

SUSTAINABILITY REPORT 2018



TRIOPLAST

SUSTAINABILITY REPORT 2018

**TRIOPLAST PUBLISHES AN ANNUAL SUSTAINABILITY REPORT,
WHICH SUMMARIZES THE SUSTAINABILITY WORK OF THE
PREVIOUS YEAR.**

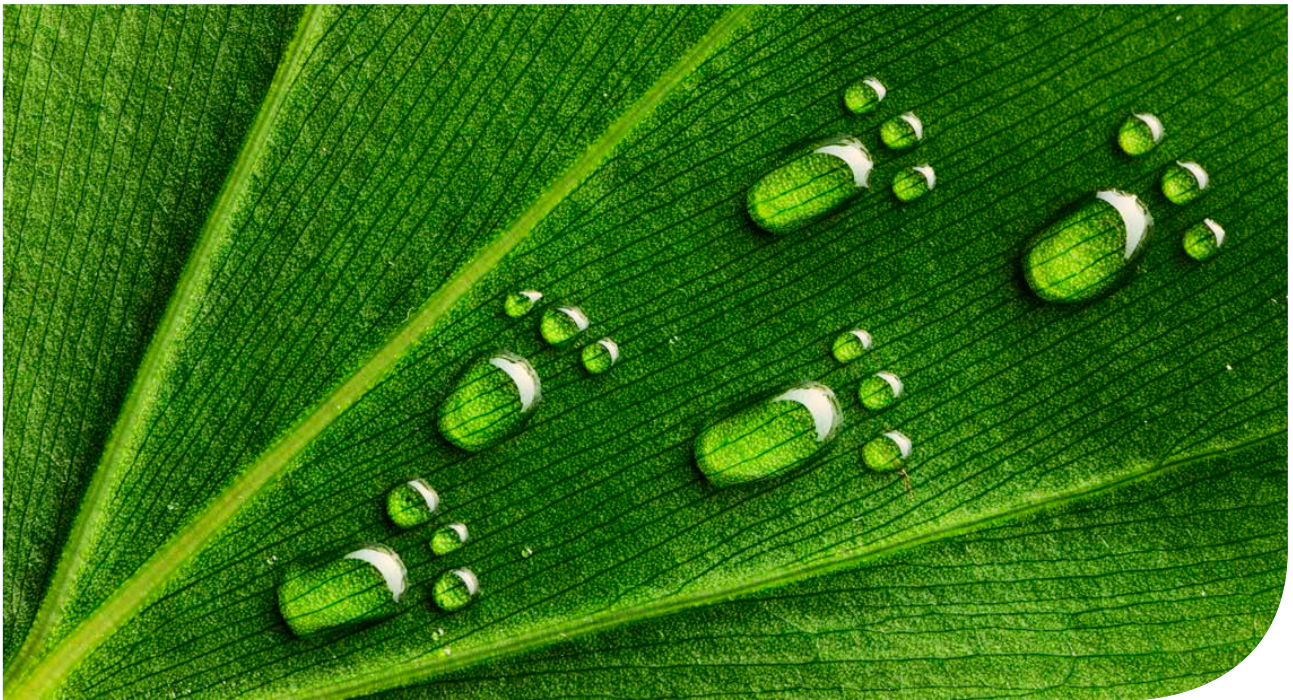
Transparent communication is important to us and our Sustainability Report includes the whole group's sustainability progress and activities. We continuously work to provide a more sustainable product offering for all market requirements and focus particularly on recycling and reducing consumption of raw material. Sustainability is an integral part of what we do – we strive to achieve a minimal impact on the environment – We Are There.



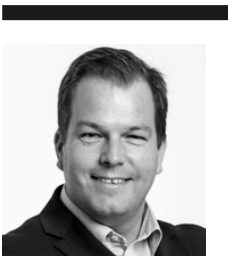
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1. STATEMENT FROM THE CEO



Andreas Malmberg,
President and CEO

Our commitment to sustainability has never been more relevant than it is today when the world is facing various global environmental challenges. As a leading player in sustainable plastic solutions, I see real opportunities for Trioplast to partner up with customers, suppliers and colleagues in the business, to tackle these challenges together. We feel strongly that a movement is emerging. People are increasingly concerned and want to increase the speed in their environmental journey – and we are there to assist.

WE HAVE DEMONSTRATED that sustainability is a very important driver for investments and innovation – and contributes to the success of our business. In recent years, Trioplast has invested in top-of-the-line equipment to be able to produce high-performance products with reduced consumption of raw material and developed technologies to use recycled plastics to a very high degree. One example is the innovative sustainable carrier bag for groceries, that we now sustainable produce with up to 92%

post-consumer recycled content.

I am excited by the year ahead when we will introduce our updated sustainability strategy with ambitions and commitments leading to 2030. These steps are not just critical for the future-proofing of our business – they are also what the world needs today.

Andreas Malmberg,
President and CEO

2. EXECUTIVE SUMMARY



SUSTAINABILITY REPORT

The following Sustainability Report satisfies the requirements set out in the Annual Accounts Act. In addition, Trioplast has opted to prepare a separate Sustainability Report, which is published on the Company's website.

Sustainability information

During 2018, Trioplast continued to integrate sustainability as a key aspect of its operations. An innovation strategy in combination with sustainability has been developed and will be implemented during 2019

Vision and mission

Driven by our customers' present and future needs, we constantly strive to be the obvious choice with regard to sustainable polyethylene film-based solutions.

To promote a more sustainable society, we offer products and services where account is taken of ethical considerations, the environment and human rights.

CSR policy

Trioplast applies the Corporate Social Responsibility policy in issues relating to sustainability. The policy can be summarized as follows. Trioplast will:

- Assume responsibility for the societal impact of our operations.
- Integrate human rights, environment, social responsibility and anti-corruption into our day-to-day operations.
- Evaluate, be innovative and develop our business model, products and services to ensure sustainable operations.
- Ensure compliance with legislation and the UN Global Compact in our value chain.
- Work actively to be a long-term partner and employer.

Trioplast examines its sustainability work through a range of activities, including the use of the EcoVadis evaluation system for internal processes and evaluation of suppliers. Other examples are the self-evaluation form and membership of different organizations. Details of the examination process are presented in the separate Sustainability Report.

Materiality assessment

The materiality assessment has been conducted according to GRI Standards and forms the basis for deciding which areas will be prioritized. We have used different sources in order to identify relevant areas for our stakeholders, including media monitoring, new laws and directives, political trends regarding our field of operations, sector organizations, environmental organizations, the UN Sustainable Development Goals (SDG) and our markets. Based on this analysis, Trioplast has opted to focus on external monitoring, involvement in groups related to the creation of regulatory frameworks, as well as standardization within environmental aspects.

A more detailed presentation can be found in the separate Sustainability Report.

RESULTS OF THE CSR POLICY

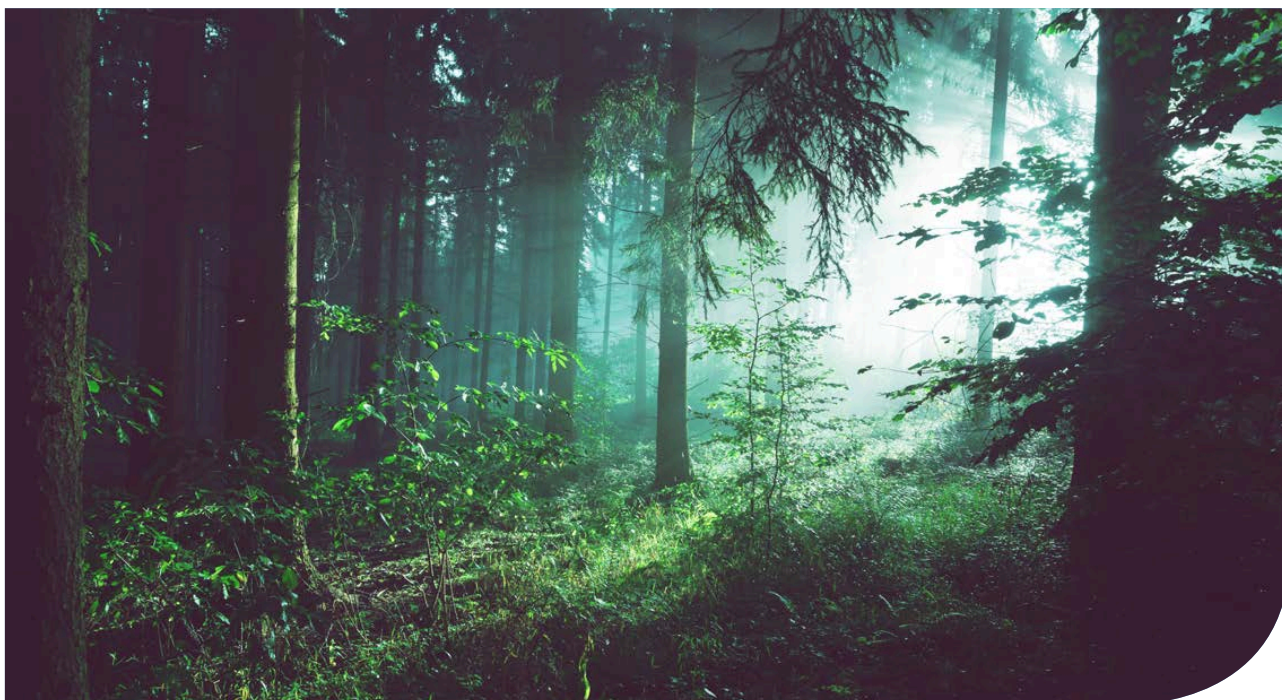
Health and safety

- Health and safety are top of the agenda at all internal meetings.
- Enhanced safety awareness, among other things through training programmes: Workshops, Better Work Environment
- Follow-up and activities to reduce the number of accidents at the workplace.
- A work environment audit at all units.

