Solutions Securing Values™

SUSTAINABILITY REPORT 2005

TRELLEBORG

Contents

Sustainability data for 2005 have been gathered from the Group's production facilities in accordance with the Group's standard for environmental reporting. Each plant manager is responsible for assuring the quality of the relevant parameters. The Group's environment staff unit compiles and processes the data.

Visit www.trelleborg.com/sustainability to access complete sustainability information, an interactive information database and a GRI index.

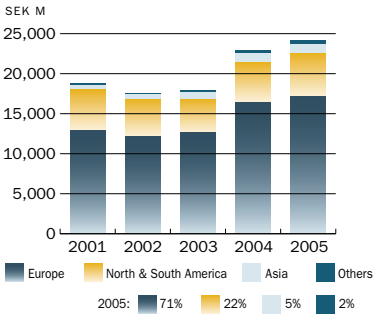
WWW. *This symbol indicates that additional, related information is available at www.trelleborg.com*

Trelleborg AB is a limited liability company. Corporate identity number: 556006-3421.
The Group's headquarters are in Trelleborg, Sweden. Hållbarhetsredovisningen finns även på svenska.
Amounts of money are given in Swedish kronor (SEK) throughout. Millions of kronor are abbreviated SEK M. Unless otherwise stated, figures in parantheses relate to the 2004 fiscal year.

Trelleborg is a global industrial group whose leading positions are based on advanced polymer technology and in depth applications know-how. We develop high-performance solutions that damp, seal and protect in demanding industrial environments.

Trelleborg was founded in 1905 and its headquarters are located in Trelleborg, Sweden. Today, the Group has about 22,000 employees and operations in some 40 countries.

Sales by geographical region



Sustainability-related events during 2005

- 89 facilities certified in accordance with ISO 14001.
- New Group-wide Environmental Forum established.
- Trelleborg named one of the year's climate improvers in Swedish insurance company Folksam's Climate Index.
- New web-based sustainability reporting adapted to structure recommended by Global Reporting Initiative (GRI).
- Audits in accordance with the Group's Safety@Work program implemented at 49 plants.

Key figures

	2005	2004
Net sales, SEK M	24,170	22,912
Operating profit, SEK M	1,779	1,891
Profit before tax, SEK M	1,567	1,604
Net profit, SEK M	1,177	1,386
Earnings per share, SEK	12.90	15.55
Free cash flow, SEK M	950	536
Free cash flow per share, SEK	10.55	6.05
Net debt, SEK M	–7,236	–6,951
Debt/equity ratio, %	72	81
Return on shareholders' equity, %	12.5	17.2
Average number of employees	21,694	21,675

Operating key figures*)		
Operating profit, SEK M	1,779	1,795
Profit before tax, SEK M	1,567	1,508
Net profit, SEK M	1,177	1,122
Earnings per share, SEK	12.90	12.55
Operating margin, (ROS), %	7.2	7.7
Return on capital employed, (ROA), %	10.8	11.2
Return on shareholders' equity, %	12.5	13.9
Operating cash flow, SEK M	1,788	1,483
Operating cash flow per share, SEK	19.85	16.80
Operating cash flow/operating profit, %	101	83
Net debt/EBITDA, multiple	2.8	2.6
EBITDA/net financial items, multiple	12.4	9.2

**) Based on continuing operations, excluding restructuring costs and impairment losses. Continuing operations denotes current structure, that is, excluding Trenor, which was divested in 2004.*

When I am asked what sustainable development involves, the answer is quite straightforward for me. Our sustainability work is an integral part of our business model and contributes to the fulfillment of financial and other objectives.

Trelleborg has a history that goes back more than one hundred years, and the long-term perspective is one of our hallmarks. Building long-term success requires that financial, environmental and social issues are handled in a balanced and responsible manner, and we must safeguard this approach to secure continued development and expansion.

We are a function-oriented company that helps our customers to seal, damp and protect in demanding industrial environments. Our customers and other stakeholders expect us to assume responsibility for environmental care and social issues, and to actively contribute to a sustainable society as we help customers to develop better solutions.

The purpose of this sustainability report is to present a picture of where Trelleborg stands regarding sustainability-related issues, what we view as our prioritized areas, and our future ambitions. Our constant aim is to improve and develop sustainability information. Two means for achieving this are the increased amount of information on our website and the fact that we have chosen, from this year on, to follow the structure defined by the Global Reporting Initiative. Since 2004, the sustainability information in our annual report has also been audited by external auditors.

“Our values give us a common platform”

Values as governance instruments

Trelleborg’s values – Customer focus, Performance, Innovation and Responsibility – are the guiding principles for our governance and actions throughout the entire Group, and hence also for our sustainability work. The values, together with the Group’s Code of Conduct and accompanying policies, define Trelleborg’s basic position as a responsible company. We work continuously to clarify what these values signify in day-to-day operations for Trelleborg employees worldwide.

A cornerstone of our multicultural and decentralized Group is value-based leadership, with clear goals and feedback. We must constantly develop people in the organization, at the same time as we continuously focus on developing better solutions for our customers. In this respect, our values give us a common platform.

Key figures improve in the environment area

The issues we prioritize in the environment area relate to handling of chemicals, energy consumption, emissions to air, waste and the work environment. A number of key figures improved during the year, including the Group’s total energy consumption.

Our focus on integrated sustainability work continues. During 2005, we further refined our organization, appointing environmental coordinators in each business area and setting up a Group-wide environmental forum. During the year, we also began a review of the Group’s environmental policy in order to introduce clearer targets in our prioritized areas, among other aims. We have also continued the ongoing program to introduce the ISO 14001 environmental management system, and a total of 89 plants held certification at year-end.

Implementation of the Group’s Safety@Work project, in which work-environment efforts at our plants are reviewed and evaluated, continued during 2005. The experience gained from the project has been highly positive in terms of both the number of injuries and the associated cost savings.

During the year, our sustainability work received several awards. These included Trelleborg being named “Climate Improver of the Year” in Swedish insurance company Folksam’s Climate index.

Lessons learned and measures taken

We endeavor to improve continuously and learn from our mistakes. During the year, we were affected by certain events that were not positive, such as a protracted union related conflict in Sri Lanka. The conflict was resolved and we have learned from the incident and subsequent discussions with various stakeholders. We are reviewing how we can become better at avoiding situations of this type in the future. Part of this process is to clarify our Code of Conduct. We have been working on the Code for several years, but like everything else, this document needs to be refined in pace with the Group’s development and the external situation. One of our most important tasks during 2006 will be to strengthen implementation of the Code of Conduct and develop an effective follow-up system. We have also strengthened our focus within certain risk areas to which we are exposed as a global and expanding company.

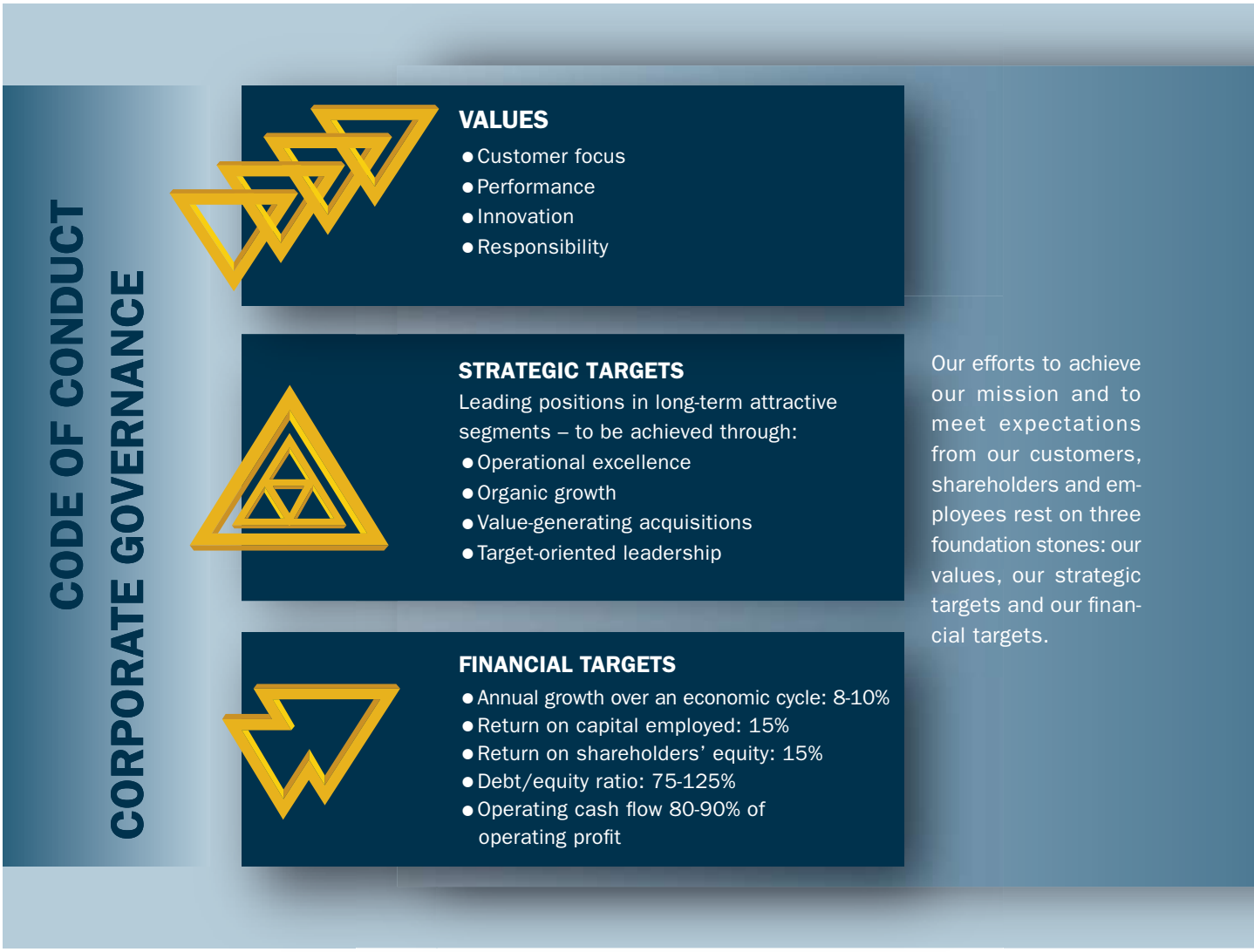
We address risk-management issues systematically and have adopted policies during 2006 relating to liability and other issues. We have also adopted a Whistleblower policy to enable every single employee to report any suspected irregularities.

