.

Trelleborg works continuously to ensure that its operations comply with relevant laws governing chemicals, and to minimize the risk of unplanned emissions to soil, air and water. Efforts to establish and prevent potential negative impacts are carried out via internal programs, regular reporting and follow-up.

The production of suppliers could potentially be responsible for environmental pollution, for example, in connection with processing of latex (the raw material for natural rubber), the production of synthetic rubber, carbon black and other rubber chemicals. However, the risks for such pollutants is currently deemed not to be material.

Policy or similar steering documents

Trelleborg's Group Environmental Policy, which also includes *Pollution*, is described in more detail on page 131.

Purpose and materiality	Scope	Responsible for implementation	Third-party standards and stakeholders	Availability
Group Environmental Policy				
Environmental Policy, refer to page 131.	Own operations	Vice President Risk Management & Environment is responsible for implementing the section of the Environmental Policy associated with pollution.	The section of the Environmental Policy concerning *Pollution* was developed with regard to relevant norms and regulations (the REACH legislation and others).	The Environmental Policy is available on Trelleborg's intranet and at www.trelleborg.com.

Actions and resources

- **Global Chemical Task Force** is a Group-wide initiative in progress at all production units. As a chemical user, Trelleborg is affected by the EU REACH regulation. As part of the Global Chemical Task Force, both local work with REACH compliance and strategic work related to chemicals are being carried out at the Group level. During 2024, 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 pertaining to chemicals and the environment.
- **Mapping initiatives at the Group level** oriented on further systematizing the management of hazardous chemicals were initiated in 2024 and will continue in 2025.

Targets and outcomes

The target for *Pollution* is intended, in accordance with the Manufacturing Excellence program, to continuously (on an annual basis) prevent pollution caused by emissions to air, soil and water at all production facilities. Particular importance is placed on processes for preventing unplanned emissions.

Zero tolerance prevails for local deviations in the environmental domain such as breaches of environmental regulations, permits and similar local regulations.

The table to the right summarizes the outcome of key indicators in *Pollution* for 2024.

POLLUTION

Key indicators	Target	Outcome 2024	Outcome 2023	Commentary
Compliance with environmental regulations	Zero tolerance	1	1	One breach occurred in 2024 – pertaining to delayed control of coolants at a production unit in Sweden. The total penalty amounted to SEK 55,000.
Number of unplanned emissions	Zero tolerance	0	0	All licensed operations are subject to local governance, also using ISO 14001 environmental management systems.
Environmental management system, number of certified units	–	71	68	At the end of 2024, 71 units (68) in continuing operations were certified under ISO 14001, corresponding to 64 percent (65) of all relevant units.
Remediation of contaminated soil, number of units	–	4	4	At the end of 2024, the remediation of contaminated soil was ongoing at 4 units (4). Another 11 facilities (11) are expected to require remediation, although the extent has not yet been determined. Provisions for environmental liabilities amounted to SEK 309 M (341). Trelleborg is also active as one of several parties in additional cases of remediation, although with marginal liability for costs.
Environmental studies	–	11	12	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.

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Environment: Resource use and circularity

Trelleborg is committed to finding the best and most sustainable materials for solutions for the applications of demanding industrial customers. The ambition is to be a sustainability leader in the industry, and increased circularity is an explicit objective.

Material impacts, risks and opportunities

Trelleborg remains dependent on fossil-based non-circular raw materials such as various types of synthetic polymers and the filler material carbon black, which all together could generate a demand risk over the medium to long term since society as a whole wishes to reduce its dependence on fossil materials. More advanced and long-lasting industrial polymer applications with particular properties are naturally not a priority in society's materials transition since, in general, additional research and development is required to replace them or – as an initial step – recycle the material.

In addition, Trelleborg's engineered polymer solutions are based on premium performance and advanced material know-how, making them difficult to replace in the short term. However, over the medium to long term the risk is considered to be substantial.

At the same time, the company's applications experts are working actively in each customer segment to identify even better materials for the solutions from a circularity and sustainability perspective, since increased sales resulting from greater use of circular materials is deemed to be a material financial opportunity in this area.