Training of employees and ongoing improvements in production processes are central if we are to achieve our goal of being a good, safe workplace

Society

- We support a number of causes, including cancer research, as part of our social responsibility, and we also sponsor local sports associations.
- We are a member of the United Nations Global Compact initiative, and we ensure compliance with our Code of Conduct.



Environment

- We work to ensure chemicals are handled safely, and we carry out risk assessments for all chemicals.
- We have a long-term plan for how we will develop sustainable, climate-smart product solutions.
- We conduct environmental and sustainability training programmes.
- We carry out life cycle assessments, we measure carbon dioxide emissions, and we focus on reducing energy use.
- We have a leading role in the global development of standards regarding mechanical and chemical recycling. In addition, we have a broad-based level of involvement in standardisation within environmental aspects.

At Trioplast, polyethylene waste is a valuable source of raw material. All production waste generated in-house is recycled and used in the manufacturing of new products. We also purchase polyethylene waste externally to increase the reuse of plastic. This offers both environmental and economic benefits by reducing the need to purchase new raw materials and reducing the emission of greenhouse gases.

Sustainable enterprise

- Trioplast's CSR information can be found on the Sedex and EcoVadis websites.
- We establish sustainable, long-term relationships with our customers.
- We constantly improve our level of service, quality and communication in our endeavour to be a long-term business partner.

Key performance indicators

In order to assure our sustainability process, Trioplast has opted to measure and monitor the following areas.

Key sustainability performance indicators

1. LTAR – Lost working time resulting from accidents at work in relation to the time worked.
2. Energy consumption – Total energy consumption in relation to the volume of approved production.

Key sustainability performance indicators	2018	2017
LTAR	5.4	5.6
Energy consumption (kWh/kg)	0.89	0.89

Key activities during the year

Trioplast has:

- Continued to develop new, thinner products to reduce the use of raw materials.
- Developed products with a higher proportion of recycled polyethylene.
- Continued to optimize the sorting of purchased polyethylene waste to improve reuse.
- Performed internal environmental and quality audits.
- Marketed pink and blue silage film to promote cancer research.
- Run health and safety training programmes for employees at all units.

3. ABOUT THIS REPORT



This report has been prepared in accordance with the GRI Standards: Core option. We have chosen to comply according to GRI Standards in order to be transparent in our sustainability work going forward.

The report refers to the calendar year 2018 for Trioplast Industrier AB and its subsidiaries:

Divisions	STRETCH FILM	INDUSTRIAL FILM	HYGIENE FILM	CARRIER BAGS
Product lines	<ul style="list-style-type: none"> • Pallet stretch film • Agricultural film • Refuse sacks • Building and covering film 	<ul style="list-style-type: none"> • FFS film • Stretch hoods • Shrink film • Forest industry film • Refuse sacks • Bags and sacks 	<ul style="list-style-type: none"> • Embossed film • Breathable film • Laminates • Blown film • Film with high-quality printing • Bags for hygienic purposes 	<ul style="list-style-type: none"> • Plastic carrier bags for food retailers
Units	<ul style="list-style-type: none"> • Trioplast AB • Trioplast France SAS 	<ul style="list-style-type: none"> • Trioplast Nyborg A/S • Trioplast Sifab AB • Trioplast Fjugesta AB • Ekoplast Emballage AB • Mo Industri AB 	<ul style="list-style-type: none"> • Trioplast Landskrona AB • Trioplanex International AB • Trioplanex France SAS 	<ul style="list-style-type: none"> • Bengt Lundin AB

Sales companies (in addition to the sales offices at each factory)

Trioplast OY <i>Finland</i>	Trioplast LTD <i>UK</i>	Trioplast GMBH <i>Germany</i>	Trioplast AS <i>Norway</i>	Trioplast Lundin AS <i>Norway</i>
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In 2015, we started work on the Trioplast sustainability strategy with the intention of collecting and summarizing the Group's various projects.

It also meant that in 2016 we produced a short Sustainability Report with the intention of communicating our CSR policy, vision and mission and our sustainability KPIs. We made an early decision to follow GRI G4 for the 2017 report. For the 2018 report, we have upgraded to follow GRI Standards.

The latest Sustainability Report was summarized in the annual report for the calendar year 2017 and was based on GRI G4.

A summary of this report is included in the annual report for 2018.

Boundaries outside the organization: A selected group of stakeholders have participated creating the knowledge base for this Sustainability Report. Boundaries within the organization: Sales companies have been excluded.

Please contact Innovation, Sustainability & CSR Director Kristin Geidenmark Olofsson (kristin.olofsson@trioplast.com) regarding questions about the Trioplast Sustainability Report.

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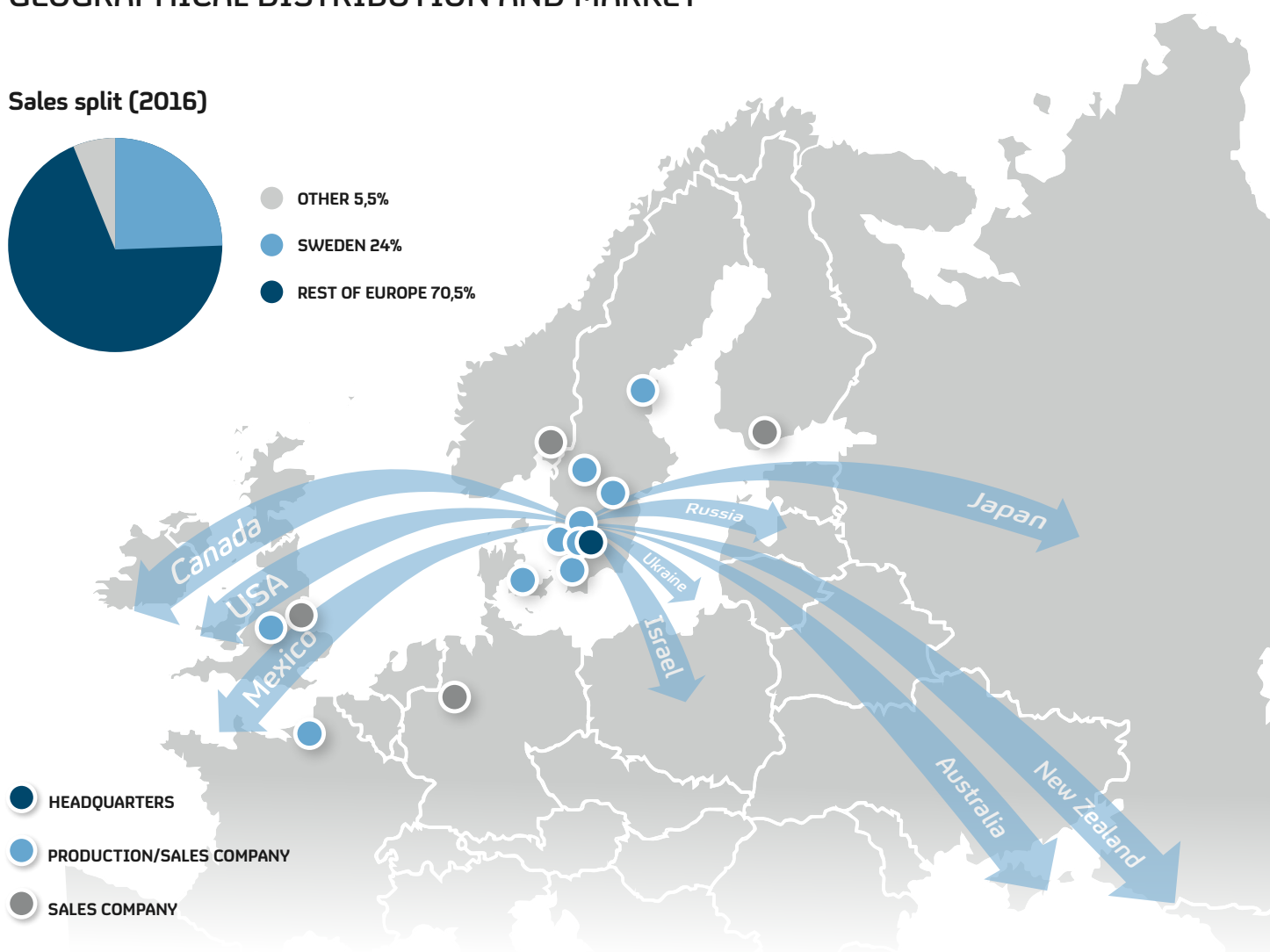
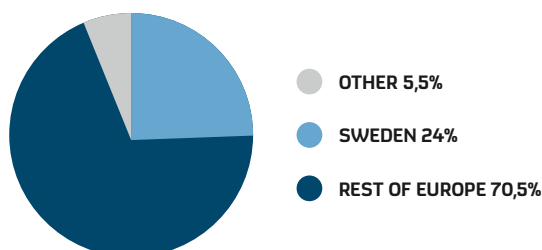
4. ABOUT TRIOPLAST