It is clear that the issues addressed within the framework of sustainable development are becoming increasingly central for us and our business environment. I foresee significant challenges in this area, but I also note that we at Trelleborg can bring a high level of awareness and ambition to the way we approach these challenges.

Trelleborg, March 2006

Peter Nilsson
President and CEO

Solutions Securing Values™



To seal, damp and protect

The Trelleborg Group offers technological solutions that meet three primary customer needs: to seal, damp and protect to secure investments, processes and people in demanding industrial environments. Based on polymer technology and in-depth applications know-how, Trelleborg develops products and solutions designed to meet specific needs, often in close collaboration with customers. The Group's customers are primarily found within the aerospace, agricultural, automotive, infrastructure/construction, transportation equipment and oil/gas industries, as well as other sectors.

A considerable portion of Trelleborg's operations lie within the framework of what is termed the industrial rubber sector. It is estimated that globally this market generates sales of approximately SEK 500 billion annually. The North American and European shares combined comprise nearly 60 percent. The industrial rubber market comprises product areas such as antivibration, hoses and seals. The market is fragmented, although a gradual process of consolidation is under way. The share covered by the ten largest companies has risen from approximately 10 percent to approximately 25 percent over the past five years. Trelleborg is playing an active role in this process.

Global industrial rubber suppliers

No.	Company	Country
1	Continental	Germany
2	Hutchinson	France
3	Trelleborg*	Sweden
4	Freudenberg	Germany
5	Bridgestone	Japan
6	Tomkins	UK
7	Cooper-Standard	US
8	Parker-Hannifin	USA
9	Tokai	Japan
10	NOK	Japan

Source: Rubber & Plastic News, July 2005/Trelleborg
** Including CRP Group*

BUSINESS CONCEPT

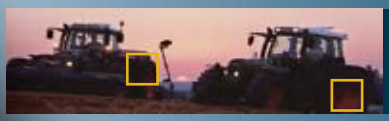
Trelleborg seals, damps and protects in demanding industrial environments throughout the world. We offer our customers engineered solutions based on leading polymer technology and unique applications know-how.

SEAL

DAMP

PROTECT


AEROSPACE

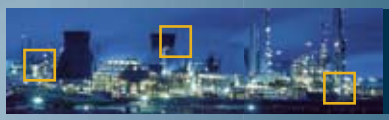

AGRICULTURE


TRANSPORTATION EQUIPMENT


AUTOMOTIVE


OIL/GAS


INFRASTRUCTURE/ CONSTRUCTION


OTHER INDUSTRY SECTORS

Customer-focused organization

The Group's solutions are used in many different applications and products and are consequently aimed at a large number of customer groups in many different industrial segments. Each business area focuses on selected customer segments and can thereby contribute leading-edge expertise and applications know-how through in-depth knowledge of the customer's situation and needs.

The decentralized and entrepreneurial organization provides a strong operational focus and proximity to our customers. Clear, value-based and target-driven management promotes development and innovation.

Synergies generate competitiveness

Core industrial expertise and polymer technology pervade all of the business areas, as does the high technology content of the products, providing added value for customers.

Focused product development, cost-effective production and synergies in purchasing and material flows are decisive for favorable operational results and commercially successful products and solutions. To strengthen the Group's competitiveness, coordination between business areas is sought in all of these areas.

Our values

Trelleborg's basic values are customer focus, performance, innovation and responsibility. In their daily efforts, Group employees are guided by the culture and values developed over the years. With common values, a continuity is established, necessary in building and maintaining operations that are successful and that can be maintained over the long term.

TRELLEBORG

On a daily basis, the four Trelleborg triangles remind us of our four basic values.

Organization

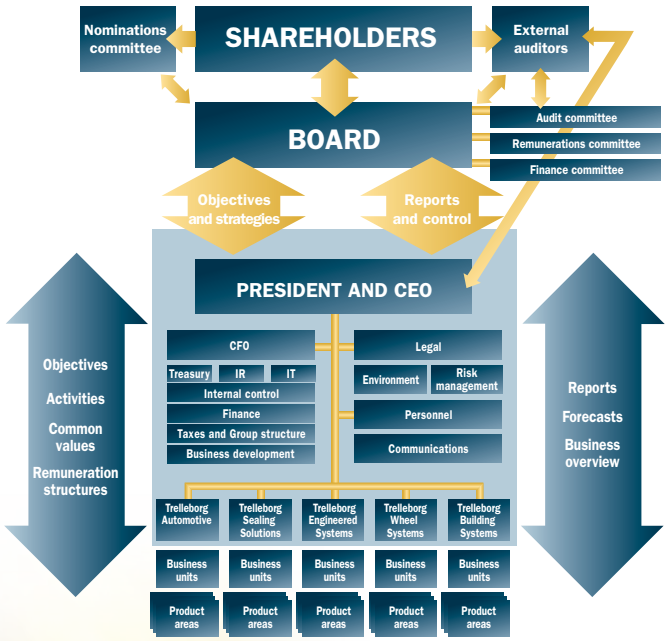
The direct responsibility for issues relating to the environment, health and safety is borne locally by each individual unit. Each plant has an environmental coordinator and persons responsible for health and safety.

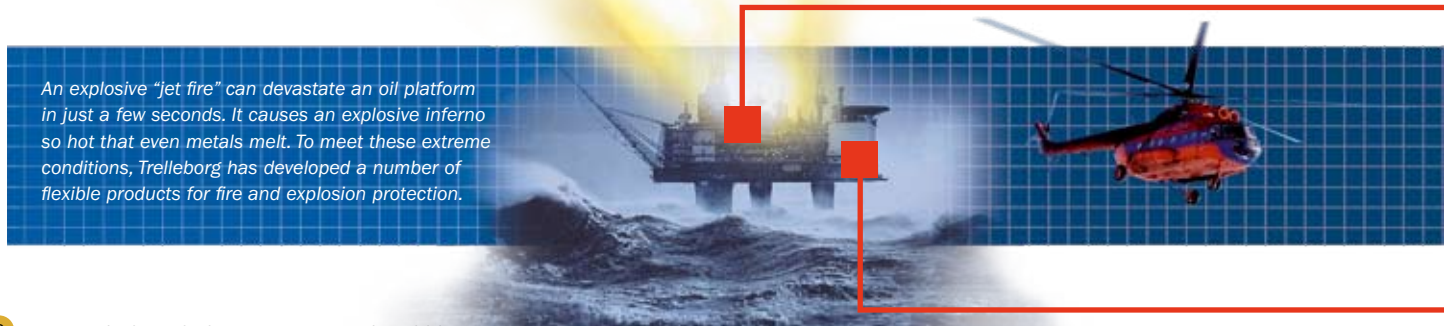
The central corporate environmental function, which is part of Group Staff Legal Affairs, is responsible for development work, coordination and training in environment-related matters, and co-operates closely with the Human Resources and Risk Management functions regarding health and safety issues.

The focus during 2005 was on increased coordination and knowledge transfer in the environment area between different parts of the Group. Formal networks were established at the regional and business-area levels. Each business area has appointed an environmental coordinator. These coordinators, together with the central corporate environmental function, are included in a newly formed Group-wide Environmental Forum, which is charged with the task of identifying and initiating Group-wide projects, spreading the implementation of good models, and following up the Group's environmental policy. The Group's intranet includes a comprehensive sustainability section used to disseminate information.

Policies and management systems

The Group's fundamental values and Code of Conduct are part of our culture and shall provide support for day-to-day decisions and actions. The Code of





An explosive "jet fire" can devastate an oil platform in just a few seconds. It causes an explosive inferno so hot that even metals melt. To meet these extreme conditions, Trelleborg has developed a number of flexible products for fire and explosion protection.

Conduct shows what we stand for in regard to the environment, social responsibility and the work environment, and is supported by separate policies for the environment, work environment and contacts with suppliers. The implementation of the Code of Conduct is a long-term process and the past three years have been devoted to describing, explaining and disseminating the Code of Conduct to employees. This has taken place via the Group's intranet and through meetings and internal and external publications. The Code of Conduct has been translated into some ten different languages.

During 2005, the Group adopted a specific "whistle-blower" policy allowing individual employees, regardless of position, to report irregularities, anonymously if so desired, and without fear of retribution.

The ISO 14001 environmental management standard forms an important cornerstone in Trelleborg's sustainability work. At the close of 2005, 89 facilities, out of a total 109, were certified. Four units underwent certification during 2005.

Several units have also implemented the work-environment management system OHSAS 18000. A total of five facilities now work in accordance with this system. These facilities are located in the UK, Denmark and France.

The Code of Conduct, combined with the requirements of ISO 14001, as well as legal stipulations, work-environment requirements and requirements imposed by customers, guide the selection of raw materials and suppliers. Many customers, primarily within the automotive and construction industries, have their own lists of unaccepted substances. Each new raw material is evaluated according to these criteria before being accepted.

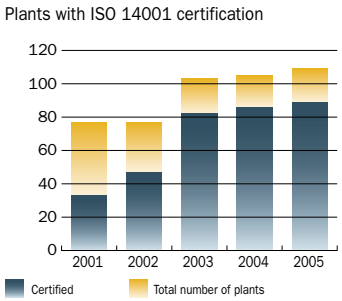
Trelleborg is a member of national industrial organizations in a number of countries, which also entails collaboration on environmental and work-environment issues. At the European level, Trelleborg participates in BLIC, the European Rubber industry's interest organization, and in working committees on issues including the environment, work-environment and chemicals. In Sweden, Trelleborg is a member of the Swedish Plastics & Chemicals Federation. Through this involvement, Trelleborg's Swedish operations participate in the international Responsible Care program of the chemical industry.