	Affected parts of the value chain	Timeframe	Interaction with strategy and business model
Material impacts in Resource use and circularity			
Low use of circular materials, high use of virgin fossil-based materials.	Own operations and supply chain	Short – medium – long term	Gradual reduction of Trelleborg's dependence on virgin fossil-based materials by increasing the share of bio-based and recycled materials is a prioritized area. This is an objective that the company is actively working on as part of the Polymers for Tomorrow program; refer further to pages 23 and 141.
Waste directed to incineration, landfill or other disposal.	Own operations	Short – medium – long term	Trelleborg's production processes generate waste. *Negative impacts* for the environment arise when Trelleborg's waste is sent for incineration, landfill or other disposal. The target in the Group-wide Manufacturing Excellence program is to continually reduce the amount of waste.
Material financial risks in Resource use and circularity			
Decreased sales as a result of fall in demand for products and materials that are fossil-based.	Customer chain	Medium – long term	Trelleborg addresses this *material financial risk* with the Polymers for Tomorrow program; read more on pages 23 and 141.
Material financial opportunities in Resource use and circularity			
Increased sales and customer retention as a result of a greater proportion of circular content in products.	Customer chain	Short – medium – long term	One clear *financial opportunity* in *Resource use and circularity* is increased sales and greater market shares as a result of a broader range of products with more circular content (increased share of bio-based and recycled materials).

Description of the materiality assessment process

Resource use and circularity is material from three different perspectives: as a negative impact, a financial risk and a financial opportunity. This conclusion is based on the aggregated consolidated evaluation that was carried out during the latest materiality assessment. The practical initiatives in this domain are planned and implemented as part of the Polymers for Tomorrow program in an active collaboration between the Group functions and Trelleborg's local operations. Read more on pages 23 and 141.

The double materiality assessment pertaining to circularity is built on close dialog, with the business areas having the opportunity to garner support for their respective assessments of the impact and financial materiality among relevant stakeholders. During the assessment, Trelleborg's production processes were analyzed with regard to the possibility of replacing virgin fossil-based material with bio-based or recycled materials, and the possibility of increasing internal material recycling, thus further increasing the proportion of recycled input materials in production. The findings from the analysis were included in the final assessment.

The supply chain was reviewed in conjunction with the materials assessment to identify material categories and suppliers with potential for increased circular content.

Even the customer chain was analyzed, starting from the assumption that Trelleborg's innovative and more circular solutions would continue to be in high demand.

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Policy or similar steering documents

The Trelleborg Group's Environmental Policy governs efforts in *Resource use and circularity*, refer to page 131 for more detail on the policy.

Purpose and materiality	Scope	Responsibility for implementation	Third-party standards and stakeholders	Availability
Group Environmental Policy				
Environmental Policy, refer to page 131.	Own operations	Vice President Group Excellence & Sustainability is responsible for implementing the section of the Environmental Policy associated with resource use and circularity.	The section of the Environmental Policy concerned with *Resource use and circularity* has been developed with regard to appropriate industry standards in a dialog with relevant internal stakeholders.	The Environmental Policy is available on Trelleborg's intranet and at www.trelleborg.com.

Actions and resources

- **Polymers for Tomorrow**, a Group-wide program in progress at Trelleborg's own production units, is the company's most important forum for its efforts around circularity. The Polymers for Tomorrow program was launched in 2021 in order to systematically analyze the situation for Trelleborg's key raw material categories, and to plan increased use of low-carbon materials to achieve the target of 25 percent bio-based and recycled materials by 2030. In 2024, the Polymers for Tomorrow program took additional steps forward in defining the baseline and scope of the circularity target and developing a circularity roadmap. A structure for the internal reporting of relevant data was set up in the Group-wide reporting system.
- **A new function for technology and innovation – including circularity –** was created in 2024 and includes Vice President Technology & Innovation, who reports directly to the President and CEO of Trelleborg, and Director Circularity & Material Innovation.
- **Purchasing Excellence** is part of the Excellence framework; refer further to page 21. The program encompasses purchasing organizations at all production units. The role of the purchasing organization for circularity was emphasized during the year, with a particular focus on synergies among purchasing, R&D and product development. The reporting of circularity indicators related to purchasing activities has been initiated, and will be further developed in 2025.
- **Manufacturing Excellence** is another key factor for Trelleborg's circularity initiatives. Continually reducing and recycling waste in production has long been a key factor in Trelleborg's efforts to improve resource efficiency. This is also indicated in the Group's Environmental Policy; see above. The vision for these efforts is to continually advance toward the objective of zero waste, and achieving a gradual annual reduction in all hazardous waste. Certain activities and local initiatives in the program lead to increased internal recycling of waste, and thus an increased share of recycled input materials that will be included in the circularity target going forward. Manufacturing Excellence is described in more detail on page 20.
- **Strategic partnerships and collaborations** are identified and implemented not only centrally, but also locally at Trelleborg's various production units. For example, Trelleborg recently joined the Circular Rubber Platform, a network for materials innovation that is intended to bridge the existing gaps between industry and research centers, newly started companies and suppliers. Allocating certain resources to investigating materials and development collaborations with various organizations and suppliers is needed over the short and medium term in order to increase the share of bio-based/recycled material in Trelleborg's solutions as an investment in the ambition to be a sustainability leader in the industry. In the short term, however, new material alternatives may also increase raw material costs.

