



The Board of Directors' of Trelleborg AB (publ) proposal for resolution on share program (PSP 2024/2027) and hedging measures

The Board of Directors proposes that the Annual General Meeting resolves to introduce a new share program for the President and Group Management at Trelleborg Group (“**PSP 2024/2027**”). PSP 2024/2027 is the first of several long-term incentive programs that the Company’s Board intends to propose for resolution at upcoming annual general meetings. The main principles of PSP 2024/2027 are described below.

PSP 2024/2027 is proposed to apply to the President and Group Management at Trelleborg Group, a total of seven individuals. To take part in PSP 2024/2027, participants must invest in Series B shares in Trelleborg AB (publ) (“**Trelleborg**” or the “**Company**”) (“**Saving Shares**”) at market price. Following the publication of the Company’s year-end report for the full-year 2026, the participant will be given an opportunity to receive, free of charge, up to three (3) Series B shares in the Company (“**Performance Shares**”) for each Saving Share purchased within the framework of PSP 2024/2027 provided that a performance condition is met according to the following conditions.

It is the Board’s ambition to present similar share program proposals to future annual general meetings. The Company’s objective is that each participant will eventually own shares in the Company at a value equivalent to at least their fixed annual salary.

A. Main terms and conditions for PSP 2024/2027

Reasons for the proposal

The purpose of PSP 2024/2027 is to strengthen Trelleborg Group’s ability to retain and recruit qualified senior executives, offer an internationally competitive remuneration and unite the interests of shareholders and affected executives by offering participants an opportunity to become significant shareholders in the Company. Through a share-based incentive program, employee remuneration is connected to the Company’s future earnings and value growth and thereby creates a long-term incentive for participants in the program. Against this background, the Board is of the opinion that the introduction of PSP 2024/2027 can be expected to have a positive impact on the Group’s long-term value growth and that PSP 2024/2027 therefore benefits shareholders and the Company.

Participants in PSP 2024/2027, Saving Shares and allotment of Performance Shares

PSP 2024/2027 is proposed to apply to the President and other members of the Group Management, a total of seven individuals. To take part in PSP 2024/2027, participants must make a private investment in Saving Shares in the stock market and allocate these to PSP 2024/2027 during the period May 1, 2024 until December 31, 2024 (the “**Investment Period**”), with the exceptions described below. The value of a participant’s Saving Shares is based on the market price of the Company’s Series B shares and is to amount to a value equivalent to ten (10) percent of each participant’s annual fixed salary on the date of the private investment.

If the participant holds inside information and is therefore prevented from acquiring Saving Shares during the Investment Period, the participant shall acquire Saving Shares as soon as possible, but not later than the next Annual General Meeting.

Performance condition

The allotment of Performance Shares is dependent on the extent to which the performance condition for PSP 2024/2027 has been met. The performance condition relates to the development of Trelleborg’s earnings per share compared with the Board’s established level for target achievement during the measurement period January 1, 2024 to December 31, 2026, when the last fiscal year during the measurement period is compared with the fiscal year immediately preceding the measurement period, subject to any reduction in the number of shares in accordance with the conditions for PSP 2024/2027.

If the minimum level established by the Board in the interval during the measurement period is reached, one (1) Performance Share per Saving Share will be allotted during the first quarter of 2027. If the target level established by the Board in the interval during the measurement period is reached, two (2) Performance Shares per Saving Share will be allotted during the first quarter of 2027, and if the maximum level established by the Board in the interval during the measurement period is reached, three (3) Performance Shares per Saving Share will be allotted during the first quarter of 2027. If the minimum level established by the Board in the interval during the measurement period is not reached, the participant will not receive any Performance Shares.

The Board of Directors intends to present the achievement of the performance-based condition in the Annual Report for the 2027 fiscal year.

Other terms and conditions

In addition to the above conditions, the following shall apply.

- The participant is entitled to receive, free of charge, up to three (3) Performance Shares per Saving Share following publication of Trelleborg's year-end report for the full-year 2026 ("**Vesting Period**"). Entitlement requires that the holder is still employed in the Trelleborg Group on the date of the allocation and has retained all Saving Shares within the framework of PSP 2024/2027. Derogation from the requirement of employment may be reported in individual cases, for example due to the death, disability or retirement of a participant.
- The number of Performance Shares to which a participant is entitled may be subject to recalculation due to certain events, such as a rights issue and extraordinary dividend.
- The Company's objective is that each participant will eventually own shares in the Company at a value equivalent to at least their fixed annual salary. After the end of the Vesting Period, participants are therefore not expected to transfer Saving Shares or vested Performance Shares so a participant's total shareholding in the Company falls below a value equivalent to their fixed annual salary on the date of the transfer.

Design and management

The Board is responsible for the detailed design of the terms and conditions for PSP 2024/2027 within the framework of stated conditions and guidelines. As part of this responsibility, the Board has the right to make adjustments to fulfil special rules or market conditions abroad. The Board also has the right to make other adjustments if there are significant changes in the Trelleborg Group or the market that would entail that the resolved terms and conditions under PSP 2024/2027 are no longer appropriate or reasonable. Such adjustments apply to the right of the Board to resolve on a reduction in the number of Performance Shares to which a participant is entitled, if the number of Performance Shares to which a participant is entitled otherwise, taking into account Trelleborg's earnings and financial position, the Group's general development as well as conditions in the stock market, would be obviously unreasonable.