Trioplast is an industrial group with approximately 1,000 employees and a turnover of SEK 4.3 billion. The Group is one of Europe's leading players in innovative and cost-efficient packaging solutions based on polyethylene film. The company's registered office is in Smålandsstenar in Sweden. It operates production facilities in Sweden, Denmark and France and sells its products to a global market. The principal owner of Trioplast is Altor Fund IV AB.

GEOGRAPHICAL DISTRIBUTION AND MARKET

Sales split (2016)



TRIOPLAST develops, produces and distributes film and packaging material for use in a variety of industries and businesses – agriculture, farming, hygiene and medical, construction, energy and waste handling to name only a few. Our market position today is mainly due to our long-term relationships and active dialogue with customers and partners. Quite simply, we grow together, and the result is a customer offering that is not only adding value such as sustainable optimized products, product quality and high service level, but also provides new innovative solutions based on our market's needs.

Over the years, we have developed an competence base in all our fields of application – thanks to being close to the markets we are active in. Our expertise enables us to create efficient and customized solutions for our customers. Our production units are spread around Europe, which means we are often close to the customer. This creates good conditions for the relationship and exchange of knowledge that are so important for developing business, both for the customer and for Trioplast as a supplier.

4:1. VISION

Driven by our customers' present and future needs, we constantly strive to be the first choice regarding sustainable polyethylene film-based solutions.

4:2. MISSION

We are an integral part of our customers' competitive edge. We deliver sustainable superior products at the highest service levels.

We do this through world-class manufacturing, best-in-class sourcing, and the industry's best value-based sales and marketing.

We focus on our chosen core markets with our core products.

4:3. TRIOPLAST CSR POLICY

At Trioplast we will:

- Assume responsibility for the societal impact of our operations.
- Integrate human rights, environment, social responsibility and anti-corruption into our day-to-day operations.
- Evaluate, be innovative and develop our business model, products and services to ensure sustainable operations.
- Ensure compliance with legislation and the UN Global Compact in our value chain.
- Work actively to be a long-term partner and employer.

4:4. CORE VALUES

Reliable, Long-term and Active – shall run as a common theme though the organization to remind us of what we promise our customers. By incorporating added value into our brand, we ensure our own profitability and Trioplast's future.

RELIABLE

- We are accessible and maintain a high level of service and expertise with local support for customers.
- We are experts in our fields and have a sharp focus on our partnerships with customers and other stakeholders.
- We understand the importance of persisting until challenges are resolved.
- We are honest and responsible and have an open and close dialogue with the customer in order to deliver the most functional and profitable solutions.
- We are aware of our environmental responsibility and thus focus on recycling and supporting ideas to create a circular economy.
- We always put work and product safety first, and make sure no one is injured at their workplace through the use or delivery of our products.

LONG-TERM

- We create strong and long-term relationships with customers, employees and other stakeholders.
- Our global approach means that while we are global in how we conduct business, we are on-site locally, near our customers in their markets.
- We monitor the market and participate in, and lead, product development for the medium and premium segments.
- Our goal is to be a long-term, financially strong and independent cutting-edge company.
- We are an attractive employer and we future-proof our employees by constantly maintaining and improving their skills.
- We take corporate social responsibility now and in the future.

ACTIVE

- We are active in everything we do; we constantly seek new information and welcome new knowledge.
- We are flexible and take a fresh approach in order to be able to continuously present innovative solutions that entail improvements for our customers, our surroundings, and ourselves.
- Our innovative capacity shall not only be evident in our products, but also in how we market and sell them.
- Our communication is professional and creates value, and we market the company via the channels that are relevant for our target groups. We are proud innovators who show our ability and desire to continue to develop for a sustainable future.

4:5. GOVERNANCE STRUCTURES

Trioplast's Group Management Team is responsible for the governance of the entire Trioplast group. Trioplast is run through a decentralized organizational structure with four divisions having full responsibility for their respective profit &

loss and balance sheets. Synergies identified across divisional boundaries are captured through Councils, in which participants come from each division.



4:6. ORGANIZATION

Trioplast is a group of four divisions: Stretch Film, Industrial Film, Hygiene Film, and Carrier Bags.

We offer our customers value-adding products together with high-quality solutions, functionality and environmental awareness. Trioplast has close relations with its surrounding stakeholders – as suppliers and machine manufacturers, and through active research, we drive innovation and development within our markets.

Each division has its own unique conditions in which to evolve and become financially sustainable in the long term. However, the common foundation for everything we do is still based on our fundamental core values: Reliable, Long-term and Active.

4:7. OUR DIVISIONS



STRETCH FILM

Manufactures and markets packaging stretch films for palletizing and for agricultural applications such as bale wrap, silage film and net replacement film. In addition, the Stretch Film division produces refuse bags made from recycled polyethylene (PCR).



CARRIER BAGS – BENGT LUNDIN

Manufactures and markets carrier bags and refuse bags for the Nordic region. Functional, durable and eco-friendly carrier bags are produced for grocery chains and retailers.



INDUSTRIAL FILM

Manufactures and markets packaging films, mainly for industrial and transport packaging. The product range includes a number of industrial film products, including shrink film, FFS (Form Fill Seal) and stretch hoods. In addition, the Industry Division produce refuse bags made from recycled polyethylene.



HYGIENE FILM

Manufactures and markets cast extruded film, embossed multilayer or breathable film, as well as blown film, that can be supplied with 8-colour printing and bag converting. The division also offers lamination capability for non-woven applications, including printing. Products range from hygiene and medical applications to diverse packaging for the hygiene and food segments.

TIMELINE

THE JOURNEY FROM LOCAL TO GLOBAL ACTOR

- 2018** · Altor Fund IV to acquire Trioplast Industrier AB
- 2017** · New division structure in the Group for increased customer focus and clearer product offering
- 2016** · Divestment of Ekmans Jönköping AB, as part of focus on our core business
- 2015** · Divestment of shares in the joint venture company, Triomada, as part of focus on our core business
- 2007** · Acquisition of Ekoplast Emballage AB, Mo Industri AB and Extruding Pac i Glimåkra AB
- 1999** · Acquisition of Trioplast France
- 1997** · Acquisition of Trioplast Sifab AB and Trioplast Nyborg A/S
- 1995** · Acquisition of Trioplanex France SAS
- 1994** · Acquisition of Bengt Lundin AB
- 1993** · Acquisition of factory in Smålandsstenar (integrated into Trioplast AB)
- 1985** · Acquisition of Ekmans Jönköping AB
- 1984** · Trioplast Industrier AB is founded (the Group's new parent company)
- 1980** · Trioplanex International AB is founded as a base for hygiene film operations
- 1978** · Acquisition of Trioplast Landskrona AB
- 1965** · Trioplast AB is founded by Vilhelm Larsson



1965

2018

5. MAJOR INVESTMENTS



The group has made significant investments in recent years. Approximately SEK 690 million has been invested over the past five years, mainly in Stretch Film (for efficient material usage through downgauging) to achieve long-term, high-end production at our factories.