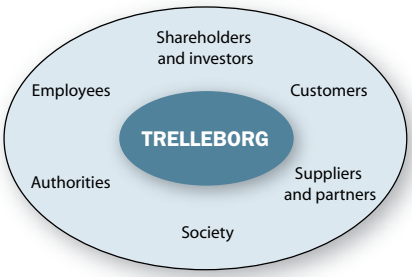
Stakeholders

Trelleborg's stakeholders include, among others, customers, employees, society at large, official authorities, investors and partners. Trelleborg communicates continuously with these stakeholders at many different levels, in forms ranging from more detailed dialogs at personal meetings to general information disseminated, for example, through the Group's website and the stakeholder magazine T-Time. A more detailed dialog creates mutual understanding, provides an opportunity to exchange experiences, and helps to improve and develop sustainability work.

As a result of discussions with voluntary organizations and representatives of ethical funds during 2005, certain amendments will be made to Trelleborg's Code of Conduct.

The information requirements of various stakeholders and dialogs concerning the content of the sustainability report were among the reasons for Trelleborg's decision to adapt its sustainability report to the Global Reporting Initiative (GRI) structure.





Raw materials and input materials
The Group's most important raw materials are natural rubber (44 percent), synthetic rubber (66 percent), softeners (oils), fillers (carbon black), curing agents (sulfur and peroxides) and chemical additives whose purpose is to give the products various characteristics. Some of the substances used are classified as environmental and/or health hazards.

Within the Group, measures are under way to replace hazardous raw materials with less hazardous alternatives. The aim is to eventually fully replace substances such as lead and hexavalent chromium, chlorinated solvents, high-aromatic (HA) oils and certain anti-oxidants and accelerators.

Metals are a key constituent in many of the Group's products. A large number of products are components composed of rubber and metal. To ensure adhesion between these materials, solvent-based preparations are often used, causing emissions of volatile organic compounds (VOCs). In many products, the company has been able to replace solvent-based adhesives with water-based alternatives.

tons	2005	2004
Natural rubber	73,200	66,000
Synthetic rubber	94,400	80,000
Metals	89,650	58,000
Plastics	19,640	19,400
Softeners		
HA oils	3,640	4,150
other oils	9,250	8,370
Recycled materials	17,400	11,960
Solvents		
Chlorinated	170	260
Non-chlorinated	5,540	2,176
Paints, lacquers, glues and adhesives	2,040	2,000
Zinc oxide	5,070	3,300

However, it is not yet possible to fully replace solvent-based adhesives. To do so will involve a long-term effort that will depend on quality, customer requirements and cooperation with suppliers.

Unvulcanized rubber waste is reused for as long as possible in production. A total of 3,400 tons of waste was recovered internally in production during 2005. In addition, a total of 14,000 tons of waste from external companies was recovered in production.

Energy
The Group's energy consumption is principally linked to steam production, production processes, ventilation, cooling and heating. At most of the Group's production facilities, continuous efforts are under way to reduce energy use and use energy more efficiently – for both environmental and economic reasons.

The Group's total energy consumption during 2005 amounted to 1,273 GWh (1,382). Relative to the increase in sales, this represents an improvement of 13 percent compared with 2004. The improvement is mainly attributable to a number of energy-saving measures taken at the local level. Examples of such measures include the installation of heat exchangers to reuse waste heat from production, improved control of ventilation, shutting down equipment not in use, replacing light sources and upgrading old equipment.

A total of 47 out of 109 plants reported higher energy consumption than in the preceding year. In all cases, the increase was due to either increased production or unusually low winter temperatures in certain regions.

The most important energy sources are electricity, natural gas and oil. The use of oil and coal has declined, mainly in favor of natural gas.

The Group's total energy costs during 2005 amounted to SEK 571 M (437).
WWW.

Water
Water is used at Trelleborg's plants for cooling, cleaning, pretreatment of metals (phosphatizing) and sanitation.

During 2005, the Group consumed a total of 6.1 million m^3 of water (5.1). Almost the entire increase of slightly more than 900,000 m^3 was attributable to one unit (TSS, Ersmark) that had previously been unable to report its water consumption. Most of the water used is pumped from the Group's own wells or from watercourses in the vicinity of the plants. One fourth is municipal drinking water. The Group's water costs during 2005 amounted to SEK 20.4 M (15.4).

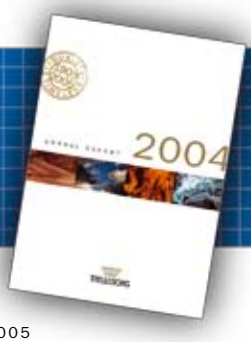
The most important water-related issues for the Trelleborg Group are to endeavor to use process water more efficiently – through recirculation for example – and, in cases where water is discharged directly to groundwater or surface water, to protect the surrounding area from harmful substances.

A total of 28 units use some form of water recovery, and these water-saving measures reduced consumption by 1.8 million m^3 during 2005. The majority of the Group's plants (64 percent) are connected to municipal wastewater treatment plants. Of the remainder, 21 percent have their own treatment plants. In the remaining instances, no special wastewater-treatment measures are required. In a few individual cases, wastewater is treated separately as hazardous waste.

Discharges to water are reported under Emissions and Waste. WWW.

Land use and biodiversity
The Group utilizes a total of approximately

Trelleborg's sustainability work has won several awards, including the 2004 Annual Report, for the second year in a row, being one of five companies' reports commended with a "best practice" citation in Deloitte's annual survey of Swedish listed companies' voluntary reporting.



540 hectares of land for its production facilities. These facilities are located in typical large or small industrial areas and consequently cannot be considered to have a significant impact on biological diversity.

Trelleborg has no proprietary rubber plantations but purchases approximately 70,000 tons of natural rubber annually from suppliers who operate rubber plantations, mainly in Southeast Asia. Rubber plantations are monocultures that replace rainforest and thereby affect biological diversity in the local area.

Contamination of soil and/or groundwater has been confirmed at a number of Trelleborg's production facilities. In most cases, such contamination represents traces of environmental problems dating from earlier periods, caused by long-term industrial activity at the site. In several instances, this occurred before Trelleborg acquired the facility. For this reason, a number of decontamination projects are under way at Trelleborg facilities where previous operators or others are responsible.

Common contaminants are chlorinated solvents and oils. In many instances, soil and groundwater contamination is technically complicated to treat and decontamination may take many years. A decontamination project is preceded by extensive studies and is always conducted in consultation with the relevant authorities. Decontamination projects are currently in progress at 9 facilities and a further 6 cases are under investigation. ▶www.

Emissions

Emissions to air from Trelleborg's plants mostly consist of CO_2, SO_2 and NO_x linked to energy use, and volatile organic compounds (VOCs) that result from the use of solvent-based products for gluing, painting and lacquering, and metal-processing. The vulcanizing process also produces emissions of vulcanizing fumes containing organic substances.

Reduced energy consumption during the year led to a reduction in related emissions. See diagram. VOC emissions also declined, to 1686 tons (1819), despite increased production.

Direct emissions of carbon dioxide from the Group's own plants amounted to 133,400 tons (141,500). The reduction is primarily attributable to reduced energy consumption and a reduction in the use of oil and coal in favor of natural gas. The Group's electricity consumption generated some 80,000 tons of indirect carbon dioxide emissions.

Emissions to water from the Group's plants are limited and primarily consist of organic materials and metals. Monitoring of discharged water normally focuses on chemical oxygen demand (COD), nutrient substances (phosphorus and nitrogen) and metals (such as zinc, nickel and iron).During 2005, total amounts in these categories were COD: 725 tons, nutrient substances: 19 tons, and metals: 2 tons.

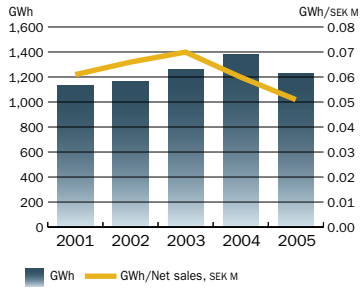
The total amount of ozone-depleting substances in equipment installed in the Group's production facilities amounts to approximately 65 tons. No atmospheric emissions of ozone-depleting substances were reported. ▶www.

Waste

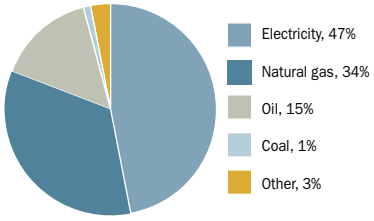
The Group's aim is to continuously reduce the proportion of waste deposited in landfills, in favor of increased recovery of materials and energy. Different countries have widely differing regulations and policies in this area, which accounts for the substantial regional differences that also exist within the Group. The most progress has been made in Europe.