Targets and outcomes

Trelleborg's target for bio-based and recycled materials under the Environmental Policy is to increase the use of circular materials. Trelleborg is to have 25 percent bio-based (bio-based virgin and bio-based recycled) and recycled materials by 2030. The target encompasses both purchased materials in selected categories. Trelleborg's circularity target includes most of the direct materials categories, except for such materials for which proving the circular content is currently problematic.

The target was developed in close dialog with internal stakeholders: materials specialists, workflow managers from Polymers for Tomorrow, the R&D team and other relevant groups and functions. A broad group of external stakeholders was also involved, both directly and indirectly – industry organizations, research centers and strategic partners.

In 2024, Trelleborg established a baseline for the circularity indicators. In this year's results, bio-based materials (for example, natural rubber) account for 60 percent and recycled/re-used materials (for example, steel) account for 40 percent.

RESOURCE USE AND CIRCULARITY

Target	Outcome 2024
25% bio-based and recycled materials by the end of 2030	14%

Key indicators for Resource use and circularity

Resource inflows

Trelleborg's dependence on fossil-based materials entails a number of challenges. Finished rubber products are particularly difficult to recycle since during the vulcanization stage of the production process the rubber forms longer molecular chains that subsequently cannot easily be used as recycled raw materials.

Some advances have been made in recycling rubber products – rubber granules or rubber powder, usually made from ground-up end-of-life products, can be used to a limited extent for certain purposes in rubber compounds without impairing the properties of the end product. Moreover, carbon black can be recycled in a pyrolysis process which involves heating up and processing primarily end-of-life rubber. In addition to carbon black, hydrogen, metals and oil are formed in the process.

In the area of process oils, trials with bio-based oils have shown promising progress in the effort to replace petroleum-based oils.

For textiles used, for example, in Trelleborg's solutions based on polymer-coated fabrics, discussions are ongoing with selected suppliers to use recycled petroleum-based or bio-based materials. In these cases, the CO_2 impact is also taken into account in the final choice of materials.

Waste

Trelleborg reports two waste categories – hazardous and non-hazardous waste. Waste management methods must continuously be improved in order to minimize Trelleborg's negative impact on the environment 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 progress toward the target of Zero Waste, as well as a gradual annual reduction of all hazardous waste.

Circularity indicators

The Group's circularity target, which is described in more detail on page 141, encompasses a number of categories in which it is possible to prove the circularity content.

The table below shows the proportion of bio-based and recycled materials out of the total weight of the materials in the selected categories.

The circularity indicators are reported on the assumption that the weight of purchased materials is comparable to the weight of materials used in production during the year.

RESOURCE INFLOWS – CIRCULAR CONTENT IN SELECTED CATEGORIES

Weight of materials in selected categories	Outcome 2024 (metric tons)	Outcome 2024 (%)	Commentary
Total materials in selected categories	132,831	100	The categories in Trelleborg's circularity target include most of the direct materials categories, except for such materials for which proving the circular content is currently problematic.
Bio-based materials (purchased)	11,155	8	Bio-based materials are primarily natural rubber and fillers.
Recycled materials (purchased)	7,153	5	Re-used/recycled materials comprise primarily steel.
Bio-based and recycled materials	**18,308**	**14**	The proportion of bio-based, re-used and recycled materials, including materials that are recycled internally, is calculated based on the total weight of purchased materials in selected categories. The categorization of various materials as bio-based, re-used and recycled is based on documents from the respective suppliers; read more on page 118.

WASTE – CATEGORIES AND TREATMENT METHODS

	Outcome 2024 (metric tons)			Outcome 2023 (metric tons)			
Type of waste treatment	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total	Commentary
Preparation for re-use	–	25	**25**	–	–	**–**	2024 is the first year that Trelleborg's production units reported the weight of waste that was prepared for re-use.
Material recycling – internal	–	1,344	**1,344**	4	153	**157**	
Material recycling – external	878	11,887	**12,765**	589	11,951	**12,540**	
Energy recovery	889	4,767	**5,656**	722	5,014	**5,736**	
Total waste diverted from disposal	**1,767**	**18,023**	**19,790**	**1,315**	**17,118**	**18,433**	Under Trelleborg's Group Environmental Policy, the share of waste that is diverted from disposal must continually increase.
Incineration	451	1,089	**1,540**	447	1,054	**1,501**	
Landfill	141	7,164	**7,305**	101	6,677	**6,778**	
Other	368	952	**1,320**	420	1,810	**2,230**	
Total waste directed to disposal	**960**	**9,205**	**10,165**	**968**	**9,541**	**10,509**	In accordance with Trelleborg's Group Environmental Policy, the proportion of waste that is directed to disposal must continually decrease.
Total waste	**2,727**	**27,228**	**29,955**	**2,283**	**26,659**	**28,942**	