2014

TRIOPLAST AB:

- New building
- Material handling system

2015

TRIOPLAST AB:

- 2 new IPS blow lines

2016

TRIOPLAST AB:

- Centralized packaging
- New warehouse
- New agri blow line

2017

TRIOPLAST AB:

- 2 refuse bags blow lines

BENGT LUNDIN AB:

- New blow line

2018

TRIOPLAST NYBORG AS:

- New stretch hood line

TRIOPLANEX INTERNATIONAL AB:

- Upgraded cast line

6. RISKS AND OPPORTUNITIES



For the global development of the plastic industry in general, and for single-use products in particular, it is essential to monitor legislation and trends in order to be able to adapt. Through this, we have defined risks and opportunities.

Topic	Risk	Opportunity	Action
Directive or fee-based influence to increase use of recycled material	Not having the products developed to meet demand	Develop portfolio in advance	Define and implement strategy of product portfolio
Regulatory demands	Risk of losing business segments due to demands that we cannot meet	Ability to be prepared through engagement	Engagements in selected associations
Political and environmental	Reduction of plastic through legislation	Define alternative business model	Define and implement strategy of product portfolio
Health and safety	Our employees' health	Create a safe work culture through broad engagement	Safety week with continuous follow up
Supply of raw material	Lack of material in selected areas	Being able to provide best-in-class products	Secure long-term contracts in selected fields



7. TRIOPLAST SUSTAINABILITY MANAGEMENT



7:1. MATERIALITY- AND STAKEHOLDER ANALYSIS

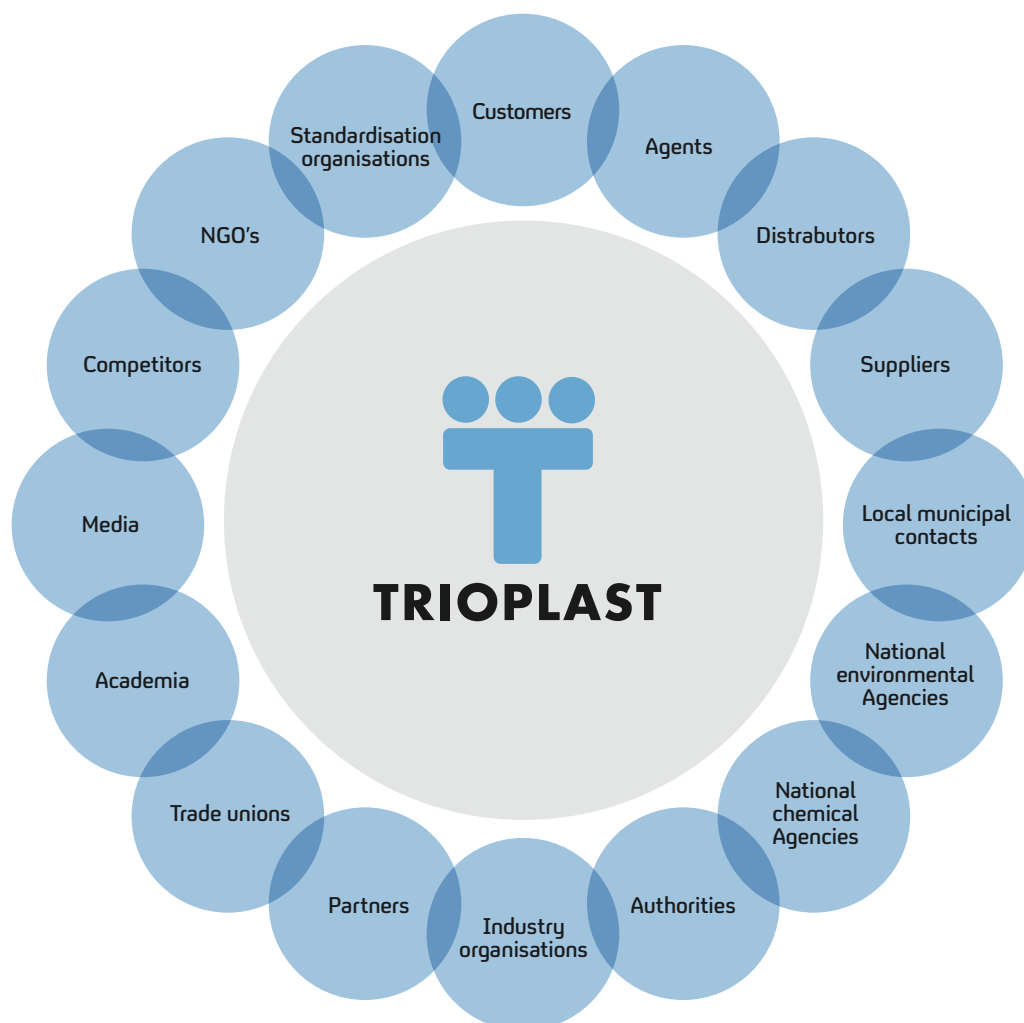
At Trioplast, we continuously monitor our stakeholders' areas of interest and concerns, for example within environment, work environment and energy consumption. In view of global and local changes in political regulations for the plastic industry, we consider business intelligence as one of the most important monitoring tasks going forward. We initiated more structured activities in this area in 2018.

We have defined our stakeholders in accordance with the GRI Standards structure.

For the 2018 Sustainability Report, we have identified two focus areas after input from our stakeholders: sustainable products and safety at work.

Internal stakeholders are defined as

- owners
- employees





EXTERNAL STAKEHOLDERS

At Trioplast, we continuously monitoring our stakeholder's areas of interest and concerns, for example within environment, work environment and energy consumption. With the changes in the political regulations for the plastic industry globally and regionally we consider business intelligence as one of the most important tasks to monitor going forward. During 2018 we initiated more structured activities in this field.

Our stakeholder analysis identified the following topics of high importance:

- Sustainable products
- Safety at work
- Circular plastics – recycling and renewable
- Plastics in the environment
- Quality assurance
- Standardization within plastics and environmental aspects
- Regulations and legislation
- Research-based facts
- Competence in selected areas such as regulations
- Sustainability strategy with clear goals and policies

7:2. EMPLOYEE BENEFITS

All companies in the Trioplast Group have signed and follow collective agreements for employees. Most employee benefits are governed by these central agreements and there are several local collective agreements at each company that regulate additional employee benefits. All companies have an agreement with an external corporate healthcare services company.

Healthcare benefits are provided by most of the companies. Massage and recreational activities are subsidized. Work footwear, computer glasses and medical examinations are paid for by the company.

7:3. SOCIETY

We take social responsibility in several different ways. We actively sponsor research regarding breast, prostate and childhood cancer through our campaigns with pink, blue and yellow bale wrap together with pink refuse bags

We also provide an annual contribution to the Swedish Childhood Cancer Foundation at Christmas instead of Christmas gifts for our customers.

7:4. NUMBER OF EMPLOYEES

- 79% men and 21% women

Country	Number of employees 2017	Number of employees 2018
Sweden	663	663
UK	2	2
Finland	4	4
Denmark	169	165
Germany	9	9
France	171	166
Total	1018	1009

7:5. SUSTAINABILITY GOVERNANCE

In order to ensure our sustainability process, Trioplast has chosen to measure and follow up the following areas.

Sustainability KPIs:

1. LTAR – Lost working time resulting from accidents at work in relation to the time worked.
2. Energy consumption – Total energy consumption in relation to the volume of approved production.

Sustainability review

7:6. ECOVADIS

EcoVadis is the leading system for evaluating suppliers' environmental aspects, working conditions, business responsibilities and subcontractors. The system is used by multinational companies with high ethical ambitions to evaluate their supply chains.

Trioplast uses the EcoVadis sustainability rating platform for the assessment and grading of our sustainability management. This is partly for ourselves, but also for our suppliers.

The goal is to increase the average sustainability rating to Gold level. Today, we have the silver rating. EcoVadis uses recognized methods and standards such as Global Reporting Initiative, the UN Global Compact and ISO 26000 when evaluating companies.

7:7. SEDEX

The database provided by SEDEX (Supply Ethical Data Exchange) has been implemented by Trioplast since 2012 for internal risk management and follow-up of the code of conduct. SEDEX members use the database to store, share and report information on working conditions, health and safety, the environment and business ethics. By sharing the information with customers, Trioplast makes procedures for workplace checks and audits more efficient while also increasing transparency.

The SEDEX system contains a self-evaluation, consisting of a comprehensive questionnaire, and a risk assessment tool. The tool is based on an assessment of the risk data for the country and industry in question and the responses from the self-evaluation.