Activities aimed at reducing waste

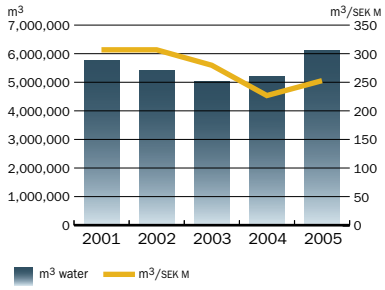
Energy consumption



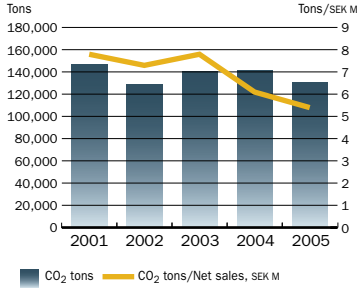
Energy consumption per source



Water consumption

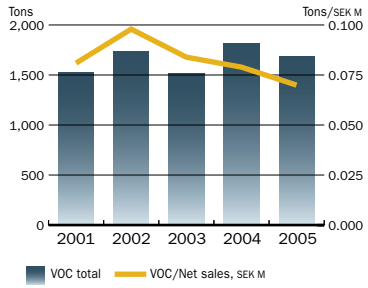


Carbon dioxide emissions

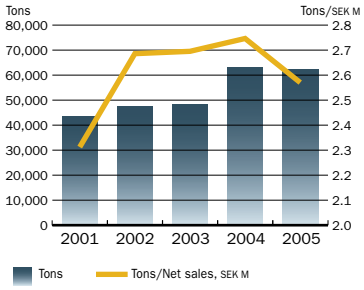


★★★★★ *In Swedish insurance company Folksam's climate index, which includes 250 listed companies in Sweden, Trelleborg received five stars out of five in 2005. In Folksam's compilation of Sustainable Swedish Companies of the Year (including Folksam's Climate Index, Equality Index and Health Index), Trelleborg was ranked 39 of 228 Swedish listed companies and came in fifth place in the category "other industries." Local Trelleborg companies topped the lists in several Swedish counties (Västerbotten, Örebro, Jönköping and Kalmar).*

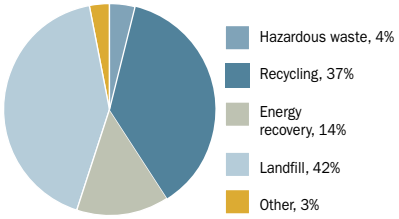
VOC emissions



Total waste



Waste management



amounts are under way at most of the Group's facilities, and 70 percent of the plants cite reduction of waste and increased energy and materials recovery as one of their highest-priority environmental objectives.

Total waste amounts declined slightly during 2005 to 62,350 tons (62,945), despite increased production. The reduction relative to sales amounted to 6 percent compared with 2004. A total of 25,700 tons of waste (26,143), corresponding to 42 percent of total waste, was deposited in landfill sites, while some 22,900 tons went to materials recovery and 9,000 tons to energy recovery. The amount of hazardous waste totaled 2,750 tons (2,720). The Group's total waste-management costs amounted to SEK 44.4 M (44.2).

The amount of rubber waste from production during 2005 was on par with the preceding year at around 22,000 tons. Of this total, 50 percent (47) was disposed of as landfill, 4 percent (7) was recycled in the Group's own production, 26 percent (19) was processed by other companies for materials recovery and an additional 20 percent (27) for energy recovery. ▶WWW.

Products

The Group's business concept is to provide products and solutions that seal, damp and protect in demanding environments. Consequently, Trelleborg's products have many areas of use that directly or indirectly improve the environment or work environment or that serve to protect the environment.

Examples include:

- Components that reduce vibration and noise in cars, trains and other vehicles,
- O-rings that prevent emissions of gaseous substances from fuels and solvents,
- Water hoses that minimize bacterial development in closed water systems,
- Hoses to remove exhaust fumes from car-maintenance workshops and similar facilities,
- Rubber moldings for windows and doors that reduce energy consumption in buildings,
- Rubber membranes used in waste dumps to prevent leakage of environmentally hazardous substances,
- Chemical and fire protection suits used in connection with fires and environmental accidents,
- Ergonomic and sound-insulating flooring

Requirements from the community and customers regarding products' environmental characteristics are constantly increasing, including from the automotive and construction industries, where detailed contents declarations are required. There are also chemical limitation lists, specific to particular industries or customers.

A number of products have been subject to lifecycle analyses (LCA). The Group provides safety and environmental information for more than 5,000 products, including in the form of the International Material Data System (IMDS), safety sheets and environmental product declarations. Trelleborg participates in a number of projects to identify ways to improve products' environmental performance.

Compliance

A total of 89 of the Group's plants require permits in accordance with local legislation. All 18 of the production units in Sweden are covered by permit or reporting requirements. The permits cover the conditions for emissions to air and water, and for waste management. Each year, all of the Swedish plants covered by permits

By investing in a new system for separating out particles in process water, Trelleborg Sealing Solutions in Tijuana, Mexico has accomplished considerable water savings. The cleaned water can now be reused in the process. During 2005, 1.8 million cubic meters of water were saved through similar measures at Trelleborg plants worldwide.

report on their compliance with the permit conditions in separate environmental reports submitted to their local supervisory authorities. Similar reporting to the authorities also takes place in a number of other countries. Applications for renewal of environmental permits are currently in preparation at 40 plants (including four in Sweden), all of which are expected to receive the permits applied for. Infringements of permit conditions or environmental or work-environment legislation were reported from a total of 17 plants (13). In five cases, these infringements resulted in fines. Trelleborg's costs relating to these violations during 2005 amounted to approximately SEK 1.3 M. The largest portion (SEK 0.9 M) of this total is the result of a lawsuit in the US relating to incorrect waste management during the years 1997-2004.

The main causes of infringements were emissions to sewage water, noise, VOC emissions and other emissions to air. Two notable infringements related to adaptation to new VOC legislation in Carquefou-Modyn, France (where an action plan has now been approved by the authorities) and non-permitted emissions of particles to water in Runcorn, UK, which resulted in fines corresponding to approximately SEK 140,000. ▶WWW.

A total of 77 (57) incidents involving spillages or other uncontrolled emissions to the external environment occurred during 2005. None of these incidents caused any significant consequences for people or the environment. Minor fires occurred at 22 plants (18); most of them were in mechanical equipment and were of limited scope. During the year, two complaints (16) were directed against Trelleborg's plants by nearby residents and others who experienced disturbances. Both complaints related to malodorous emissions to the surrounding area.

Transport

Transports of raw materials and finished products – over long distances in many cases – are almost exclusively by truck and ship. Limited quantities of goods are transported by rail. Nearly all transports are handled by external companies. The most significant environmental impact from transports relates to emissions of CO_2 and consumption of fossil fuels. The Group's aim in the future is to be able to report on the extent of the transport activities generated by the Group's operations, and the resultant environmental impact.

There are no Group-wide environmental requirements regarding transports other than those stated in the Group's policy for contacts with suppliers. However, a number of facilities require that transport firms demonstrate that they have environmental management systems or environmental programs in place. In Sweden, Trelleborg Industri AB, four other major companies and the Swedish National Roads Administration participate in a forum to develop a tool for purchasing sustainable transport.

Average number of employees 2003-2005

Distribution by country	2005	2004	2003
France	2,896	2,948	2,753
Sweden	2,451	2,558	2,082
UK	2,190	2,404	1,448
US	2,548	2,364	1,910
Spain	1,358	1,402	1,349
Italy	1,287	1,281	735
Germany	1,283	1,279	945
Malta	719	781	192
Brazil	833	748	659
China	370	603	583
Rest of Europe	3,066	2,767	1,301
Rest of North and South America	958	963	482
Other regions	1,735	1,577	1,416
Total	**21,694**	**21,675**	**15,855***
Men	16,246	16,279	12,265
Women	5,448	5,396	3,590

* At the end of the year, the Trelleborg Group had approximately 20,000 employees.

Trelleborg has operations in some 40 countries and industrial plants in about 25 countries. Approximately 90 percent of the Group's employees work outside Sweden.

The average number of employees increased during the year to 21,694 (21,675). The proportion of women was 25 percent (25). Pay and other compensation amounted to SEK 5,599 M (5,606).

The average number of employees in Sweden amounted to 2,451 (2,558), of whom 31 percent were women (33). The average number of employees in other EU countries was 12,280 (12,417), of whom 25 percent were women (23). The average number of employees in the US was 2,548 (2,364), of whom 32 percent were women (32).

The personnel turnover (excluding layoffs and retirees) varies between different countries and plants and often refl ects the local manpower situation. The personnel turnover during 2005 was 8 percent. The majority of plants report a personnel turnover of less than 5 percent per year.

www.

Employees and union membership

Trelleborg's policy is to recognize local union branches when employees so wish. More than 50 percent of Trelleborg's employees at the Group's production units have union representation.

Trelleborg European Works Council (TEWC) is active within Europe, with participants from the European countries where Trelleborg has operations. The council meets once each year, and additional meetings can be held if the need arises. The council deals with issues related to personnel, finance, the environment, investments, production, business development and other issues of importance for employees.

During 2004-2005, protracted negotiations between unions and local management, involving certain conflicts, were under way at one of Trelleborg's plants in Sri Lanka. The conflict was eventually resolved, and the unions and company management now have a positive dialog. Collective agreements have been introduced. The case was the subject of a study by the organization Swedwatch, which gave Trelleborg a number of recommendations, and whose views have provided valuable assistance in the ongoing work in this area.

Change processes relating to acquisitions, divestments and rationalizations are under way continuously within Trelleborg. Accordingly, a key task is to create the conditions for change and, with due respect for every employee, reduce uncertainty and insecurity, while at the same time ensuring that the company remains competitive. Approximately 500 employees, mainly in the US, Sweden and the UK, were affected by restructuring measures during 2005.

Health and safety

Measures taken in the work environment area within the Trelleborg Group encompass activities such as training, the provision and use of the correct personal safety equipment, technical safety installations, scientific surveys and the substitution of hazardous chemicals.

Trelleborg's Safety@Work program focuses on the work environment and related risks. During 2005, the program was implemented in the US, the UK, France and Italy. During 2006, the program will also be advanced in countries including Mexico, Malta, Canada, Sweden, Norway, Denmark, Spain, the Netherlands, Belgium, the Czech Republic, Germany, Poland and Slovakia.

The methodology and processes in Safety@Work are based on reciprocal auditing and evaluation between companies and business areas to best utilize and disseminate existing knowledge in the work-environment area within the Group. The aims of the project include:

- Continuous improvement of the work environment, and hence safety, for employees.
- Creation of a platform to enable continuous improvements.
- Establishing a Group standard.
- Increasing exchanges of knowledge between Group companies.
- Reducing work-environment-related costs.