In the event that the Board is of the opinion that delivery of shares under PSP 2024/2027 cannot be effected at a reasonable cost, with reasonable administrative effort or due to specific market conditions, the Board has the right to make appropriate local adjustments to the program or instead offer participants a cash settlement.

Scope and cost of the program

The total number of Series B shares that a participant can allocate as Saving Shares and the total number of Performance Shares that can be allotted are based on the market price of the Company's Series B share. Assuming the Company's Series B share at the time of the allocation of Saving Shares under PSP 2024/2027 are traded at about SEK 380, PSP 2024/2027 is estimated, using the principles and assumptions set out, to encompass no more than 45,000 Performance Shares, which corresponds to 0.00017 percent of the total number of

shares issued in the Company and approximately 0.000088 percent of the total number of votes in the Company.

The outcome of PSP 2024/2027 may, at unchanged share price for the Company's Series B share during the duration of the program, not exceed an amount equivalent to 30 percent of the participant's annual fixed salary (excluding payroll overheads).

The costs for PSP 2024/2027 will be expensed as personnel costs. The total cost of PSP 2024/2027 before tax is estimated, in accordance with the principles and assumptions described above, to amount to approximately SEK 15 M. The amount includes an estimated cost of social security contributions and financing costs. The costs for PSP 2024/2027 are expected to have a marginal impact on the Trelleborg Group's key figures.

The Board of Directors is of the opinion that the positive earnings effects that are expected to arise from increased share ownership by the Group's senior executives through PSP 2024/2027 outweighs the costs relating to the program.

B. Authorization for the repurchase of Series B shares

The Board of Directors proposes that the Annual General Meeting authorizes the Board, on one or more occasions, during the period until the next Annual General Meeting, to resolve on the repurchase of own shares of Series B in Trelleborg on Nasdaq Stockholm in accordance with the following conditions.

1. Series B shares may only be repurchased on Nasdaq Stockholm.
2. A maximum of 45,000 Series B shares may be acquired to ensure delivery of shares to participants in PSP 2024/2027.
3. Series B shares may only be purchased at a price within the share price interval prevailing at the time on Nasdaq Stockholm, that is to say, the interval between the highest buying price and the lowest selling price that are continuously published on Nasdaq Stockholm.
4. Payment for repurchased own shares shall be made in cash.
5. The Board may decide on other conditions for the repurchase of own Series B shares.

The purpose of the proposed repurchasing authorization is to ensure delivery of shares and associated costs, such as social security contributions, for PSP 2024/2027.

C. Resolution on the transfer of own Series B shares

In order to fulfil the Company's obligations related to participants in PSP 2024/2027, the Board proposes that the Annual General Meeting resolves that the Company transfers own Series B shares as follows:

1. No more than 45,000 Series B shares may be transferred.
2. The right to acquire Trelleborg's Series B shares, free of charge, shall, with deviation from the shareholders' preferential rights, be reserved for such individuals within the Trelleborg Group who are participants in PSP 2024/2027. Furthermore, subsidiaries of Trelleborg shall, with deviation from the shareholders' preferential rights, have the right to acquire Trelleborg's Series B shares, free of charge, after which such a company is obliged, in accordance with the conditions of PSP 2024/2027, to transfer the shares to such individuals within the Trelleborg Group who are participating in PSP 2024/2027.
3. The transfer of Trelleborg's Series B shares shall be free of charge at the time when, and in line with other conditions, participants in PSP 2024/2027 are entitled to receive shares, i.e. expected in the 2027 fiscal year.
4. The Board may decide on the other conditions for the transfer of own Series B shares.

The reason for the proposed deviation from the preferential rights of the shareholders, is that the transfer of own shares forms one part of establishing PSP 2024/2027. The Board is of the opinion that the establishment of PSP 2024/2027 will benefit the Company and shareholders since participants are given an opportunity to own shares in the Company.

In the event that the required majority cannot be obtained for the acquisition and transfer of own shares to participants in PSP 2024/2027 as outlined above, the Company intends to hedge the financial exposure of PSP 2024/2027 and the delivery of shares in accordance with the conditions of PSP 2024/2027 by entering into a share swap agreement with a third party, whereby the third party in their own name is to acquire and transfer Series B shares to participants in accordance with the conditions of PSP 2024/2027.

Majority rules, etc.

The Board proposes that resolutions according to items A, B and C above shall be made by the Annual General Meeting as separate decisions. The proposals under items B and C pertaining to the proposals on the acquisition and transfer of own Series B shares shall be conditional on the resolution of the Annual General Meeting in accordance with item A on the establishment of PSP 2024/2027 and vice versa.

The resolution of the Annual General Meeting on the establishment of PSP 2024/2027 as above requires a majority of more than half of the votes cast at the Annual General Meeting. The validity of the decision to authorize the Board to acquire own shares on Nasdaq Stockholm as outlined above requires the support of shareholders representing not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting. The validity of the decision to transfer own shares to participants in PSP 2024/2027 as outlined above requires the support of shareholders representing not less than nine-tens of both the votes cast and the shares represented at the Annual General Meeting.

Preparing the proposal

PSP 2024/2027 was initiated by Trelleborg's Board and drawn up in consultation with external advisors. The program was prepared by the Board's Remuneration Committee and addressed at Board meetings. Peter Nilsson, President and CEO and Board member, who may participate in the proposed PSP 2024/2027, did not take part in preparing the matter.

Other

The Company currently has no outstanding share-related incentive programs.

The Board of Directors' reasoned statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act has been issued.

Trelleborg in March 2024
The Board of Directors of Trelleborg AB (publ)