7:8 MEMBERSHIPS :

- UN Global Compact
- IKEM (Innovation and Chemical Industries in Sweden)
- IK (Industrievereinigung Kunststoffverpackungen e. V.)
- Graphics Companies
- SINF (Swedish Industrial Association)
- Normpack, Sweden
- EDANA (European Disposals and Nonwovens Association)
- SIS (Swedish Standards Institute)
- AFNOR (Association Française de Normalisation)
- CEN (Comité Européen de Normalisation)
- ISO (International Organization for Standardization).

In addition to these, Trioplast has several local engagements and memberships linked to certain sites.



8. RESULTS



A TRUE CIRCULAR ECONOMY – TRIOPLAST FOCUSES ON RECYCLED MATERIAL

At Trioplast, we think about the environment in everything we do. Every division, production unit and employee contribute to minimizing environmental impact. Remove, Reduce and Recycle are the keywords that remind us of our daily environmental tasks.



REMOVE

Using renewable raw material in our manufacturing of a product reduces our environmental impact significantly. Therefore, we are extra proud of our product Triogreen, which consists of renewable raw material. We are one of few companies in the world that can offer an alternative to the traditional polyethylene film. That makes us proud.



REDUCE

Together with our customers we work to optimize the use of material, packaging solutions and transport to keep our shared environmental impact to a minimum. We develop thinner and stronger products and use more and more recycled materials. We optimize transports by having a high filling level on the trucks. In this way we do not compromise on quality, function or our environment.



RECYCLE

We enjoy recycling. Therefore, we make sure to recycle all material in our production that is not delivered to our customers. We not only focus in recycling our own materials, we also recycle externally purchased material. It is our natural cycle.

8:1. SELECTED INITIATIVES FOR A MORE SUSTAINABLE FUTURE

- Trioplast processes approx. 200,000 tons of polyethylene, of which more than 50,000 tons is based on recycled material.
- Recycled feed stock comes from both PCR (Post-Consumer Recycled) and PIR (Post Industrial Recycled) waste streams, thereby significantly reducing the carbon footprint of the business.
- Trioplast partly uses CO₂-neutral electricity in most of our factories.
- Trioplast is constantly developing new technological solutions based on renewable alternatives such as the Triogreen brand, which makes Trioplast one of the very few companies globally that can offer polyethylene film manufactured using bio-based raw materials.
- A ground-breaking product for the environment – the climate-smart carrier bag (up to 80% recycled material) – is available in the Nordic region.
- Active engagement in local, regional and global environmental aspects through standardization groups, covering areas such as recycled polyethylene, bio-based polymers and nomenclature. Convenor of the ISO standardization group, Mechanical and Chemical Recycling.

8:2. INNOVATION AND SUSTAINABILITY – THE TRIOPLAST WAY

The switch from a linear to circular economy is happening fast in the plastics industry. In 2018, as a way to address this opportunity, Trioplast initiated, and to some extent implemented, a group-wide five-year strategic plan for innovation and sustainability.

The plan consists of several elements, with clearly defined KPIs:

- Increased use of recycled material
- Increased use of bio-based polyethylene
- Development of smart products
- Time to market

Our efforts will make Trioplast contribute more to sustainability, through true circularity and a reduced carbon footprint. Furthermore, our customers will also benefit through the Trioplast sustainable product offering. The review has been initiated and full implementation is planned for 2019.

As a part of our sustainable responsibility action plan, we have a broad engagement in order to actively participate in decreasing the environmental footprint.

8:3. RECYCLING

In its Plastic Strategy, the EU Commission has defined standardization as one of the most important paths to a circular economy. In order to stay informed and be able to influence the future of our industry, Trioplast has a broad engagement in standardization of environmental aspects.

Trioplast's engagement is on all levels – local, regional and global. We participate as expert in a number of standardization working groups, and are leading the international ISO group for Mechanical and Chemical Recycling. In our engagement we strive to drive the development of new standards in order to enable an increased circularity, with a focus on recycling.

SWEDEN (SIS)

Plastic and environmental Aspects

In the working group on environmental aspects of plastic, standards are developed in the areas of bio-based plastics, biodegradable plastics, carbon footprint and other environmental impacts, such as the characterization of plastic leakage (including microplastics), plastic recycling and resource efficiency (including circular economy).

Engagement: This is the ticket to all other working groups.

EUROPE (CEN)

Characterization of degradability

Definition of terms, vocabulary and means of identification regarding degradable plastics and the degradability of plastics. Standardization of test methods for the characterization of the degradability of plastics in various environments. Standardization of specifications for degradable plastics.

Engagement: To keep informed on developments in this material area.

Plastics recycling

Develop standards within plastic recycling.

Engagement: To direct the creation of relevant standards in order to increase the use of recycled plastics.

Biopolymers

Develop standards within bio-based and biodegradable polymers.

Engagement: To follow developments in this field.

ENVIRONMENTAL ASPECTS:

Strategic aspects and coordination of all standardization activities in the field of plastics relating to environmental aspects. The focus is on, but not limited to, bio-based plastics, biodegradability, carbon and environmental footprint, circular economy and resource efficiency, microplastics and plastics in the environment, recycling and waste management.

Engagement: To direct the creation of relevant standards in order to increase the use of recycled plastics.

GLOBAL (ISO)

Environmental aspects:

All standardization activities in the field of plastics relating to environmental and sustainability aspects. The focus is on, but not limited to, bio-based plastics, biodegradability, environmental footprint (including carbon footprint), resource efficiency (including circular economy), characterization of plastics leaked into the environment (including microplastics), waste management (including organic, mechanical and chemical recycling).

Engagement: To direct the creation of relevant standards in order to increase the use of recycled plastics

Vocabulary

Terminology, classifications and general guidance

Engagement: To direct the creation of relevant standards in order to increase the use of recycled plastics

Biodegradability

(As the European group above)

Engagement: To keep informed on developments in this material area.

Bio-based plastics

(As the European group above)

Engagement: To keep informed on developments in this material area

Characterization of plastics leaked into the environment (including microplastics)

Standardization of plastic leaked into the environment

Engagement: This will eventually affect our industry and we need to be informed

Mechanical and chemical recycling (Convenor)

The working group addresses different types of recycling, including the corresponding preparatory activities, with a focus on mechanical recycling and chemical and/or feedstock recycling, but excluding biological and/or organic recycling, and energy recovery.

Engagement: To direct the creation of relevant standards in order to increase the use of recycled plastics.

8:4. SUPPLIERS

Almost everything that we source is raw material for our products. It is also an area in which we can make an impact by improving the way we and our suppliers work.

Trioplast sources from the global market. We source from suppliers that help to develop, and take a great responsibility for, the efficient use of the Earth's resources.

We maintain our market leadership through our sustainable products by taking advantage of the strengths of our supplier base. We focus on achieving results through deepened relationships and close technical cooperation with key partners.

8:5. QUALIFICATION OF SUPPLIERS

For raw material, new suppliers become qualified after approved product tests and a review of their processes and procedures through on-site audits. This is follow-up up in accordance with Trioplast's supplier assessment procedure.

8:6. TRANSPORT

At Trioplast, we optimize packaging so that it can be double-stacked. For some of our partners, we have developed special pallets, which further optimize the load. We also run an innovation project in which we replace carton with polyethylene to minimize the amount of air in the package. Using this solution, we can add another layer to the load in the vehicle. Our haulage contractors combine transportation to our customers with the return of plastic waste to Trioplast. This plastic waste is used to produce new eco-friendly products. In 2017, one of our largest freight carriers has invested in a fossil-free domestic mixed cargo system in which all approved vehicles will switch in the first instance to HVO 100 fuel when access and capacity are available, or otherwise use high-blend fuels. The supplier's investment is expected to reduce CO₂ emissions by 50% and their ultimate goal is to reach a 90% CO₂ reduction when market conditions are optimal.

8:7. EXTENDED PRODUCER RESPONSIBILITIES (EPR)

Trioplast participates in a number of waste collection schemes across the regions and markets in which we are active. Most of the schemes concern the collection of agricultural plastic waste.

Trioplast is actively participating in the start up of new extended schemes, which in 2018 will include a scheme in Spain, through APE.