During 2005, 49 audits were conducted in accordance with the Safety@Work Blue Grading Model, whereby results are evaluated according to a four-level color-coding system (blue, green, yellow, red). Blue indicates that all of Trelleborg's standards are being met, while green means that there are minor deviations but nothing serious. Yellow is a warning flag, and red indicates that the recommendation needs to be reviewed or monitored carefully. In addition, audits employ a points system, with 1,000 as the maximum number of points. In total, 16 different parameters are evaluated, including legal compliance, follow-up of accidents, work-environment targets,

Trelleborg participates in a number of different community activities, often of a local nature, that involve cooperation with neighbors, interest groups and public authorities. Within the educational field, we have cooperated for some years with various universities and schools. This cooperation has resulted in excellent contacts with researchers and students, and over the years many students have carried out degree projects and research work – with an environmental focus in some cases – at Trelleborg's plants. Work during the year included environment strategies for roofing products.

Other examples include a learning partnership with the Lund University School of Economics and Management, which involved financing two postgraduate appointments.

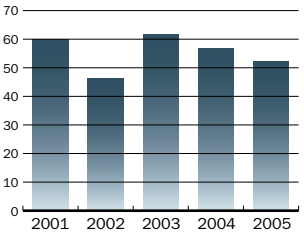
employee training and ergonomics. The average points scored by the facilities audited to date amounted to 762. The results have been presented to and discussed by Group Management.

During 2005, a total of 948 (1,057) work-related accidents resulting in more than one day's absence from work were registered. Cuts and crushing injuries are the most common, as well as injuries to muscles and limbs. The number of work accidents resulting in more than one day's absence per 1,000 employees averaged 52 (57). A total of 57 contract workers (67) were victims of accidents at Trelleborg's plants. No fatal accidents occurred during 2005.

Safety committees exist at 101 out of 109 plants. Plant management participates in all but one of these. Reported cases of work-related health problems at Trelleborg's facilities continue to show a declining trend. During 2005, 231 work-related health problems (343) were reported, a decline of slightly more than 30 percent. About 80 percent (63) involved strain-related injuries, such as back and neck disorders. About 11 percent (14) of the health problems were allergies and other hypersensitive reactions. In addition, hearing impairment was involved in 3 percent (1) of health problems.

▶WWW.

Work-related accidents, Group average



* LWC (Lost work cases) are defined as work-related accidents resulting in more than 1 day's absence.

Training and development

Managers at Trelleborg are expected to function as leaders, with the ability to set distinct targets, follow up work performed and delegate tasks and responsibility to the employees under them. A key task for managers is to ensure that employees continuously develop their skills and are stimulated toward further development within the Group.

A Group-wide Talent Management function has been established to enhance the focus on employee development within the Group. During the year, four key development processes were identified: manager supply, performance/evaluation, competence/training planning and recruitment/succession planning.

Trelleborg has a well-established manager-supply process to define resource needs in the short and long term and ensure that the Group satisfies future competence requirements in good time. A review of the manager-supply situation regarding senior management is conducted annually and reported to the Board.

To maintain continuity and professional competence, the Group prioritizes internal recruitment. The objective is for 75 percent of recruitment to take place internally. The level is currently estimated at 60-65 percent.

With the objective of creating transparency and providing greater opportunities for job rotation and development, both individually and for the Group as a whole, an important tool is Trelleborg's Internal Job Market, whereby all vacant positions are advertised via the Group's intranet.

A critical factor for assuring the Group's long-term success is to have processes for recognizing, through clearly formulated reward systems, employees' performance and contributions to the fulfillment of objectives. A Group-wide compensation policy defines the relevant parameters. The compensation structure is based on a systematic evaluation system.

During 2005, the number of course hours per employee at the Group's production units (85 percent of the total number of employees) amounted to an average of 12.7. In addition to specific courses linked to individual employees' tasks, training is conducted by the Trelleborg Academy, which is an umbrella concept encompassing various Group-wide training programs. Courses are arranged both locally and centrally, sometimes using various e-learning programs. Approximately 200 people participated in programs within the framework of the Trelleborg Academy during the year.

The Trelleborg International Management Program (TIMP) is available for managers. The program covers such areas as company knowledge, business acumen, communication, leadership and understanding of cultural differences. TIMP comprises 12 days of training spread over three sessions. During 2005, 41 participants (81), including 7 women (11), began the TIMP program.

Excellence in Manufacturing is a global training program aimed at developing participants' knowledge in areas such as optimization of production processes, leadership and the interplay between production and other areas, such as finance and quality. The program had 16 participants (18).

Equality and diversity

Trelleborg's workplace policy states that, in regard to recruitment or work assignments, the company shall not apply special treatment to employees on the grounds of gender, religion, age, disability, sexual orientation, nationality, political opinions or social or ethnic origin.

In the equality index for 2005 compiled by Swedish insurance company Folksam, Trelleborg placed 102nd out of 242 listed Swedish companies. In the industrial category "Other industries," Trelleborg received the grade 1.77, some-

For a number of years, Trelleborg has sponsored the Young Share Investors training program in investing in shares and managing private finances, aimed at 16-19-year-olds. The mentor class SPIE3 at Malmö Borgarskola was awarded the prize for Sweden's best class in share knowledge in 2005.

what above the average for the category of 1.53. More than 400 women employees have managerial positions at senior or middle management level at Trelleborg's production facilities.

In 2005, the proportion of women in senior management positions amounted to 20 percent (11) and the number of women on the Board corresponded to 18 percent (18). ▶WWW.

Human rights and Code of Conduct

The Group's Code of Conduct also covers human rights, which are described, for example, in the workplace policy. Formalized responsibilities are defined concerning human rights.

Amnesty Business Group conducted a survey of the human-rights work of major Swedish companies early in 2006. Trelleborg participated and had results on par with other Swedish industrial companies, which in turn were higher than the average results for all companies.

No violations occurred during the year with regard to forced labor or child labor.

During the year, there were indications that the Code of Conduct has not been implemented sufficiently fully and that the implementation of such a code requires extended efforts in the form of communication and discussion.The importance of a Code of Conduct that is understood, accepted and adhered to has grown against the background of Trelleborg's geographic expansion. Consequently, during 2006, Trelleborg's Code of Conduct will be revised, to then be implemented more fully and reviewed in 2007.

Bribery and corruption are unacceptable behaviors, as is affirmed by the Group's Code of Conduct. In 2005, a policy regarding competition issues was adopted and a related Group-wide training program will be carried out during 2006.

Community involvement

During 2005, Trelleborg celebrated its centenary, which gave rise to a number of activities. Over the year, 32 production plants around the world arranged some form of open-house event, study visits or similar for schools, university students, neighbors, customers, employees and their families. Various Trelleborg companies also contribute to a number of activities in their local communities, including charity, health, school and sports activities.

The Group also collaborates with several universities and schools and has, in recent years, supported numerous degree and research projects. Among other activities, Trelleborg has entered a "learning partnership" with the Lund University School of Economics and Management, involving the financing of two post-graduate positions.

In 2005, Trelleborg's sustainability efforts were recognized with several awards. For the second consecutive year, the 2004 Annual Report was one of five recognized for best practice in Deloitte's annual review of voluntary reporting by Swedish listed companies. Trelleborg was also named one of the year's climate improvers, receiving five stars out of five in Swedish insurance company Folksam's climate index. In Folksam's compilation of the Year's Sustainable Companies (including equality, health and climate), Trelleborg placed 39th out of 228 listed Swedish companies and also won awards locally in the Swedish counties of Västerbotten, Örebro, Jönköping and Kalmar. Some units also received local recognition for their work-environment efforts. These were Hal Far (Malta) and Broomfield, Eugene and Salisbury (all in the US).

Product responsibility

The overwhelming share of the Group's products entail very limited risks in their use. However, the Group also develops products and systems for certain safety-critical environments. Trelleborg conducts extensive safety efforts regarding products manufactured for particularly demanding environments or which otherwise entail increased risk. Existing and new products are systematically analyzed and evaluated, with the focus on safety-critical products. The Group continuously assesses and responds to the risks that may be associated with new types of products and new applications.

The Group provides product information for a large number of products in the form of labeling, safety-data sheets, IMDS declarations and environmental declarations corresponding to the requirements imposed by each customer or market. Safety-data sheets include information on the product's characteristics regarding the environment, health and safety. The contents are regulated by law and requirements vary somewhat between different markets. For this reason, information is adapted to meet local requirements.

In accordance with the European directive on end-of-life vehicles (the ELV Directive), vehicle components are subject to recycling requirements. Consequently, in accordance with requirements from the automotive industry, Trelleborg supplies environmental declarations in line with IMDS (International Material Data System) for a large number of products.

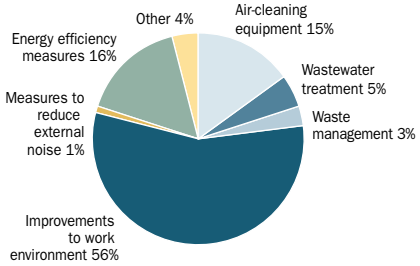
The facility in Clermont-Ferrand, France has set itself the target of reducing the number of workplace accidents to a third within three years. To increase safety awareness among personnel, ten zero-tolerance criteria have been established. A professional film team has filmed the work at the plant and this has been used as the basis for a training and discussion program on work safety in which all employees have participated.

Sustainability-related investments
Sustainability-related investments comprise operational expenditure on assets to prevent or mitigate environmental impact and to reduce the consumption of resources. This also includes investments that improve health and safety at workplaces. In 2005, these investments amounted to SEK 70 M (82). The largest proportion of the investments involved measures to improve the work environment.