8:8. COOPERATION THE RECYCLING INDUSTRY

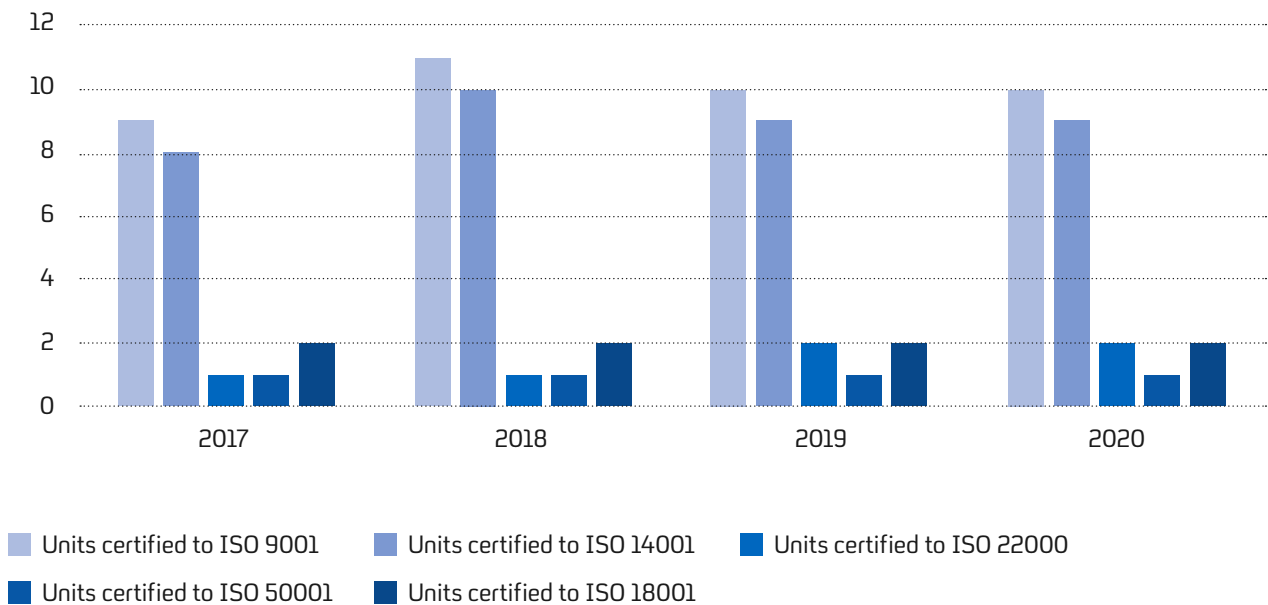
Trioplast protects the environment through our cooperation with the recycling industry, ensuring that the volume of re-granulate that we today cannot manufacture in our own recycling plants will be produced by our partners.

We have long-term cooperation with our recycling partners and we have developed the material to suit the right application to ensure that we meet our high-quality standards and reduce the carbon footprint for the product.

We continuously monitor the supplier market for developments in this field to secure the supply of post-consumer recycled material at the right quality for our products.

8:9. CERTIFIED MANAGEMENT SYSTEMS

Certified management systems are considered to be one of the pillars of Trioplast sustainability management and the introduction of the new ISO has started at all sites.



Reduction in the number of ISO 9001 and ISO 14001 certificates in 2019 due to the merger of Trioplanex International AB and Trioplast Landskrona AB

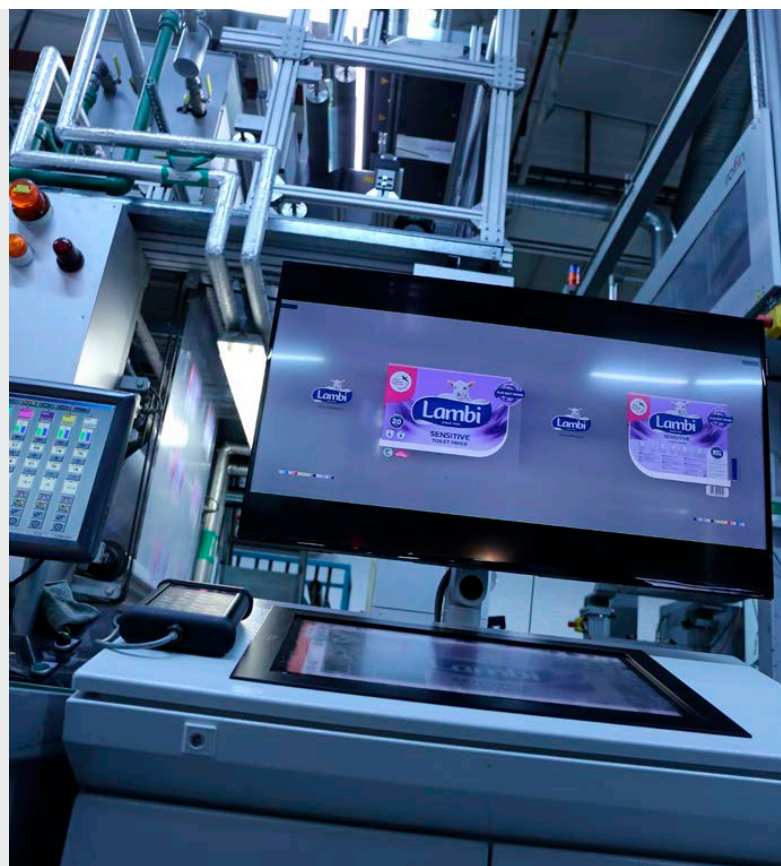


At Trioplast, we continuously update our management systems. All units were successfully certified in accordance with ISO 9001:2015 and ISO 14001:2015 in 2018.

Ekoplast Emballage AB was successfully certified in accordance with ISO 14001:2015 and ISO 9001:2015 in 2018.

In 2018, Trioplast AB in Smålandsstenar conducted an energy audit whose outcome will offer guidance for all Swedish sites. In the audit, areas with energy reduction potential were defined, to be used for future energy reduction. Examples of potential savings:

- Energy-efficient extruder motors
- Heat exchange from air compressors
- Replacement of luminaries



9. OBJECTIVES AND ACTION



9.1. GRI TOPIC: OCCUPATIONAL HEALTH AND SAFETY

Trioplast objectives	2018	2019	Boundary
Health and safety are at the top of the agenda in all internal meetings.	Sustainability work continues to prioritize health and safety in all internal meetings.	Maintain the on-going health and safety communication in internal meetings.	Trioplast
Enhanced safety awareness, through training for example	All new employees will attend an introductory safety course.	Maintain awareness through continued communication, safety training and other activities.	Trioplast
Follow-up and activities to reduce the number of accidents in the workplace.	Work environment reviews at all sites.	Work environment reviews at all sites and follow up progress and processes.	Trioplast
Training of employees and improvements in production processes to achieve our goal of being a good, safe workplace.	WCM – World Class Manufacturing and LEAN, upgraded and modified version	Continued improvements as part of WCM	Trioplast

9.2. GRI TOPIC: CHARITY

Trioplast Objectives	2018	2019	Boundary
We contribute to a number of activities in society, including, but not limited to, cancer research. We also sponsor local sports associations.	Together with distributors and end customers, Trioplast has donated SEK 2.0 million from sales of pink, blue and yellow agri stretch film plus SEK 110 thousand from sales of pink refuse bags to fund cancer research. Local community involvement.	We will continue with the same activities as in 2018.	Trioplast customers
We are a member of the UN Global Compact initiative and we ensure compliance with our Code of Conduct.	Became a member of the UN Global Compact initiative in January 2017. Progress is reported annually	An update on progress will be published in 2019. Implementation of stakeholder agreement to follow the Trioplast Code Of Conduct.	Trioplast Relevant stakeholders



9:3. GRI TOPIC · ENVIRONMENT

Trioplast Objectives	2018	2019	Boundary
We installed filter traps to ensure that polyethylene granulate does not contaminate the surface water system.	Operation Clean Sweep partly implemented	Continue implementation of filter traps for granules	Trioplast
Develop sustainable, climate-smart product solutions.	Setting sustainable innovative strategy including use of renewable raw material, recycled polyethylene and downgauging	Implementation of sustainable product platform, including branded product portfolio, LCA and full information package	Trioplast Customers
We conduct life cycle assessments.	Investment in life cycle assessment tool.	Added tool and LCA expertise resource. Offer the service to customers for their individual products	Trioplast Customers
Trioplast CSR information can be found on the SEDEX and EcoVadis websites.	Trioplast Industrier AB is connected to EcoVadis and was graded at the Silver level for 2018.	Continue reporting and raise EcoVadis grading to the Gold level.	Trioplast Customers
We establish sustainable, long-term relationships with our customers.	Extended communication with our customer segment through WE ARE magazine, news updates on trioplast.com, and rolling out of Trioplast LinkedIn.	In our sustainable product portfolio package, we will offer customized cross-functional sustainability training	Trioplast Customers



9:4. HEALTH AND SAFETY

A good work environment is the foundation for having motivated and committed employees. We want an organization in which employees develop and feel good. Therefore, health and safety are at the top of the agenda in all internal meetings. We continuously increase safety awareness by training initiatives such as E-learning and BAM (Better Work Environment). We report LTAR and incidents, and follow up the planned work environment activities. The Group has introduced a work environment audit as well as a Trioplast Safety Award.