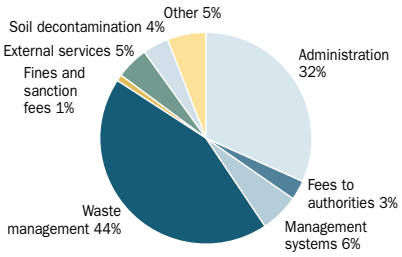
Sustainability-related costs and savings
Sustainability-related costs refer to costs pertaining to the environment and work environment, including measures to prevent, mitigate or repair damage to the environment, or measures to improve health and safety in workplaces. In 2005, the Trelleborg Group's costs in these areas amounted to SEK 101 M (84). This amount includes costs for waste handling and soil decontamination, not previously included in this concept. The largest proportion of sustainability-related costs comprised waste-management costs and costs for the administration of environmental and work-environment efforts, such as costs for environmental managers, permit application procedures and internal training.

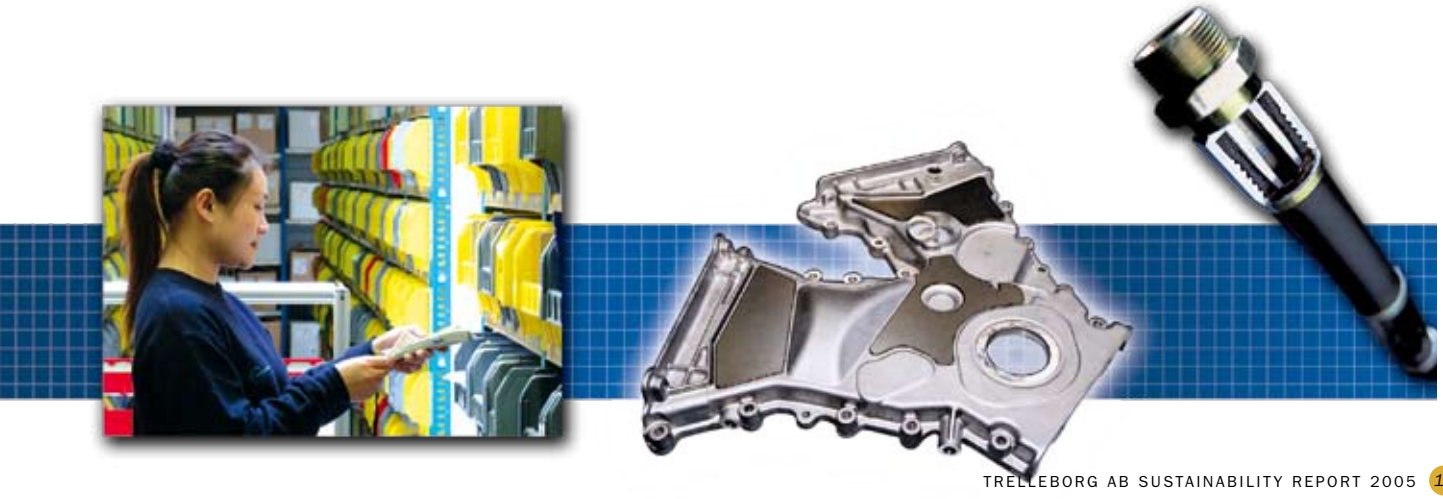
Direct savings in connection with environmental and work-environment improvements amounted to SEK 21 M (21). Examples of savings include decreased consumption of energy and materials, as well as reduced costs for waste handling and water.

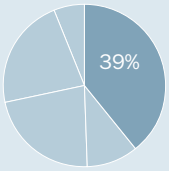
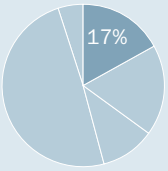
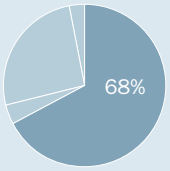
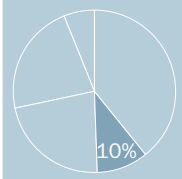
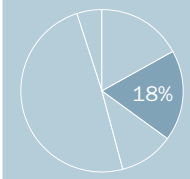
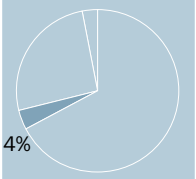
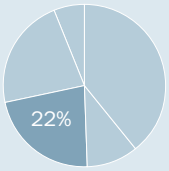
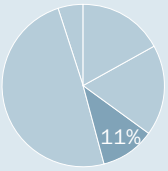
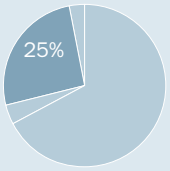
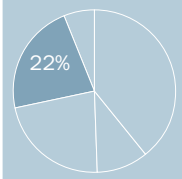
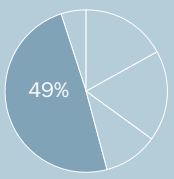
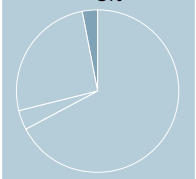
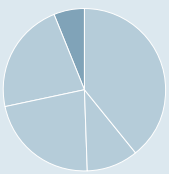
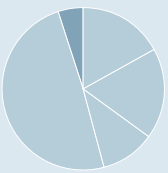
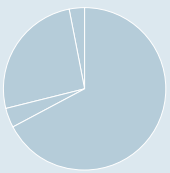
Environment-related investments

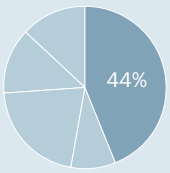
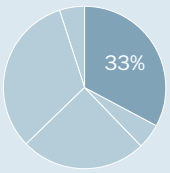
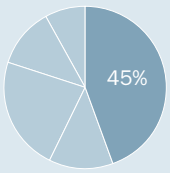
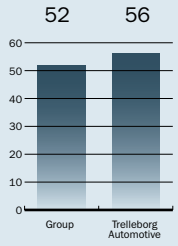
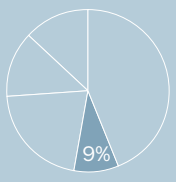
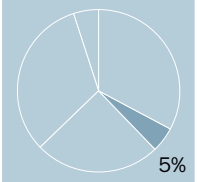
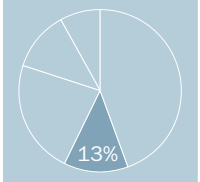
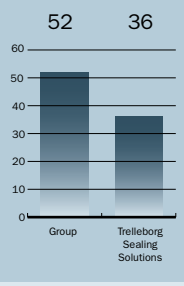
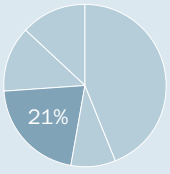
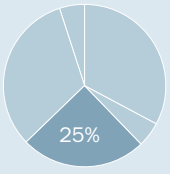
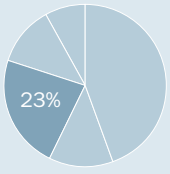
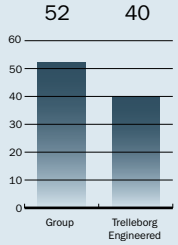
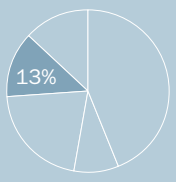
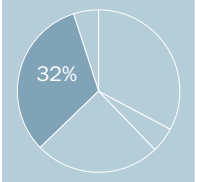
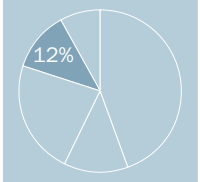
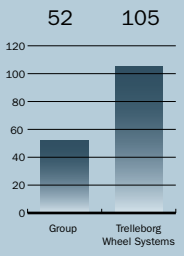
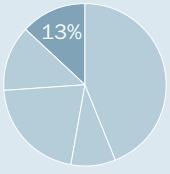
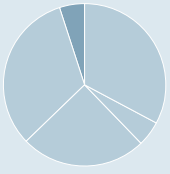
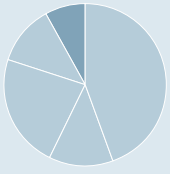
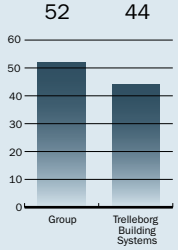


Distribution of sustainability-related expenses





	Organization and management systems	Energy consumption, share of Group total	Water consumption, share of Group total	VOC emissions, share of Group total
Trelleborg Automotive Antivibration products, primarily for the light-vehicles industry, in which Trelleborg is the world leader. 	• *Net sales in 2005: SEK 9,550 M (9,182).* • *Average number of employees in 2005: 9,460 (9,608).* • *42 (40) production plants in Europe, North and South America and Asia.* • *21 plants have more than 150 employees and 6 have more than 300 employees.* • *The Head Office is located in South Haven (MI), US.* • *36 plants have ISO 14001 certification.*	499 GWh 	1,048,466 m³ 	1,145 tons 
Trelleborg Sealing Solutions A leading global supplier of high quality precision seals for customers in the industrial, automotive and aerospace sectors. 	• *Net sales in 2005: SEK 5,166 M (5,009).* • *Average number of employees in 2005: 5,640 (5,708).* • *23 production plants in Europe, North and South America and India. A new production plant is under construction in Shanghai, China. The majority of plants have 50-150 employees. 4 units have more than 300 employees.* • *The Head Office is located in Stuttgart, Germany.* • *19 units have ISO 14001 certification.*	130 GWh 	1,088,885 m³ 	62 tons 
Trelleborg Engineered Systems Flow systems and engineered solutions for several market segments, including the process industry, infrastructure and offshore/oil and gas extraction. 	• *Net sales in 2005: SEK 4,549 M (3,961).* • *Average number of employees in 2005: 3,261 (3,204).* • *24 production plants in Europe, North America, Australia and Singapore. The largest plant is in Clermont-Ferrand (France), with about 630 employees. Most of the units are smaller, with 50-150 employees.* • *The Head Office is located in Trelleborg, Sweden.* • *19 plants have ISO 14001 certification.*	279 GWh 	664,924 m³ 	431 tons 
Trelleborg Wheel Systems Solid industrial tires for forklift trucks and other material-handling equipment, as well as tires for agricultural and forestry machines. 	• *Net sales in 2005: SEK 3,023 M (2,933).* • *Average number of employees in 2005: 1,941 (2,064).* • *7 production plants in Europe, the US and Sri Lanka. 4 of these units have more than 200 employees.* • *The Head Office is located in Tivoli, Italy.* • *5 plants have ISO 14001 certification.*	283 GWh 	3,018,591 m³ 	46 tons 
Trelleborg Building Systems Moisture-insulation and sealing products for the construction industry and other sectors, as well as for the consumer market. 	• *Net sales in 2005: SEK 2,304 M (2,257).* • *Average number of employees in 2005: 1,362 (1,453).* • *13 production plants in Europe. The plants are relatively small, with an average of 90 employees.* • *The Head Office is located in Trelleborg, Sweden.* • *10 plants have ISO 14001 certification.*	82 GWh 7% 	292,491 m³ 5% 	2 tons 0% 