Providing information and training for employees, following up on activities, and continuous improvement of production processes are important for achieving our goal of having a safe and healthy work environment. This is done within the framework of World Class Manufacturing.

9:5. SAFETY ACTIVITIES

Trioplast has a team of representatives from selected positions within the Group that conducts an annual work environment audit at each site. The results identify the best performing site, which is then awarded the Trioplast Safety Award.

In 2018 an exception was made. Instead of a series of audits, a Safety Week was arranged at all sites.

The Safety Week included all units in the Trioplast Group. The purpose was to raise awareness, achieve full engagement and get all employees involved in the improvement of our work environment.

The week included both health and safety activities. Some of the activities were common to all the units, organized by the Group, while other activities were site-specific and organized locally.

Common to all sites was the task of making "safety observations". Instructions on how to make and discuss the observations were distributed and employees were encouraged to look out for anything that can improve safety for people working at Trioplast. The overall purpose of the safety observations was to create a safety culture in which employees talk about safety on a daily basis. Other activities included posters, educational meetings on different topics and watching educational films.

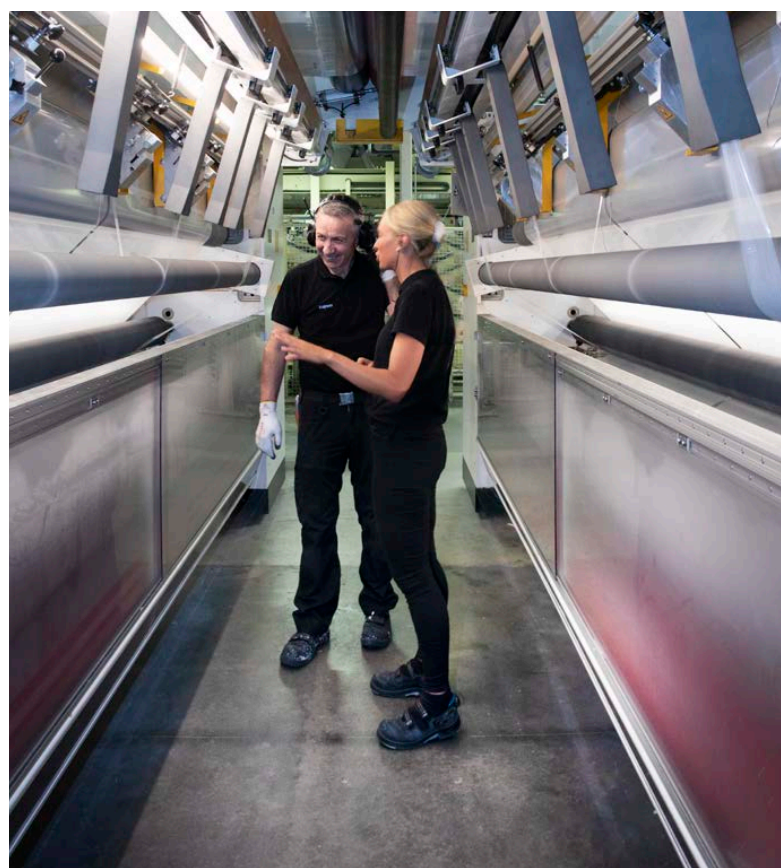
9:6. LOCAL COMMUNITY INVOLVEMENT

We have a number of ongoing projects such as on-the-job training and introductory programs. One example is an initiative at Trioplast Nyborg, where for several years employees with reduced working capacity have been hired for a range of less demanding roles. Nyborg also runs an on-the-job training scheme in which Trioplast supports the municipality by providing programs lasting for up to 13 weeks.

School classes are always welcome to visit our production units for introductory sessions and plant tours. Many people visit us as part of their studies for degree projects or special projects. We also welcome companies for reference visits.

Our sponsorships include Bladet Handicapdræt and Handicap Posten in Denmark. We also sponsor an environmental manual that is used in teaching at primary and lower secondary schools.

We sponsor several local associations, especially those in which our employees and their families are engaged.





9:7. 'WE ARE PROUD' – PINK, BLUE AND YELLOW FOR INCREASED CANCER RESEARCH

The idea for the colourful bales came originally from the Trioplast distributor Agpac in New Zealand, where the campaign started in 2014. The pink bales, which fund breast cancer research, and the blue bales, which support prostate cancer research, were then introduced in large parts of Europe. We are very proud of the cooperation with our distributors, farmers and entrepreneurs all over the world, which has contributed a total of approximately SEK 6.8 million (excluding refuse bags) to local charities. The pink bales have now been supplemented with pink refuse bags, which also support breast cancer research.

The Swedish Breast Cancer Association (BRO) is one of many organizations that receive part of the collected funds from the pink bales and refuse bags.

"We are happy and grateful for the commitment and contribution from Trioplast and the Swedish farmers. It increases our chances of helping those who are affected by breast cancer, among other things through grants for research, rehabilitation efforts and, not least, support and advice for the affected people," says Marit Jensen, Secretary General of BRO.

The latest step in Trioplast's charity work is yellow bales in support of childhood cancer research. The yellow plastic was launched in Australia and New Zealand in 2017, and in Norway and Sweden during 2018.

Trioplast's pink refuse bags generated a donation grant of approximately SEK 110,000 in 2018.

Life cycle analyses and calculations of carbon footprint
In 2018 the decision was taken to invest in the software Sima-Pro to enable internal calculations of Life Cycle Analysis. The goal is to:

- During product development being able to optimise the environmental footprint
- Provide comparative data between reference products and sustainable products
- Offer our customers Life Cycle Assessment of their specific products, according to agreement

Previously, life cycle assessments have been carried out on three different qualities of bale wrap: TRIOWRAP, TRIOPLUS 2000 and TRIOPLUS HP.

9:7. LIFE CYCLE ASSESSMENT (LCA)

In 2018, the decision was taken to invest in Sima-Pro software to enable internal calculations for life cycle assessments. The goal is to:

- Enable optimization of the environmental footprint during product development.
- Provide comparative data between reference products and sustainable products.
- Offer our customers life cycle assessment of their specific products, according to agreement.

Previously, life cycle assessments have been conducted on three different qualities of bale wrap: TRIOWRAP, TRIOPLUS 2000 and TRIOPLUS HP.



9:8. ENERGY CONSUMPTION

As part of the aim to continuously reduce environmental impact, Trioplast has partially switched to renewable energy in the company's production units. The conversion of plastic products is a relatively energy-intensive activity, and the change to renewable energy therefore has a very positive effect on the environment.

In addition to the fact that Trioplast directly reduces its environmental impact through actively choosing carbon-neutral energy, we are also proud to contribute to the development and expansion of renewable energy, which in turn generates considerable benefits for the environment.

Due to this decision, a proportion of the energy that Trioplast now uses comes from naturally renewed energy sources. These include wind power, solar power derived from the sun's radiation, and hydro power, which is renewed naturally via a closed system. Renewable energy is produced with as little impact on the environment as possible, as it is not associated with high carbon dioxide emissions.

9:9. ZERO PELLET LOSS

As part of our CSR strategy, it was decided in November 2017 that Trioplast should work towards the 'zero pellet loss' objective. To achieve this goal, Trioplast has chosen to implement the Operation Clean Sweep program.

This means that, first and foremost, we will:

1. Assess Trioplast's situation and needs
 - Completed in 2018.
2. Make required upgrades in facilities and equipment as appropriate
 - Implemented in some plants. Planned for the rest.
3. Raise employee awareness and create accountability
 - Action for 2018-2019
4. Follow up and ensure procedures are adhered to.

As a first step, all Trioplast gullies in close proximity to pellet handling must be secured with sieves and pellet separators.

9:10. UN GLOBAL COMPACT

Trioplast is a part of the world's largest sustainability initiative – the United Nations Global Compact program. The aim of the initiative is to create and promote the development of international principles on human rights, labour, environment and anti-corruption.

Communication on Progress – How Trioplast applies the UN Global Compact

The UN Global Compact is a sustainability initiative in which companies support and respect ten principles in the areas of human rights, labour, environment and anti-corruption.