Waste, share of Group total	CO_2 emissions, share of Group total	Sustainability-related investments, share of Group total	Work-related accidents > 1 day absence/1000 employees	Significant events in 2005	
27,485 tons 	44,205 tons 	SEK 31.4 M 		• *ISO 14001 certification for Witry les Reims (France), Hradek (Czech Republic) and Wuxi (China).* • *OHSAS 18001 certification for Carquefou-Soratech (France) and Coventry (UK).* • *Safety@Work Blue Grading audits conducted at 24 plants.* • *External environmental audits conducted at 33 plants.* • *Water consumption reduced by 25 percent, primarily through water savings at Wuxi, Carquefou-Soratech and Carmi (US).*	Trelleborg Automotive
5,878 tons 	7,256 tons 	SEK 8.9 M 		• *OHSAS 18001 certification at Helsingør (Denmark).* • *Safety@Work Blue Grading audits conducted at 14 plants.* • *External environmental audits conducted at 20 plants.* • *It was possible to achieve a 70-percent reduction in VOC emissions thanks to measures including those implemented at Guelph (Canada) and Hal Far (Malta).*	Trelleborg Sealing Solutions
12,929 tons 	32,744 tons 	SEK 15.8 M 		• *ISO 14001 certification for Brisbane (Australia).* • *Safety@Work Blue Grading audits conducted at six plants.* • *External environmental audits conducted at 20 plants.* • *Phase-out of dangerous chemicals at Izarra (Spain).* • *Continued decrease in work-related accidents by 11 percent compared with 2004.*	Trelleborg Engineered Systems
8,040 tons 	42,685 tons 	SEK 8.1 M 		• *Safety@Work Blue Grading audits conducted at three plants.* • *External environmental audits conducted at six plants.* • *Significant reduction in work-related accidents thanks to work-environment improvements at Hadsten (Denmark), Kelaniya (Sri Lanka), Sävsjö (Sweden) and Tivoli (Italy).* • *Harmful chemicals replaced at Hadsten and Kelaniya.*	Trelleborg Wheel Systems
8,019 tons 	6,508 tons 	SEK 5.3 M 		• *Safety@Work Blue Grading audits conducted at two plants.* • *External environmental audits conducted at ten plants.* • *Reduction in amount of landfill waste by 20 percent thanks to improved waste handling at Bor (Sweden), Minworth (UK), Santander (Spain) and Värnamo (Sweden).* • *Reduced atmospheric emissions at Mosbach (Germany).*	Trelleborg Building Systems

Scope

The Trelleborg Group's sustainability report is published annually and covers aspects related to the environment, health, safety and social issues. The aim is that the report shall give an accurate overview of the Group's status and activities in the above areas, as well as their business-related consequences.

Unless stated otherwise, the data presented refers to calendar year 2005. The figures for the preceding year (2004) are shown in parentheses.

The report covers the Group's production facilities, in total 109 (105) sites. Some units, acquired during 2005, are not yet included. A complete list of sites included is provided on this page under the heading "Plants included." The report does not cover distribution facilities, warehouses, offices or other operations that have little or no direct impact on the environment. Plants that were divested or where operations ceased during 2005 are not included in the report. This applies to the plants in Ross-on-Wye (UK), Milford Haven (UK), Logansport (US) and Österbymo (Sweden).

Changes in reporting:
Beginning with the 2005 report, Trelleborg has decided to follow the Global Reporting Initiative's (GRI) structure for sustainability reporting. Consequently, the subdivision of the report has changed slightly, with additional information provided in accordance with the GRI criteria. Certain key figures have also been changed to correspond more closely with the GRI guidelines.

In previous years' reporting, the most important key figures were reported in relation to the number of employees. In the report for 2005, on the other hand, net sales are used as the comparative figure, except for reporting of work-related accidents. The reason for this change is that net sales are a more relevant comparative figure that better reflects the development of operations.

Reporting principles

Each plant supplies data in accordance with the Group's standard for sustainability reporting, and each plant manager is responsible for quality-assuring the data provided. In addition, further quality controls are performed by the Group's environmental staff before the information is assembled. Data are compared with figures from previous years and with data from similar plants and verified through random sampling against other available information.

The sustainability report is not externally verified. The information given in the annual report has been examined by the company's auditors in accordance with prevailing practice, and this also applies to the sustainability-related information presented in the annual report. The information in the annual report fulfills the requirements in Swedish law for environmental information in the Board of Directors' Report.

With regard to the quantitative parameters reported, the same reporting principles apply as in previous years, unless stated otherwise. In the case of carbon dioxide, sulfur dioxide and nitrogen oxide emissions resulting from the burning of fossil fuels, conversion factors based on the energy content and quality of the fuel used are employed. Figures for emissions of VOCs (solvents) are based on measurements at the plants where they occur, but in most cases VOC emission data is based on mass-balance calculations. The report also includes VOC emissions from paints and lacquers, adhesives and glue.

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Production plants included in Trelleborg's Sustainability Report 2005
(number of employees in parentheses):

TRELLEBORG AUTOMOTIVE

Brazil	Guarulhos (752)
China	Wuxi (245)
Czech Republic	Dobrovice (63), Hradek (473)
France	Carquefou-Modyn (427), Carquefou-Polyspace (220), Carquefou-Prodyn (75), Carquefou-Soratech (289),Chemaudin (133), Poix Terron (90), Wirty Les Reims (208), Rethel (169)
Germany	Breuberg (306)
India	Ghaziabad (127)
Italy	Asti (55), Cirie (236)
Mexico	Toluca (185)
Poland	Walbryzch (638)
Slovakia	Nova Bana (49)
South Korea	GyungBuk (250) *(prev. Taegu)*
Spain	Burgos (137), Cascante (130), Martorell (206), Pamplona (343), Tarazona (81)
Sweden	Sjöbo (102), Kalmar (123)
Turkey	Çerkesköy (212)
UK	Coventry (125), Leicester (209), West Thurrock (215), Trowbridge (198
US	Benton Harbor (100), Carmi I[1] (56), Carmi II[2] (94), Dawson (125), Morganfield I (132), Morganfield II[3] (66), Peru (237), Salisbury (36), Sandusky (288), South Haven (123)

TRELLEBORG SEALING SOLUTIONS

Brazil	Sao Paulo (61)
Canada	Guelph (149)
Denmark	Helsingör (365)
France	Conde sur Noireau (119)
India	Bangalore (29)
Italy	Livorno (208), Rio Saliceto (94), Spilamberto (15), Torino (164)
Malta	Hal-Far (707) *(prev. Qormi)*
Mexico	Tijuana (336)
Poland	Czechowice-Dziedzice (283)
Sweden	Ersmark/Skellefteå (222)
UK	Ashchurch (339), Bridgewater (139), Newtown (55), Rotherham (105), Swadlincote (208)
US	Broomfield (144), Fort Wayne (266), Somersworth (178), Eugene (22)

TRELLEBORG ENGINEERED SYSTEMS

Australia	Brisbane (55) *(prev. Zillmere)*
Canada	Collingwood (45)
France	Clermont-Ferrand (630)
Germany	Rechlin (14)
Netherlands	Ede (57), Hoogezand (38), Sancheville (20), Ridderkerk (97)
Norway	Mjöndalen (211)
Singapore	Singapore (189)
Spain	Izarra I (69), Izarra II (178) *(prev. Izarra)*
Sweden	Forsheda (221), Hemse (80), Mörbylånga (102), Trelleborg I[4] (450), Trelleborg II[5] (70), Ystad (89), Örebro (97)
UK	Hull (51), Runcorn (19), Scunthorpe (22), Knaresborough (59)
US	Clearbrook (102)

TRELLEBORG WHEEL SYSTEMS

Denmark	Hadsten (87)
Italy	Tivoli (500)
Sri Lanka	Kelaniya (434) *(prev. Sapugaskanda)*, Malgama (211) *(prev. Walgama)*
Sweden	Trelleborg I[4] (61), Sävsjö (38)
US	Hartville (160)

TRELLEBORG BUILDING SYSTEMS

Denmark	Vejen (73)
Finland	Vihti (14)
Germany	Mosbach (107), Lathen (75)
Poland	Bielsko-Biala (178)
Spain	Santander (58)
Sweden	Bor (65), Höganäs (65), Forsheda[6] (109), Rydaholm (83), Värnamo I[7] (51), Värnamo II[8] (241)
UK	Minworth (88)

[1]Carmi mixing plant, [2]Carmi moulding plant, [3]Dawsonfabriken, [4]Huvudfabriken, Trelleborg, [5]Trelleborg Industrial Hose, Trelleborg, [6]Trelleborg Forsheda Pipe Seals, [7]Trelleborg Rubber Membranes, Värnamo, [8]Trelleborg Industrial Profile, Värnamo

BLIC
The Association of European Rubber Manufacturers. Trelleborg participates in the work of the Health & Environment Committee, among other activities. Website: www.blic.be.

Carbon dioxide (CO_2)
CO_2 is formed in all carbon combustion processes. The gas is released in substantial amounts when petroleum products are used. It is likely that atmospheric emissions of carbon dioxide increase global warming.

Code of Conduct
Behavior code for Trelleborg's employees. Supplemented by policies relating to the environment, workplaces and relations with suppliers.

Environmental aspects
The parts of an organization's activities, products or services that interact with the environment. An overview of the Trelleborg Group's significant environmental aspects is included in the present report under Sustainability aspects.