United Nations
Global Compact



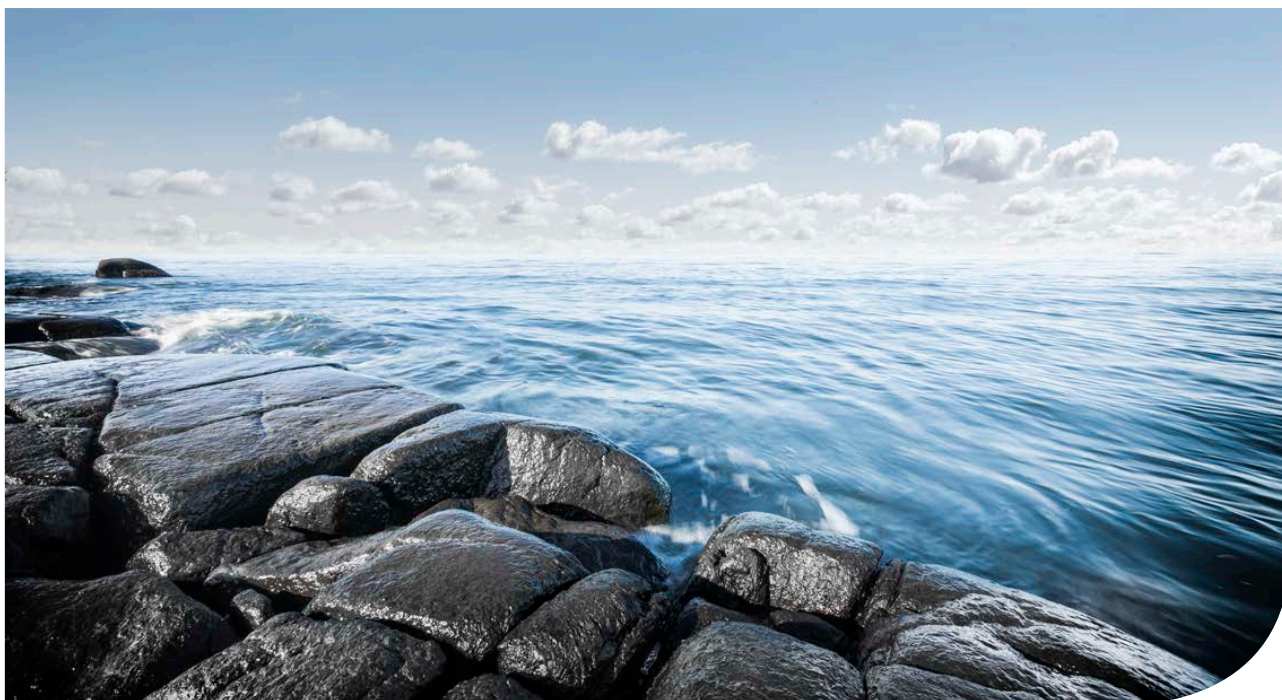
HUMAN RIGHTS

Principle	Objective	Description/ verification	Target	Results and progress
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Through our Code of Conduct	Trioplast has the following goals for 2018-2020: All employees shall understand and comply with the Trioplast Code of Conduct. Establish supplier approval process through updated supplier audit template with CSR, regulatory and environmental information. Suppliers with a purchase volume over EUR 100,000 shall sign a Supplier Code of Conduct or equivalent.	Development of CSR policy and supplier audits. Signing of Supplier Code of Conduct by suppliers has been initiated.
2	Make sure that businesses are not complicit in human rights abuses.			<p>Code of Conduct All employees at Trioplast shall know and understand the guidelines in the code as well as the core values that the code is based on. They shall follow the code, help others to do the same, and report deviations from the code. The Trioplast Code of Conduct is based on internationally accepted principles and values.</p> <p>The Purchasing Process includes Approval and follow-up of our suppliers to ensure that they comply with our requirements for suppliers.</p>



LABOUR

Principle	Objective	Description/ verification	Target	Results
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	All employees are covered by collective agreements in Sweden, France and Denmark. Local trade unions are present at all sites and are represented on company boards.	All employees are entitled to be covered by collective agreements in Sweden, France and Denmark.	Continuing with freedom of association.
4	The elimination of all forms of forced and compulsory labour	Every supplier with a purchase volume over EUR 1 million must sign a Supplier Code of Conduct	At the end of 2019, all suppliers with a larger purchase volume than EUR 1 million shall sign the Trioplast Supplier Code of Conduct.	Some suppliers with a purchase volume over EUR 1 million have signed the Trioplast Supplier Code of Conduct.
5	The effective abolition of child labour			
6	The elimination of discrimination in respect of employment and occupation	We comply with the current legislation of the countries in which we operate. Though our Code of Conduct, the Purchasing Process and freedom of association.	Trioplast has the following goals for 2018-2020: All employees shall understand and comply with the Trioplast Code of Conduct Establish supplier approval process through updated supplier audit template with CSR, regulatory and environmental information. Suppliers with a purchase volume over Euro 1 million shall sign a 'Supplier Code of Conduct'	Development of CSR policy, decision made on group-wide sustainability education and continuing with supplier audits



ENVIRONMENT

Principle	Objective	Description/ verification	Target	Results
7	Businesses should support a precautionary approach to environmental challenges	Trioplast is working to ensure that all units are certified in accordance with ISO 14001. Trioplast's environmental policy is the basis for our environmental management work. The work we do to ensure compliance with REACH and other relevant legislation. We actively engage in the collection of agricultural plastic waste through involvement in EPR systems. Through our environmental policy and CSR policy, and the decision to invest in LCA software.	Trioplast has the following goals for 2019-2020: Group-wide sustainability education with information about CSR policy as well as overall environmental education that will highlight our environmental aspects. Launch sustainable product portfolio for all divisions, including LCAs and information package	Development of CSR policy. Plan for life cycle assessment.
8	Undertake initiatives to promote greater environmental responsibility.			
9	Encourage the development and spread of environmentally friendly technologies	We work on downgauging and new sustainable materials in the form of re-granulates and renewable raw materials Though our innovation projects together with our innovation and sustainability strategy	Trioplast has the following goals for 2019-2023: KPIs for increased usage of <ul style="list-style-type: none"> recycled polyethylene renewable-based polyethylene downgauging in all divisions 	Monthly follow up on set KPIs



ANTI-CORRUPTION

Principle	Objective	Description/verification	Target	Result
10	Anti-corruption Businesses should work against corruption in all its forms, including extortion and bribery.	The Competition Compliance policy and clarifying documents are reviewed annually and signed by employees involved in purchasing and sales, and those in the company's executive positions. This also applies to other staff members who have regular external contacts. The process and the signed documents are handled by the managing directors of each Trioplast legal entity. Through our Competition Compliance policy.	Trioplast has the following goals for 2019-2020: All affected employees shall sign and follow the previously-mentioned policy.	Signed and agreed Competition Compliance policy for relevant employees

10. GRI STANDARDS

NUMBER	DISCLOSURE	PART
GRI 101: Foundation 2018 and GRI 102: General Disclosures (Core)		
ORGANISATIONAL PROFILE		
102-1	Name of the organisation	3
102-2	Activities, brands, products and services	4
102-3	Location of headquarters	4
102-5	Ownership and legal form	4
102-6	Markets served	4
102-7	Scale of the organization	4
102-8	Information on employees and other workers	7:4
102-9	Supply chain	8:4
102-10	Significant changes to the organization and its supply chain	4:7
102-11	Precautionary Principle or approach	3
102-12	External initiatives	7:8
102-13	Membership of associations	7:8
STRATEGY		
102-14	Statement from senior decision-maker	1
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	4:3, 4:4
GOVERNANCE		
102-18	Governance structure	4:5
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	7:1
102-41	Collective bargaining agreements	7:2
102-42	Identifying and selecting stakeholders	7:1
102-43	Approach to stakeholder engagement	7:1
102-44	Key topics and concerns raised	6
REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	4
102-46	Defining report content and topic Boundaries	3
102-47	List of material topics	3
102-48	Restatements of information	9
102-49	Changes in reporting	3
102-50	Reporting period	3
102-51	Date of most recent report	3
102-52	Reporting cycle	3
102-53	Contact point for questions regarding the report	3
102-54	Claims of reporting in accordance with the GRI Standards	10
102-55	GRI content index	10
102-56	External assurance	*
TRIOPLAST OWN TOPICS GRI 103: MANAGEMENT APPROACH		
201-2	Financial implications and other risks and opportunities due to climate change	6
203-1	Infrastructure investments and services supported	8:7
301-2	Recycled input materials used	8:8
302-1	Energy consumption within the organization	9:9
306-2	Waste by type and disposal method	8:8
403-2	Hazard identification, risk assessment, and incident investigation	9:1
403-3	Occupational health services	7:2
403-4	"Worker participation, consultation, and communication on occupational health and safety"	9:1
403-5	Worker training on occupational health and safety	9:1
403-9	Work-related injuries	9:4
413-1	Operations with local community engagement, impact assessments, and development programs	9:6

* See separate financial report



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