Environmental management system
The part of the overall management system that includes the organizational structure, planning, activities, division of responsibility, practices, procedures and resources for developing, implementing, performing, reviewing and maintaining the organization's environmental policy. ISO 14001 is used as the environmental management standard within the Trelleborg Group.

Global Reporting Initiative (GRI)
GRI is an independent international organization working to develop guidelines for sustainability reporting. Read more at www.globalreporting.org.

GWh
Gigawatt-hour, 1 billion watt-hours. Unit for measuring energy consumption.

HA oils
Softeners containing a high concentration (>3%) of carcinogenic polycyclic aromatic hydrocarbons (PAHs). Also known as high-aromatic oils.

Hazardous waste
Waste requiring special handling. Different countries have different definitions and regulations, and national standards are frequently changed, making it more difficult to report on hazardous waste. Within the EU, hazardous waste is classified in accordance with the European Waste Code (EWC).

ISO 14000
A series of international standards for environmental management systems (ISO 14001), life-cycle assessments, environmental audits, environmental labeling, environmental performance evaluation and environment-related terms and definitions. Many plants within the Trelleborg Group are certified in accordance with ISO 14001. Read more about ISO 14001 at www.iso.org.

LCA (Life-Cycle Assessment)
A management tool for assessing and quantifying the total environmental impact of products and activities over their entire lifetime, based on an analysis of the entire life cycle of a particular material, process, product, technology, service or activity. LCA methodology is described in the ISO 14040 standard.

NO_x (nitrogen oxides)
Gaseous oxides formed during combustion processes through the oxidation of nitrogen. Harmful to human health and the environment. Cause acid rain and eutrophication.

PAHs
Polycyclic aromatic hydrocarbons. Some are carcinogenic. PAHs are released to the atmosphere from vehicle exhaust fumes and small-scale wood-fueled heating, and in conjunction with vulcanization processes in the rubber industry. PAHs also occur in extremely low concentrations as a result of bitumen use within Trelleborg Building Systems.

Polyurethane
Group of polymers with structures linked by urethane bridges. At Trelleborg, polyurethane is used for O-Rings and solid tires. Various diisocyanates, such as TDI and MDI, are used in the production of polyurethane.

PTFE
Polytetrafluoroethylene is a heat-tolerant polymer used in the production of O-Rings at Trelleborg Sealing Solutions. The polymer is best-known in everyday life as Teflon, used for example as a surface coating for irons.

SO_2 (sulfur dioxide)
Sulfur dioxide is formed when petroleum products are burned. SO_2 contributes to the acidification of lakes, watercourses and soils, and causes coniferous trees to lose their needles. Large concentrations in the environment are harmful to human health.

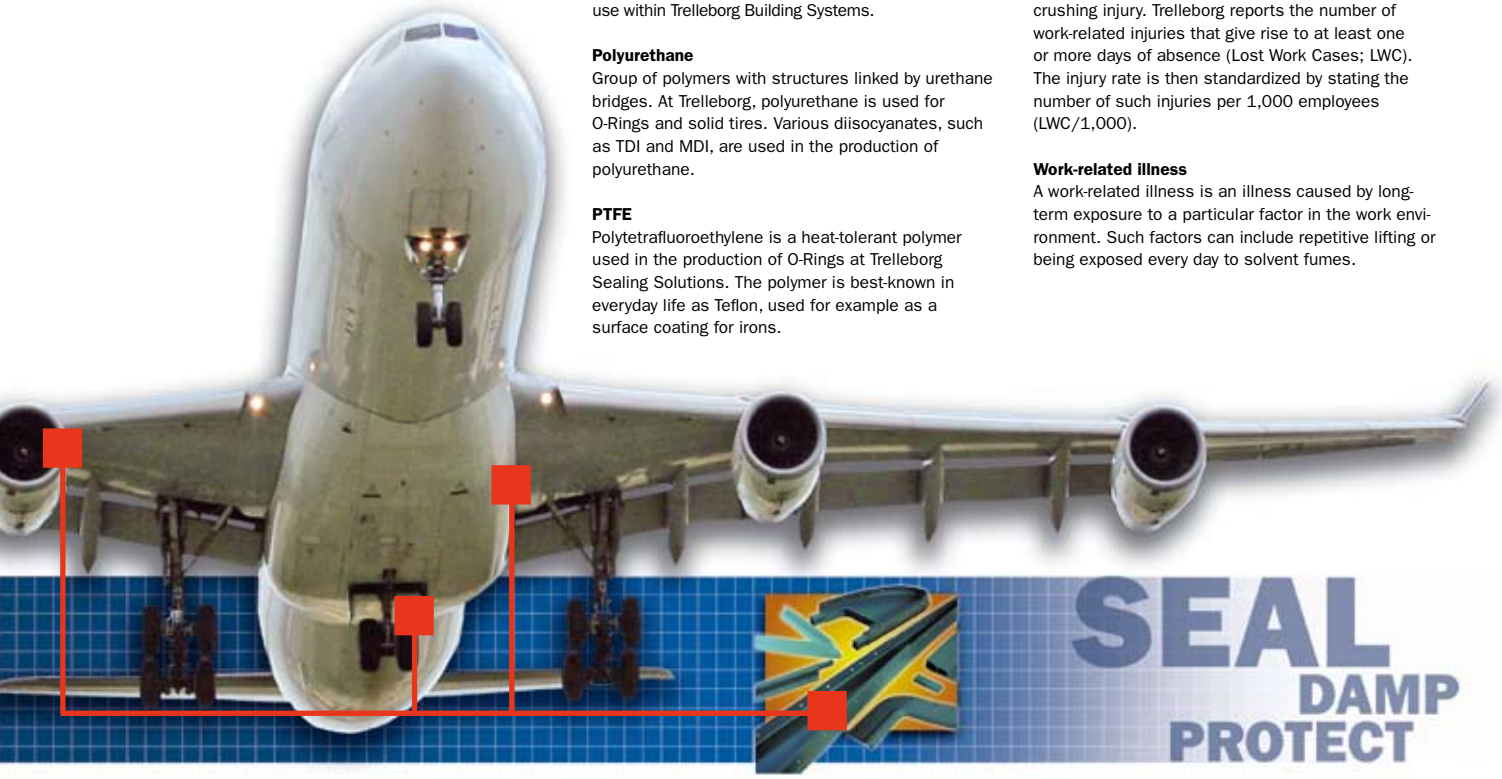
Sustainability-related costs
These are costs related to measures for preventing, reducing or repairing environmental damage directly associated with operations. The corresponding measures taken with regard to health and safety in the workplace are also included. The costs reported include, among other items, administration and consulting expenses, fees to authorities, costs for introducing and maintaining environmental management systems, and charges for external inspections and audits. Beginning with the report for 2005, activities relating to cleanup of contaminated soil are also included in this concept.

Sustainability-related investments
These are investments in assets designed to prevent or mitigate environmental impact and reduce resource consumption associated with normal operations. The corresponding investments made with regard to health and safety in the workplace are also included in this category. Beginning with the report for 2005, activities relating to cleanup of contaminated soil are reported not as investments but under sustainability-related costs.

VOCs (Volatile Organic Compounds)
The VOCs referred to in this report comprise non-chlorinated and chlorinated solvents. VOC emissions contribute to local atmospheric environmental effects, including the formation of ground-level ozone. Certain VOCs constitute a direct health risk.

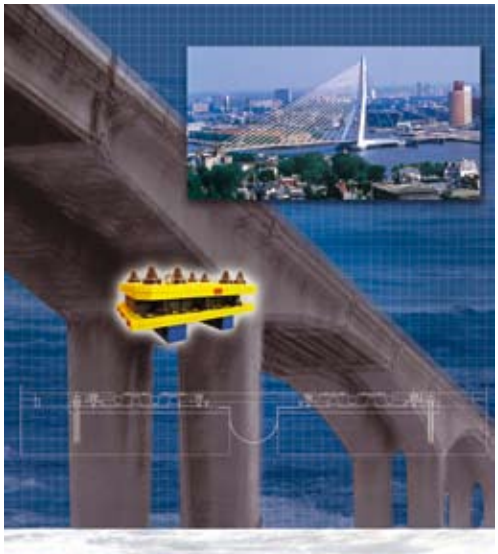
Work-related accident
A work-related accident is a sudden event related to work that gives rise to a physical injury. A typical injury in the rubber industry is a minor cut or crushing injury. Trelleborg reports the number of work-related injuries that give rise to at least one or more days of absence (Lost Work Cases; LWC). The injury rate is then standardized by stating the number of such injuries per 1,000 employees (LWC/1,000).

Work-related illness
A work-related illness is an illness caused by long-term exposure to a particular factor in the work environment. Such factors can include repetitive lifting or being exposed every day to solvent fumes.



Solutions securing values™ by damping, sealing and protecting in demanding environments

Oil rigs in the stormy waters off Russia's Sakhalin Island are protected from fire by Trelleborg seals. These can withstand temperatures ranging from -39°C to +1,400°C while remaining sufficiently flexible to maintain a tight seal during seismic movements, providing two hours of grace during a "jet fire," when burning gas creates a flame like that of a welding torch. ▶www.



Trelleborg provides damping for bridges and other infrastructure constructions. The Larreatagis viaduct in Spain is one kilometer long and 75 meters high and crosses a valley in an earthquakeprone part of Spain. Elastomer bearings damp movements caused by weather conditions and seismic instability and can cope with horizontal movements of more than one meter. ▶www.

Jet aircraft, such as the giant Airbus A 380, are sealed by Trelleborg. The seals in the hydraulic cylinders of the A 380's crucial primary flight controls can withstand pressures of 350 bar and temperatures ranging from -54°C to +200°C. More than 400 different seals help secure the aircraft's flight performance. The technology behind these seals is also used in fire seals that can withstand flames of 1,100°C from, for example, engine fires. ▶www.

TRELLEBORG

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